FINAL
MUNICIPAL SERVICE REVIEW UPDATE
AND SPHERE OF INFLUENCE PLAN
FOR THE
RICHVALE SANITARY DISTRICT

ADOPTED JULY 1, 2010

PREPARED BY THE
BUTTE LOCAL AGENCY FORMATION COMMISSION
# Final Municipal Service Review Update and Sphere of Influence Plan for the Richvale Sanitary District

**Adopted July 1, 2010**

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1.0 INTRODUCTION

1.1 LAFCO
Established in 1963, Local Agency Formation Commissions (LAFCO) are responsible for administering California Government Code Section 56000 et. seq., which is known as the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (CKH). CKH charges LAFCOs with encouraging the orderly formation and development of all local governmental agencies in their respective counties in a manner that preserves agricultural and open-space lands, promotes the efficient extension of municipal services, and prevents urban sprawl. Principle duties include regulating boundary changes through annexations or detachments, approving or disapproving city incorporations; and forming, consolidating, or dissolving special districts. There is a LAFCO located in each of the 58 counties in California.

1.2 BUTTE LAFCO POLICIES AND CRITERIA FOR ANNEXATION
Under the CKH Act, LAFCOs are required to “develop and determine the sphere of influence of each local governmental agency within the county and enact policies designed to promote logical and orderly development of areas within the sphere” (Section 56425, CKH). A Sphere of Influence (SOI) is generally considered a 20-year, long-range planning tool, and is defined by Government Code Section 56425 as “. . . a plan for the probable physical boundary and service area of a local agency or municipality . . . .” According to the CHK Act, LAFCOs are required to review and update SOIs as necessary, but no less than once every five years.

Pursuant to Butte LAFCO’s Operations Manual Policies and Procedures (Revised May 6, 2010), the Sphere of Influence Plans for all government agencies within LAFCO’s jurisdiction shall contain the following:

1. A map defining the probable 20-year boundary of its service area delineated by near-term (<10 years) and long-term (>10 years) increments and coordinated with the Municipal Service Review.
2. Maps and explanatory text delineating the present land uses in the area, including, without limitation, improved and unimproved parcels; actual commercial, industrial, and residential uses; agricultural and open space lands; and the proposed future land uses in the area.
3. The present and probable need for public facilities and services in the sphere area. The discussion should include consideration of the need for all types of major facilities, not just those provided by the agency.
4. The present capacity of public facilities and adequacy of public services which the agency provides or is authorized to provide.
5. Identification of any relevant social or economic communities of interest in the area.
6. Existing population and projected population at build-out of the near- and long-term spheres of the agency.
7. A Municipal Service Review.
1.3 MUNICIPAL SERVICE REVIEWS

The Cortese-Knox-Hertzberg Act requires that a Municipal Service Review (MSR) be conducted prior to, or in conjunction with, the update of an SOI. An MSR is a comprehensive analysis of service provision by each of the special districts, cities, and the unincorporated county service areas within the legislative authority of the LAFCO. It essentially evaluates the capability of a jurisdiction to serve its existing residents and future development in its SOI. The legislative authority for conducting MSRs is provided in Section 56430 of the CKH Act, which states “... in order to prepare and to update Spheres of Influence in accordance with Section 56425, LAFCOs are required to conduct a MSR of the municipal services provided in the County or other appropriate designated area . . . .”

To assist in conducting an MSR, the State Office of Planning and Research developed guidelines that advise on information gathering, analysis, and organization of the study. In order to update an SOI, the associated MSR must have written determinations that address the following legislative factors:

1. Growth and population projections for the affected area.
2. Present and planned capacity of public facilities and adequacy of public services, including infrastructure needs or deficiencies.
3. Financial ability of agencies to provide services.
4. Status of, and opportunities for, shared facilities.
5. Accountability for community service needs, including governmental structure and operational efficiencies.
6. Any other matter related to effective or efficient service delivery, as required by commission policy.

These determinations, which range from infrastructure needs or deficiencies to government structure options, must be adopted by the Commission before, or concurrently with, the sphere review of the subject agency.

The Domestic Water and Wastewater Service Providers Municipal Service Review was adopted by Butte LAFCO in 2006 (Resolution No. 55-M 2005/06), and which included a review of the Richvale Sanitary District. The MSR examined the services provided by the District and the information in the MSR provides baseline information for the SOI study. However, some of the information in the 2006 MSR is already dated. Thus, additional information from the District has been collected and various other land planning documents have been reviewed, including land use zoning maps and the Draft Butte County General Plan 2030, in order to provide the most current and accurate information available. To provide for a more coordinated process, the MSR Chapter for the Richvale Sanitary District has been updated and included as Section 3.1 of this document, and will be re-adopted as a part of this SOI Plan process.
1.4  **Sphere of Influence Plan Update Process**

Butte LAFCO is now in the process of updating the current SOI Plan for the Richvale Sanitary District (RSD or District). This document addresses the SOI update for the Richvale Sanitary District. RSD encompasses approximately 84.5 acres and includes the unincorporated community of Richvale. The District is proposing to add five parcels totaling approximately 20 acres to their Sphere of Influence and then annex those parcels into their district boundaries.

There are numerous factors to consider in reviewing an SOI Plan, including current and anticipated land uses, facilities, and services, as well as any relevant communities of interest. Updates generally involve a comprehensive review of the entire SOI Plan, including boundary and SOI maps and the District’s MSR. In reviewing an agency’s sphere, the Commission is required to consider and prepare written statements addressing four factors enumerated under California Government Code Section 56425(e). These factors are identified below.

- The present and planned land uses in the area, including agricultural and open-space lands.
- The present and probable need for public facilities and services in the area.
- The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
- The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

In addition, when reviewing a sphere for an existing special district, the Commission must also do the following:

- Require the existing district to file a written statement with the Commission specifying the functions or classes of services it provides.
- Establish the nature, location, and extent of any functions or classes of services provided by the existing district.

1.5  **California Environmental Quality Act**

Sphere of Influence Studies are subject to environmental review under the California Environmental Quality Act (CEQA) and a Negative Declaration was prepared and adopted by the RSD for the SOI amendment and annexation. As indicated above, an SOI is a long-range planning tool that analyzes the physical boundary of a local agency or jurisdiction, and the present and probable need for services within that area. As such, it does not give property inside the sphere boundary any more development rights than already exist. Ultimately, an SOI study assists LAFCO in making decisions about a jurisdiction’s future boundary. The sphere indicates the logical area in which the District anticipates services will be utilized.
**2.0 DISTRICT DATA SHEET**

**DATA SHEET**

**RICHVALE SANITARY DISTRICT**

Contact: Gary Stone  
Title: Chair  
Address: P.O. Box 1, Richvale, CA 95974  
Phone: (530) 521-1667

**GOVERNING BOARD**

Richvale Sanitary District Board of Directors, consisting of five members elected at large who serve four year terms.  
Board Meeting Location: Richvale Café (5287 Midway, Richvale)  
Normal Board Meeting Date: Second Tuesday of each month at 8:00 a.m.

**FORMATION INFORMATION**

Date of Formation: 1946

**MAPPING**

GIS Date: July 1, 2010

**PURPOSE**

1. Enabling Legislation: Health and Safety Codes, Division 6, Part 1, Chapter 2  
2. Empowered Services: Operation and maintenance of wastewater collection, treatment, and disposal facilities.  
3. Provided Services: Operation and maintenance of wastewater collection, treatment, and disposal facilities.

**AREA SERVED**

1. Parcels: 145*  
2. Supervisorial District: 4  
3. Acreage: 104 Acres*  
4. Estimated Population: 244  
5. Location Description: Unincorporated community of Richvale  
6. Sphere of Influence: Coterminous with approved district boundaries.

**FINANCIAL INFORMATION**

Annual (2010) Revenues: $123,800  
Source of Revenues: Service fees, connection fees, interest, property tax allocation (1%)  
Annual Service Charges (2010): $365.00 per equivalent dwelling unit (EDU)  
Connection Charges (2010): $14,400

*Includes the area annexed to the District as approved by LAFCo on July 1, 2010
NOTES:

Number of Sewer Connections: 111
Number of Employees: 0
Wastewater treatment facility operator/maintainer: Southwest Water Company, c/o Kathy Stone,
P.O. Box 320, Corning, CA 96021; (530) 824-5863

Sanitary district powers (California Health and Safety Code Section 6512):
  • Garbage dump sites, garbage collection, and disposal systems;
  • Sewers, drainage, septic tanks and sewerage collection and disposal systems, outfall
treatment works, and other sanitary disposal systems;
  • Storm water drains and storm water collection, outfall and disposal systems, and water
reclamation and distribution systems; and
  • Water recycling and distribution systems.
The Municipal Service Review adopted by Butte LAFCO in 2006 provides the background and general analysis upon which this SOI Plan is based. Because a number of years have passed since the MSR was prepared, some of the information has become outdated. As part of the SOI study process, the MSR Chapter for Richvale Sanitary District (RSD) has been updated as follows in Section 3.1 to ensure that the Commission has the most current information for considerations regarding the appropriate SOI for the District. The MSR provided in this document supersedes the 2006 MSR.
3.1 District Characteristics

The Richvale Sanitary District (Richvale/District) is a small special district in the unincorporated Community of Richvale, which is located north of the City of Biggs and west of State Route 99 (see Figures 2-1 and 3-1). The District contracts with a private company (Southwest Water Company; contact: Kathy Stone, P.O. Box 320, Corning, CA 96021; (530) 824-5863) to furnish the District with services necessary for the proper maintenance and operation of its wastewater treatment plant facilities. The District is responsible for care and maintenance of the sanitary sewer collection lines.

<table>
<thead>
<tr>
<th>District Size:</th>
<th>85.5 acres</th>
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<tbody>
<tr>
<td>2010 Estimated Population Served:</td>
<td>244</td>
</tr>
<tr>
<td>Number of Sewer Connections:</td>
<td>111</td>
</tr>
<tr>
<td>Contact Address:</td>
<td>P.O. Box 1, Richvale, CA 95974</td>
</tr>
<tr>
<td>Services:</td>
<td>Wastewater collection, treatment, and disposal</td>
</tr>
<tr>
<td>Employees:</td>
<td>0</td>
</tr>
<tr>
<td>Date of Formation:</td>
<td>1946</td>
</tr>
<tr>
<td>Enabling Legislation:</td>
<td>Health and Safety Codes, Division 6, Part 1, Chapter 2</td>
</tr>
</tbody>
</table>

Figure 3-1 Richvale Sanitary District Area Map
3.2 GROWTH AND POPULATION PROJECTIONS FOR THE AFFECTED AREA

A. Population: Existing and Projected

The District encompasses approximately 85.5 acres, consisting of 139 parcels, most of which are developed with a single-family dwelling. The District provides wastewater collection and treatment services to approximately 111 mainly residential connections, with an estimated population of 244 individuals. For purposes of this analysis, the expected population growth in the District has been projected to the year 2030 (see Table 3-1) assuming an annual growth rate of 0.3%, which corresponds to the historic growth rate of the Richvale area as determined by the 1990 and 2000 U.S. Census counts. The Butte County Association of Governments (BCAG) has projected that the unincorporated areas of Butte County will grow at an average rate of 1.1 percent a year over the next 20 years. However, the BCAG projections appears to be unrealistically high for Richvale and will not be utilized for this MSR.

Table 3-1: Population Projections for the Richvale Sanitary District

<table>
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<tr>
<th></th>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Population Estimate</td>
<td>230</td>
<td>237</td>
<td>241</td>
<td>244</td>
<td>248</td>
<td>252</td>
<td>256</td>
<td>259</td>
</tr>
</tbody>
</table>

B. Land Use/Significant Growth Areas

Relatively little growth has been anticipated for this area. As shown in the previous section, the annual growth rate for Richvale has been approximately 0.3%, and the future growth rate for Richvale is expected to remain at this level.

The predominant land use within the District is single-family dwellings on relatively small parcels. The majority of the parcels within the District are designated Low Density Residential by the Butte County General Plan. Approximately 12.6 acres of the District are designated for commercial uses, although only 0.4 acres is actually zoned for commercial uses. Within the District, approximately 9 acres are designated for orchard and field crops with 10.4 acres zoned for those uses. Most of the agricultural land designated for agricultural uses consists of the District’s wastewater treatment facility and two parcels to the south of Richvale.

It should be noted that Butte County is currently in the process of updating its existing General Plan. There are no significant changes in land use densities and designations within the existing District boundaries. However, a 62-acre area to the west of the District is currently designated for low density residential uses but is proposed to be changed to an agricultural land use designation, which will significantly limit future growth potential in the Richvale area. Similarly, a 21-acre area to the north of the District is also designated for low density residential

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1Butte County Association of Governments, Butte Regional Growth Projections 2006 – 2030
2Estimate based on an annual population growth rate of 0.3%
3Public Review Draft Butte County General 2030, Figure LU-3

Municipal Service Review and SOI Plan Adopted July 1, 2010
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uses, but is proposed to be changed to an agricultural services land use designation. The 21-acre area, which consists of the Lundberg rice processing facility and seven undeveloped residential lots, is proposed to be added to the District’s sphere of influence to allow for future annexation. Additionally, the existing Public-Quasi Public designation for the District’s wastewater treatment facility is proposed to be changed to an agricultural land use designation.

**MSR DETERMINATION 3-1: POPULATION GROWTH**

| The population of the District is anticipated to grow at a rate of approximately 0.3% annually for the foreseeable future. |

**3.3 PRESENT AND PLANNED CAPACITY OF PUBLIC FACILITIES AND ADEQUACY OF PUBLIC SERVICES, INCLUDING INFRASTRUCTURE NEEDS OR DEFICIENCIES.**

A. Facilities

The District owns and operates a sanitary sewer system consisting of a wastewater collection system and a wastewater treatment facility. The District operates under Waste Discharge Requirements from the California Regional Water Quality Control Board, which was issued on December 9, 1994.4

The collection system, consisting of approximately 5.5 miles of pipe, has been almost completely replaced since the 1980’s, and almost all of the private sewer laterals have been inspected and replaced or repaired to prevent inflow and infiltration. The collected wastewater flows via gravity to the District’s wastewater treatment facility located approximately 0.9 miles southwest of Richvale. The wastewater treatment facility (Figure 3-2) consists of a large septic tank for solids removal and four facultative waste stabilization ponds in which the screened wastewater undergoes biological (aerobic and anaerobic) processes. In 2006 the District installed a sprinkler evaporation system for the wastewater ponds, which is used when the ponds reach 50% of their capacity to speed up evaporation of the wastewater. Water from the ponds is not allowed to be discharged to surface drainages. Removed solids and sludge are taken to the Neal Road Landfill for disposal. The treatment facility is a low-technology system that is in good condition. This type of pond treatment system does not require much maintenance.

The District’s sanitary sewer system has experienced significant amounts of infiltration and inflow (I&I), which resulted in a cease and desist order being imposed on the District by the RWQCB in 20005. To address the I&I problem, the District determined where I&I was impacting the system and as part of that process, all District customers were required to bring their private sewer lateral lines up to code. According to the District there are only seven remaining private sewer laterals to be replaced, which will be accomplished soon.

4 California Regional Water Quality Control Board, Central Valley Region, Order No. 94-361
5 California Regional Water Quality Control Board, Central Valley Region, Order No. 5-00-111
Since 2000, the District has made numerous repairs and improvements to the District’s wastewater treatment facility, including placing rocks along the most exposed ponds walls, and recently purchased a 15-acre parcel adjacent to their wastewater treatment facility that will allow for the future expansion of the wastewater ponds and/or an evaporation field if needed.

The District’s efforts to reduce I&I appear to be effective as shown by a significant decrease in wet and dry weather flows. The cease and desist order issued by RWQCB noted that District flows during November through January 1997/98 averaged approximately 80,000 gallons per day, and flows during the same months for 1999/2000 averaged 70,000 gpd. The District now has an average daily wet weather flow of approximately 30,000 gpd. The District reports that there was a decrease in annual system flows from years 2004 to 2005 (2004 – 15.2 million gallons per year, reduced to 10.5 million gallons per year in 2005), with a current annual system flow of approximately 7.9 million gallons per year.

The District is continuing its efforts to determine where I&I is entering their wastewater collection system and respond appropriately in an effort to have the cease and desist order lifted. The proposed annexation of the Lundberg rice processing facility to the District will facilitate the replacement of the District’s north lateral line, which, according to the District, would eliminate the last remaining source of I&I into the District’s collection system. To ensure that new development pays for capacity-related infrastructure improvements, the District increased its
sanitary sewer connection fee to $3,000.00 in 2003 and in 2007 raised the connection fee to $14,400.00 per EDU.

The District anticipates expending $23,900 for improvements to their wastewater collection and treatment facilities in 2010. This is similar to expenditures for infrastructure improvements over the past five years, which have ranged from $20,101 to $26,084.

The State Regional Water Quality Control Board requires that all wastewater treatment and conveyance agencies prepare and adopt a Sewer System Management Plan (SSMP). A SSMP is a comprehensive plan which includes provisions to provide proper and efficient management, operation, and maintenance of sanitary sewer systems, while taking into consideration risk management and cost benefit analysis. Additionally, a SSMP must contain a spill response plan that establishes standard procedures for immediate response to a sanitary sewer overflow (SSO) in a manner designed to minimize water quality impacts and potential nuisance conditions.

The SSMP documents an agency’s program to properly operate and maintain its sanitary sewer system. Each SSMP should address the following elements:

1) Goals  
2) Organization  
3) Legal Authority  
4) Operation and Maintenance Program  
6) Overflow Emergency Response Plan  
7) Fats, Oils, and Grease (FOG) Control Program  
8) System Evaluation and Capacity Assurance Plan  
9) Monitoring, Measurement, and Program Modifications  
10) SSMP Program Audits  
11) Communication Program.

Agencies are required to self-certify that the final SSMP and its constituent subparts are in compliance with the Sanitary Sewer Order (Water Quality Order No. 2006-0003) within the required time frames. Agencies are also required to obtain their governing board’s approval of the SSMP Development Plan and Schedule, and final SSMP at a public hearing prior to certification of the SSMP as complete and in compliance.

The District is required to adopt all of the SSMP elements by August 2, 2010. The District has adopted only three elements to date: Development Plan and Schedule; Section I – Goals; and Section II – Organization, all of which the District adopted on April 12, 2010. It may be difficult for the District to adopt all the required elements by the August 2 deadline.
The District’s collection system generally appears to be operating adequately, though a significant I&I problem during periods of wet weather resulted in a cease and desist order being issued by the California Regional Water Quality Control Board. The District has taken numerous steps to significantly reduce I&I in its sanitary sewer collection system and is continuing its efforts to determine where I&I is entering the system so that it can respond appropriately in an effort to have the cease and desist order lifted. The District’s pond treatment system is in good condition and the District owns an adjacent 15-acre parcel that could be developed with additional wastewater storage/evaporation ponds if needed.

The District is required to prepare and adopt a Sewer System Management Plan (SSMP) by August 2, 2010. The District has not yet adopted all of the SSMP elements. The District should expedite the preparation and adoption of all of the SSMP elements in order to comply with California Regional Water Quality Control Board requirements.

B. Capacity Analysis

In 2009, an average of 21,623 gallons per day (7.9 million gallons annually) of wastewater were collected and treated by the District. The District operates a pond treatment system that has a permitted flow of 30,000 gpd (gallons per day) ADDW (Average Daily Dry Weather) as reported by the Regional Water Quality Control Board (RWQCB). The maximum hydraulic capacity of the wastewater treatment facility is 80,000 gpd. The July 2009 wastewater treatment facility monitoring report provided by the District indicates an ADDW demand of 12,947 gpd. The District’s PWWF (Peak Wet Weather Flows) are typically in excess of 35,000 gpd. Table 3-2 shows the monthly and the average daily effluent flows for 2009.

The District indicated that no significant capacity issues associated with the collection system currently exist. The District’s wastewater treatment facility has the capacity to store any flows in excess of 80,000 gpd.
### Table 3-2  Richvale Sanitary District 2009 Wastewater Flows

<table>
<thead>
<tr>
<th>Month</th>
<th>Gallons per Month</th>
<th>Average Gallons per Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>January</td>
<td>1,072,793</td>
<td>34,606</td>
</tr>
<tr>
<td>February</td>
<td>1,439,449</td>
<td>51,409</td>
</tr>
<tr>
<td>March</td>
<td>1,083,996</td>
<td>34,968</td>
</tr>
<tr>
<td>April</td>
<td>497,079</td>
<td>16,569</td>
</tr>
<tr>
<td>May</td>
<td>595,160</td>
<td>19,839</td>
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<tr>
<td>June</td>
<td>524,780</td>
<td>16,928</td>
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<tr>
<td>July</td>
<td>401,364</td>
<td>12,947</td>
</tr>
<tr>
<td>August</td>
<td>392,814</td>
<td>12,671</td>
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<tr>
<td>September</td>
<td>366,883</td>
<td>12,229</td>
</tr>
<tr>
<td>October</td>
<td>449,448</td>
<td>14,498</td>
</tr>
<tr>
<td>November</td>
<td>398,550</td>
<td>13,285</td>
</tr>
<tr>
<td>December</td>
<td>670,780</td>
<td>21,638</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,893,096</strong></td>
<td><strong>21,623</strong></td>
</tr>
</tbody>
</table>

### MSR DETERMINATION 3-4: WASTEWATER CAPACITY

The District currently has the capacity to collect and treat the average daily dry weather wastewater demand produced within its boundaries. While the District’s permitted flow is sometimes exceeded during periods of wet weather the District’s wastewater treatment facility has sufficient capacity to store and treat the excess flows.

### C. Plans for Expansion/Upgrades

Other than addressing the I&I problem, the District does not currently have any specific plans for expansions or upgrades to the collection system or pond treatment system. The District recently purchased a 15-acre parcel adjacent to their wastewater treatment facility, which could be developed with additional storage/evaporation ponds should the need arise. As a part of the Lundberg Annexation, the District will be relocating and replacing an older sewer line, which is believed to be one of the last remaining sources of inflow and infiltration in the District’s wastewater collection system.

### MSR DETERMINATION 3-5: WASTEWATER FACILITIES EXPANSION/UPGRADES

There are currently no specific plans or need for capacity expansion of the District’s collection or treatment system. The District recently purchased a 15-acre parcel adjacent to the District’s existing wastewater treatment facility that could be developed with additional storage/evaporation ponds should the need arise.
3.4 FINANCIAL ABILITY OF AGENCIES TO PROVIDE SERVICES

The District’s Financial Statement and Independent Auditor’s Report for FYs 2005-08 and the 2010 annual budget were reviewed to determine fiscal viability, suitability of current funding practices, and potential fiscal impacts resulting from new legislation.

In accordance with Government Code Section 53901, every local agency shall file a copy of its annual budget with the County Auditor of the County in which it conducts its principal operations, unless exempted by the County Auditor, 60 days after the beginning of its fiscal year. District officials noted that the District is now operating on a calendar year, and budgets were submitted to the County in late 2005.

Proposition 218 restricts local government’s ability to impose assessment and property related fees and requires elections to approve many local governmental revenue raising methods. District officials noted that this legislation will have a negligible effect, as Sanitary Districts are exempt from the mandates of Proposition 218.

The 2005-08 audit noted no material weaknesses in financial reporting or operations. A material weakness is a condition in which one or more of the internal control components does not ensure accuracy in financial statements or provide adequate internal oversight.

The District has retained the services of a professional bookkeeping service to ensure that District finances are kept current. Up-to-date financial information is presented to the District Board at all of their meetings.

District assets include cash in bank accounts, interest receivable, and accounts receivable; liabilities include accounts payable and deferred revenue. Revenue comes from various sources, including user fees, annexation and connection fees, Butte County property taxes, and interest income. Revenues exceed expenditures, and are consistently set aside for capital improvement projects.

Table 3-3 below provides revenue and expense information for the District for 2005 through 2008.
Table 3-3  Richvale Sanitary District Revenue and Expenses, 2005-2008

<table>
<thead>
<tr>
<th></th>
<th>Years Ended Dec. 31</th>
<th>Six Months Ended Dec. 31</th>
<th>Years Ended June 30</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct Assessments</td>
<td>$50,481</td>
<td>$50,871</td>
<td>$20,379</td>
</tr>
<tr>
<td>Annexation &amp; Connection Fees</td>
<td>95,700</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>25,366</td>
<td>6,958</td>
<td>20,450</td>
</tr>
<tr>
<td>Interest</td>
<td>200</td>
<td>233</td>
<td>814</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>171,747</td>
<td>58,062</td>
<td>41,643</td>
</tr>
<tr>
<td>*<em>Expenses</em></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sewage collection</td>
<td>513</td>
<td>1,204</td>
<td>1,042</td>
</tr>
<tr>
<td>Sewage treatment</td>
<td>25,571</td>
<td>23,221</td>
<td>19,851</td>
</tr>
<tr>
<td>Administrative and general</td>
<td>20,584</td>
<td>24,226</td>
<td>7,009</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>234</td>
<td>1,775</td>
<td>3,182</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>46,902</td>
<td>50,426</td>
<td>31,084</td>
</tr>
</tbody>
</table>

*excludes depreciation costs

Revenues and expenses for 2010 are expected to be similar to past years, with expenses projected to be $47,225 and revenues of $123,800.

The District charges $365/EDU per year, and a connection fee of $14,400. Businesses and public users are charged based on size and usage. The rate schedule is re-evaluated as needed by the District.

The District used a general obligation bond ($150,000) during the 1980’s; the bond was paid off in 2004. In 2008, the District borrowed $53,100 from a private lender for the purchase of a 15-acre parcel adjacent to the District’s wastewater treatment facility. The note calls for payments of $13,275 plus interest at 5.5% to be made on June 1, 2009, 2010, 2011, and 2012.

**MSR DETERMINATION 3-6: FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES**

Rates are sufficient to cover the cost of providing related services. Any expansion or upgrades of District facilities will necessitate appropriate increases in rates to cover the costs of providing related services.
3.5 STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

The District’s sewage collection and treatment facilities are designed for its service area and do not offer opportunities to share facilities with other agencies or locales. There are no other wastewater treatment service providers in the area that could provide opportunities for shared facilities with the District.

**MSR DETERMINATION 3-7: STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES**

| The District’s sewage collection and treatment facilities are designed for its service area and do not offer opportunities to share facilities with other agencies or locales. |

3.6 ACCOUNTABILITY FOR COMMUNITY SERVICE NEEDS, INCLUDING GOVERNMENTAL STRUCTURE AND OPERATIONAL EFFICIENCIES

A Board of Directors is responsible for overseeing the operations of the District. Directors are elected by the voters within the District according to the Uniform District Election Law and serve four-year terms.

Each Board member receives $500 per year. The Board generally meets on the second Tuesday of each month at 8:00 a.m. at the Richvale Café. The Board is responsible for compliance with the provisions of the Brown Act and obtains legal services from the Minasian law firm. Meeting announcements are posted at the Richvale Café. Generally no members of the public attend Board meetings, though there have been meetings with up to five people. The District indicated that it tries to comply with the Brown Act, but that it does not seek to involve the public in its meetings. The District does communicate in written form on a regular basis. The District does not have a webpage where District information, such as meeting agendas and meeting minutes could be placed. However, the cost of creating and maintaining a webpage may be prohibitive due to the District’s limited income.

**MSR DETERMINATION 3-8: GOVERNMENT STRUCTURE AND LOCAL ACCOUNTABILITY**

| The District appears to have sufficient accountability and compliance in its governance, and public meetings appear to be held in compliance with Brown Act requirements. Information regarding the District appears to be available to members of the public. |

3.7 MANAGEMENT EFFICIENCIES

Management of the day-to-day operations of the wastewater treatment facility is contracted through a private firm, Southwest Water Company, which also helps to inform the District of changing laws related to the provision of its services. The District does not have any permanent full-time or part-time budgeted positions available or currently filled. The District is subject to
audits every three years and has adopted many of the recommendations from recent audits. With overall good financial and operational health, there does not appear to be any necessary structure changes necessary to ensure an efficient, long-term continuation of service provision by the District.

Budgets can be used as an indicator of management efficiency. According to information contained in the 2005-08 financial audit, the financial statements and accounting policies of the District conform with the generally accepted accounting principles applicable to governments. The Governmental Accounting Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

<table>
<thead>
<tr>
<th>MSR DETERMINATION 3-9: MANAGEMENT EFFICIENCIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>The current agreement with a private contractor for operation and maintenance of the District’s wastewater treatment facility appears efficient and appropriate given the nature of the service provided. The District’s latest financial audit stated that the financial statements and accounting policies of the District conform with the generally accepted accounting principles applicable to governments, indicating good management efficiencies.</td>
</tr>
</tbody>
</table>
### 3.8 SUMMARY OF MUNICIPAL SERVICE REVIEW DETERMINATIONS

<table>
<thead>
<tr>
<th>MSR DETERMINATION 3-1: POPULATION GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td>The population of the District may grow at a rate of approximately 0.3% annually for the foreseeable future.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MSR DETERMINATION 3-2: WASTEWATER FACILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>The District’s collection system generally appears to be operating adequately, though a significant I&amp;I problem during periods of wet weather resulted in a cease and desist order being issued by the California Regional Water Quality Control Board. The District has taken numerous steps to significantly reduce I&amp;I in its sanitary sewer collection system and is continuing its efforts to determine where I&amp;I is entering the system so that it can respond appropriately in an effort to have the cease and desist order lifted. The District’s pond treatment system is in good condition and the District owns an adjacent 15-acre parcel that could be developed with additional wastewater storage/evaporation ponds if needed.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MSR DETERMINATION 3-3: SEWER SYSTEM MANAGEMENT PLAN</th>
</tr>
</thead>
<tbody>
<tr>
<td>The District is required to prepare and adopt a Sewer System Management Plan (SSMP) by August 2, 2010. The District has not yet adopted all of the SSMP elements. The District should expedite the preparation and adoption of all of the SSMP elements in order to comply with California Regional Water Quality Control Board requirements.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MSR DETERMINATION 3-4: WASTEWATER CAPACITY</th>
</tr>
</thead>
<tbody>
<tr>
<td>The District currently has the capacity to collect and treat the average daily dry weather wastewater demand produced within its boundaries. While the District’s permitted flow is exceeded during periods of wet weather the District’s wastewater treatment facility has sufficient capacity to store and treat the excess flows.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>MSR DETERMINATION 3-5: WASTEWATER FACILITIES EXPANSION/UPGRADES</th>
</tr>
</thead>
<tbody>
<tr>
<td>There are currently no specific plans for capacity expansion of the District’s collection or treatment system. The District recently purchased a 15-acre parcel adjacent to the District’s existing wastewater treatment facility that could be developed with additional storage/evaporation ponds should the need arise.</td>
</tr>
<tr>
<td><strong>MSR DETERMINATION 3-6: FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES</strong></td>
</tr>
<tr>
<td>---</td>
</tr>
<tr>
<td>Rates are sufficient to cover the cost of providing related services. Any expansion or upgrades of District facilities will necessitate appropriate increases in rates to cover the costs of providing related services.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>MSR DETERMINATION 3-7: STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The District’s sewage collection and treatment facilities are designed for its service area and do not offer opportunities to share facilities with other agencies or locales.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>MSR DETERMINATION 3-8: GOVERNMENT STRUCTURE AND LOCAL ACCOUNTABILITY</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The District appears to have sufficient accountability and compliance in its governance, and public meetings appear to be held in compliance with Brown Act requirements. Information regarding the District appears to be available to members of the public.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>MSR DETERMINATION 3-9: MANAGEMENT EFFICIENCIES</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>The current agreement with a private contractor for operation and maintenance of the District’s wastewater treatment facility appears efficient and appropriate given the nature of the service provided. The District’s latest financial audit stated that the financial statements and accounting policies of the District conform with the generally accepted accounting principles applicable to governments, indicating good management efficiencies.</td>
</tr>
</tbody>
</table>
4.0 SPHERE OF INFLUENCE ANALYSIS

The Richvale Sanitary District encompasses most of the unincorporated community of Richvale, along with three non-contiguous parcels located to the southeast of Richvale. RSD’s SOI is coterminous with its District boundaries. The original sphere of influence (SOI) studies prepared for Butte County special districts were completed in 1985. However, these SOI studies did not include the Richvale Sanitary District and this SOI Plan will be the first one prepared for the District.

The District is proposing to add five parcels, totaling approximately 20 acres, to the District’s SOI (see Figure 4-4). Three of these parcels are already receiving sanitary sewer services from the District. The five parcels proposed to be added to the District’s SOI are:

<table>
<thead>
<tr>
<th>APN</th>
<th>Size (acres)</th>
<th>General Plan Land Use Designation</th>
<th>Existing Land Use</th>
</tr>
</thead>
<tbody>
<tr>
<td>029-110-039*</td>
<td>1.0</td>
<td>Low Density Residential</td>
<td>Agricultural Processing</td>
</tr>
<tr>
<td>029-110-038*</td>
<td>14.5</td>
<td>Low Density Residential</td>
<td>Agricultural Processing</td>
</tr>
<tr>
<td>029-155-003*</td>
<td>3.5</td>
<td>Commercial</td>
<td>Agricultural Processing</td>
</tr>
<tr>
<td>029-133-019</td>
<td>0.5</td>
<td>Low Density Residential</td>
<td>Undeveloped</td>
</tr>
<tr>
<td>029-133-020</td>
<td>0.2</td>
<td>Low Density Residential</td>
<td>Undeveloped</td>
</tr>
</tbody>
</table>

*Already receiving sanitary sewer service from RSD

As described in Section 1.4, LAFCO is required to consider and prepare written statements addressing the four factors enumerated under California Government Code Section 56425(e), including present and probable land uses in the area, present and probable need for public facilities and services, the present capacity of facilities and adequacy of services, and the existence of social or economic communities of interest. An analysis of each of these factors is provided in the following sections.

4.1 PRESENT AND PLANNED LAND USE

In order to achieve an accurate overview of the growth and development potential within the District, a number of factors need to be considered. The following factors, when considered together, reflect the existing development within the District, as well as provide a picture of existing development potential:

- Land use designations, including existing and any proposed changes
- Special land use limitations, including Williamson Act and designated open spaces
- Improved and unimproved parcels

State law requires every city and county in California to adopt and maintain a comprehensive and long-term General Plan that is to serve as a “blueprint” for land use and development. As the entirety of the District’s lands fall within the unincorporated areas of Butte County, these lands are under the County’s jurisdiction. Therefore, development is guided by the Butte County General Plan, which establishes the growth patterns and guides the future development of the area. More specifically, the County’s Zoning Code provides regulatory oversight and establishes future land uses.
Land Use Designations

The existing land uses within the District are predominantly low density residential, consisting of relatively small parcels within the unincorporated community of Richvale (Figure 4-1). The majority of the parcels within the District are designated Low Density Residential by the Butte County General Plan (Table 4-1). Approximately 12.6 acres of the District are designated for commercial uses, although only 0.4 acres is actually zoned for commercial uses. Within the District, approximately 9 acres are designated for orchard and field crops, with 10.4 acres zoned for those uses. Most of the agricultural land designated for agricultural uses consists of the District’s wastewater treatment facility and two parcels to the south of Richvale.

Butte County is currently in the process of updating its existing General Plan and the Draft General Plan 2030 has been released for public review. The land use map in the draft General Plan shows that there are no significant changes in the land use densities and designations within the existing District boundaries. However, a 62-acre area to the west of the District that is currently designated for low density residential uses is proposed to be changed to an agricultural land use designation, which would significantly reduce the potential for future residential development in the Richvale area. Similarly, seven undeveloped parcels within the District that are currently designated for residential uses are proposed to be changed to an agricultural services designation. In addition, a 15-acre area to the north of the District is also currently designated for low density residential uses is proposed to be changed to an agricultural services land use designation. This 15-acre area, which consists of the Lundberg rice processing facility, is proposed to be added to the District’s sphere of influence to allow for future annexation. Finally, the existing Public-Quasi Public designation for the District’s wastewater treatment facility is proposed to be changes to an agricultural land use designation. The proposed Butte County General Plan 2030 land use designations for the Richvale Area are shown in Figure 4-2.

<table>
<thead>
<tr>
<th>General Plan Land Use Designation</th>
<th>Acreage</th>
<th>Zoning</th>
<th>Acreage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Orchard and Field Crops</td>
<td>9.0</td>
<td>Commercial</td>
<td>0.4</td>
</tr>
<tr>
<td>Commercial</td>
<td>12.6</td>
<td>Agricultural</td>
<td>10.4</td>
</tr>
<tr>
<td>Low Density Residential</td>
<td>62.0</td>
<td>Public/Quasi-Public</td>
<td>10.8</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Agricultural-Residential</td>
<td>62.0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>83.6</strong></td>
<td><strong>Total</strong></td>
<td><strong>83.6</strong></td>
</tr>
</tbody>
</table>

Source: Butte LAFCO GIS.

---

6Draft Butte County General 2030, Figure LU-3
Figure 4-1  Existing Butte County General Plan Designations and Zoning

Richvale Sanitary District

LDR  
Butte County General Plan Designations

A-R  
Butte County Zoning

OFC

A-40

P-Q

Lofgren Rd

E. Canyon Rd

A-5

RSD Wastewater Treatment Facility
The Williamson Act, or the California Land Conservation Act of 1965, enables local governments, in this case Butte County, to enter into contracts with private landowners to preserve specific parcels of land for agricultural or related open space use. Numerous parcels near Richvale are currently under Williamson Act contract with the County. However, no parcels either within or adjacent to the District, or within the area proposed to be added to the District’s Sphere of Influence, are subject to Williamson Act contracts. Butte LAFCO Policy 3.1.11 provides guidance relative to the inclusion of lands that are subject to Williamson Act contract in SOIs. The Policy states that LAFCO shall not approve changes to SOIs to include Williamson Act lands if the annexing agency has the ability to provide infrastructure sufficient to promote development of those properties. Because there are no parcels under Williamson Act contracts within either the existing or proposed boundaries of the Richvale Sanitary District, this policy does not apply.

Improved and Unimproved Parcels

The majority of the parcels within the District are developed with single-family dwellings. There are only a few undeveloped parcels in Richvale, which based upon the existing zoning, could be developed with single-family dwellings. Approximately 62 acres of the District are designated for low-density residential uses, making up approximately 74 percent of the District’s lands. There are approximately 12 acres located within the community of Richvale that are designated for commercial uses. Most of the commercial area is developed with rice processing and storage facilities and is located at the junction of the Richvale Highway and Midway Road. There is a small area of commercial use in the northern area of the community that contains the Post Office and Richvale Café.
services from the District for many years. The two other parcels, which are 0.2 and 0.5 acres in size, are undeveloped but are zoned for residential uses. The District has adequate capacity to provide wastewater collection and treatment services to these two parcels when they are developed.

**SOI DETERMINATION 4-2: PRESENT AND PROBABLE NEED FOR PUBLIC SERVICES AND FACILITIES**

| The District has adequate capacity in both its wastewater collection system and its wastewater treatment facility to provide service to existing customers and to the limited amounts of future growth expected in the Richvale area. |

Municipal Service Review and SOI Plan
Richvale Sanitary District
Figure 4-3  Proposed Sphere of Influence Amendment for RSD
4.3  **PRESENT CAPACITY OF FACILITIES**

As indicated in the District’s Municipal Service Review, the District owns and operates a sanitary sewer system consisting of a wastewater collection system and a wastewater treatment facility. In 2009, an average of 21,623 gallons per day (7.9 million gallons annually) of wastewater were collected and treated by the District. The maximum hydraulic capacity of the District’s wastewater treatment facility is 80,000 gpd. The District’s Waste Discharge Requirements issued by the California Regional Water Quality Control Board permit an average daily dry weather (ADDW) flow of 30,000 gallons per day. The July 2009 wastewater treatment facility monitoring report provided by the District indicates an ADDW demand of 12,947 gpd. The District’s PWWF (Peak Wet Weather Flows) are typically in excess of 35,000 gpd.

The District indicated that no significant capacity issues associated with the collection system currently exist. The District’s wastewater treatment facility has the capacity to store any flows in excess of 80,000 gpd. As detailed in the MSR, the District was experiencing a significant amount of inflow and infiltration (I&I) into their collection system. To address the I&I problem, the District determined where I&I was entering their system and took corrective action, including making improvements to their wastewater treatment facility. The District’s efforts to reduce I&I appear to be effective as shown by a significant decrease in wet and dry weather flows.

**SOI DETERMINATION 4-3: PRESENT CAPACITY OF FACILITIES**

| The present capacity of District facilities is sufficient for the current population. The District has taken numerous measures recently to reduce inflow and infiltration into their system and has made improvements to their wastewater treatment facility. As the population increases over the next 20 years, additional facilities may be needed to meet the anticipated increase in demand for services. The District recently purchased a 15-acre parcel adjacent to the District’s existing wastewater treatment facility that could be developed with additional storage/evaporation ponds should the need arise. |

4.4  **SOCIAL AND ECONOMIC COMMUNITIES OF INTEREST**

The sole community center in the District is the unincorporated community of Richvale, a farming community of approximately 244 people. The Richvale community consists of residential areas, a café, an elementary school, church, fire department, post office, and several large rice processing facilities. There are no other social or economic communities of interest within the District. The nearest commercial centers to the community of Richvale are Oroville, approximately 10 miles to the east; Biggs and Gridley, approximately 10 miles and 12 miles to the south, respectively; and Durham, approximately 11 miles to the north.

**SOI DETERMINATION 4-4: SOCIAL AND ECONOMIC COMMUNITIES OF INTEREST**

| The only social and economic community within the District is the unincorporated community of Richvale, which is not expected to change substantially within the next 20 years. |
**SOI DETERMINATION 4-1: PRESENT AND PLANNED LAND USE**

| Little change in land uses within the District is anticipated over the next 20 years. There are no parcels within the District that are subject to a Williamson Act contract. |

**SOI DETERMINATION 4-2: PRESENT AND PROBABLE NEED FOR PUBLIC SERVICES AND FACILITIES**

| The District has adequate capacity in both its wastewater collection system and its wastewater treatment facility to provide service to existing customers and to the limited amounts of future growth expected in the Richvale area. |

**SOI DETERMINATION 4-3: PRESENT CAPACITY OF FACILITIES**

| The present capacity of District facilities is sufficient for the current population. The District has taken numerous measures recently to reduce inflow and infiltration into their system and has made improvements to their wastewater treatment facility. As the population increases over the next 20 years, additional facilities may be needed to meet the anticipated increase in demand for services. The District recently purchased a 15-acre parcel adjacent to the District’s existing wastewater treatment facility that could be developed with additional storage/evaporation ponds should the need arise. |

**SOI DETERMINATION 4-4: SOCIAL AND ECONOMIC COMMUNITIES OF INTEREST**

| The only social and economic community within the District is the unincorporated community of Richvale, which is not expected to change substantially within the next 20 years. |
5.0 FINAL SPHERE OF INFLUENCE PLAN ACTIONS

This Section includes the results of Butte LAFCO’s final actions on this SOI Plan for the Richvale Sanitary District.
Section 5.1 - Butte LAFCo Resolution of Adoption

RESOLUTION NO. 16 2009/10

ADOPTION OF MUNICIPAL SERVICE REVIEW UPDATE AND WRITTEN
DETERMINATIONS, AND ADOPTION OF A SPHERE OF INFLUENCE PLAN/UPDATE
FOR THE RICHVALE SANITARY DISTRICT

WHEREAS, a service review mandated by Government Code Section 56430 and a
sphere of influence update mandated by Government Code Section 56425 have been
conducted by the Local Agency Formation Commission of the County of Butte (hereinafter
referred to as "the Commission") for the Richvale Sanitary District in accordance with the
Sections 56000 et seq.), and

WHEREAS, at the times and in the form and manner provided by law, the Executive
Officer has given notice of the public hearing by the Commission on this matter; and,

WHEREAS, the Executive Officer, pursuant to Government Code Section 56428, has
reviewed this proposal and prepared a report, including his recommendations thereon, and has
furnished a copy of this report to each person entitled to a copy; and

WHEREAS, a public hearing by this Commission was called for July 1, 2010, and at the
time and place specified in the notice of public hearing; and,

WHEREAS, at the hearing, this Commission heard and received all oral and written
protests; the Commission considered all plans and proposed changes of organization,
objections and evidence which were made, presented, or filed; and all persons present were
given an opportunity to hear and be heard in respect to any matter relating to the proposal, in
evidence presented at the hearing; and

WHEREAS, a statutory exemption has been issued pursuant to the provisions of the
California Environmental Quality Act (CEQA) indicating that the Municipal Service Review
Update for the Richvale Sanitary District is statutorily exempt from CEQA and such exemption
was adopted by this Commission on July 1, 2010; and,

WHEREAS, pursuant to the provisions of the California Environmental Quality Act
(CEQA), an initial study/negative declaration was prepared and adopted by the Richvale
Sanitary District for the Sphere of Influence Plan/Update for the District. The initial
study/negative declaration shows that there is no substantial evidence, in light of the whole
record before the agency, that the proposed amendment to the District's Sphere of Influence
may have a significant effect on the environment. The negative declaration/initial study is the
appropriate level of environmental review pursuant to the California Environmental Quality Act,
Article 6, Section 15060 of the CEQA Guidelines.

WHEREAS, the following Municipal Service Review determinations are made in
conformance with Government Code Section 56430 and local Commission policy.

MSR Determination 3-1: Population Growth
The population of the District may grow at a rate of approximately 0.3% annually for the
foreseeable future.
MSR Determination 3-2: Wastewater Facilities
The District’s collection system generally appears to be operating adequately, though a significant I&I problem during periods of wet weather resulted in a cease and desist order being issued by the California Regional Water Quality Control Board. The District has taken numerous steps to significantly reduce I&I in its sanitary sewer collection system and is continuing its efforts to determine where I&I is entering the system so that it can respond appropriately in an effort to have the cease and desist order lifted. The District’s pond treatment system is in good condition and the District owns an adjacent 1b-acre parcel that could be developed with additional wastewater storage/evaporation ponds if needed.

MSR Determination 3-3: Sewer System Management Plan
The District is required to prepare and adopt a Sewer System Management Plan (SSMP) by August 2, 2010. The District has not yet adopted all of the SSMP elements. The District should expedite the preparation and adoption of all of the SSMP elements in order to comply with California Regional Water Quality Control Board requirements.

MSR Determination 3-4: Wastewater Capacity
The District currently has the capacity to collect and treat the average daily dry weather wastewater demand produced within its boundaries. While the District’s permitted flow is exceeded during periods of wet weather the District’s wastewater treatment facility has sufficient capacity to store and treat the excess flows.

MSR Determination 3-5: Wastewater Facilities Expansion/Upgrades
There are currently no specific plans for capacity expansion of the District’s collection or treatment system. The District recently purchased a 15-acre parcel adjacent to the District’s existing wastewater treatment facility that could be developed with additional storage/evaporation ponds should the need arise.

MSR Determination 3-6: Financial Ability of Agency to Provide Services
Rates are sufficient to cover the cost of providing related services. Any expansion or upgrades of District facilities will necessitate appropriate increases in rates to cover the costs of providing related services.

MSR Determination 3-7: Status of, and Opportunities for, Shared Facilities
The District’s sewage collection and treatment facilities are designed for its service area and do not offer opportunities to share facilities with other agencies or locales.

MSR Determination 3-8: Government Structure and Local Accountability
The District appears to have sufficient accountability and compliance in its governance, and public meetings appear to be held in compliance with Brown Act requirements. Information regarding the District appears to be available to members of the public.

MSR Determination 3-9: Management Efficiencies
The current agreement with a private contractor for operation and maintenance of the District’s wastewater treatment facility appears efficient and appropriate given the nature of the service provided. The District’s latest financial audit stated that the financial statements and accounting policies of the District conform with the generally accepted
RESOLUTION NO. 16 2009/10

accounting principles applicable to governments, indicating good management efficiencies.

WHEREAS, the following Sphere of Influence Plan determinations are made in conformance with Government Code Section 56425 and local Commission policy:

SOI Determination 4-1: Present and Planned Land Use
Little change in land uses within the District is anticipated over the next 20 years. There are no parcels within the District that are subject to a Williamson Act contract.

SOI Determination 4-2: Present and Probable Need for Public Services and Facilities
The District has adequate capacity in both its wastewater collection system and its wastewater treatment facility to provide service to existing customers and to the limited amounts of future growth expected in the Richvale area.

SOI Determination 4-3: Present Capacity of Facilities
The present capacity of District facilities is sufficient for the current population. The District has taken numerous measures recently to reduce inflow and infiltration into their system and has made improvements to their wastewater treatment facility. As the population increases over the next 20 years, additional facilities may be needed to meet the anticipated increase in demand for services. The District recently purchased a 15-acre parcel adjacent to the District’s existing wastewater treatment facility that could be developed with additional storage/evaporation ponds should the need arise.

SOI Determination 4-4: Social and Economic Communities of Interest
The only social and economic community within the District is the unincorporated community of Richvale, which is not expected to change substantially within the next 20 years.

WHEREAS, based on presently existing evidence, facts, and circumstances considered by this Commission, including the findings as outlined above, the Commission adopts written determinations as set forth. The Commission updates the existing sphere of influence for the Richvale Sanitary District by adding five parcels totaling approximately 20 acres, as depicted on Figure 4-3 of the Municipal Service Review Update/SOI Plan for the Richvale Sanitary District, adopted by the Commission on July 1, 2010; and,

NOW, THEREFORE, BE IT RESOLVED, that pursuant to powers provided in §56430 of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, the Local Agency Formation Commission of the County of Butte adopts written determinations as set forth in the Municipal Service Review Update for the Richvale Sanitary District, dated July 1, 2010, and adopts the Municipal Service Review Update for the Richvale Sanitary District. Furthermore, pursuant to powers provided in §56425, the Commission updates the existing sphere of influence for the Richvale Sanitary District by adding five parcels totaling approximately 20 acres, as depicted on Figure 4-3 of the Municipal Service Review Update/SOI Plan for the Richvale Sanitary District, adopted by the Commission on July 1, 2010.

PASSED AND ADOPTED by this Local Agency Formation Commission of the County of Butte, on the 1st day of July 2010 by the following vote:
RESOLUTION NO. 16 2009/10

AYES: Commissioners Lotter, Duncan, Connelly, Sweany, Fichter, Dolan and Chairman Leverenz
NOES: None
ABSENT: None
ABSTAINS: None

ATTEST:

Clerk of the Commission

CARL LEVERENZ, Chair
Rutte Local Agency Formation Commission
### MSR DETERMINATION 3-1: POPULATION GROWTH

The population of the District may grow at a rate of approximately 0.3% annually for the foreseeable future.

### MSR DETERMINATION 3-2: WASTEWATER FACILITIES

The District’s collection system generally appears to be operating adequately, though a significant I&I problem during periods of wet weather resulted in a cease and desist order being issued by the California Regional Water Quality Control Board. The District has taken numerous steps to significantly reduce I&I in its sanitary sewer collection system and is continuing its efforts to determine where I&I is entering the system so that it can respond appropriately in an effort to have the cease and desist order lifted. The District’s pond treatment system is in good condition and the District owns an adjacent 15-acre parcel that could be developed with additional wastewater storage/evaporation ponds if needed.

### MSR DETERMINATION 3-3: SEWER SYSTEM MANAGEMENT PLAN

The District is required to prepare and adopt a Sewer System Management Plan (SSMP) by August 2, 2010. The District has not yet adopted all of the SSMP elements. The District should expedite the preparation and adoption of all of the SSMP elements in order to comply with California Regional Water Quality Control Board requirements.

### MSR DETERMINATION 3-4: WASTEWATER CAPACITY

The District currently has the capacity to collect and treat the average daily dry weather wastewater demand produced within its boundaries. While the District’s permitted flow is exceeded during periods of wet weather the District’s wastewater treatment facility has sufficient capacity to store and treat the excess flows.

### MSR DETERMINATION 3-5: WASTEWATER FACILITIES EXPANSION/UPGRADES

There are currently no specific plans for capacity expansion of the District’s collection or treatment system. The District recently purchased a 15-acre parcel adjacent to the District’s existing wastewater treatment facility that could be developed with additional storage/evaporation ponds should the need arise.
### MSR DETERMINATION 3-6: FINANCIAL ABILITY OF AGENCY TO PROVIDE SERVICES

Rates are sufficient to cover the cost of providing related services. Any expansion or upgrades of District facilities will necessitate appropriate increases in rates to cover the costs of providing related services.

### MSR DETERMINATION 3-7: STATUS OF, AND OPPORTUNITIES FOR, SHARED FACILITIES

The District’s sewage collection and treatment facilities are designed for its service area and do not offer opportunities to share facilities with other agencies or locales.

### MSR DETERMINATION 3-8: GOVERNMENT STRUCTURE AND LOCAL ACCOUNTABILITY

The District appears to have sufficient accountability and compliance in its governance, and public meetings appear to be held in compliance with Brown Act requirements. Information regarding the District appears to be available to members of the public.

### MSR DETERMINATION 3-9: MANAGEMENT EFFICIENCIES

The current agreement with a private contractor for operation and maintenance of the District’s wastewater treatment facility appears efficient and appropriate given the nature of the service provided. The District’s latest financial audit stated that the financial statements and accounting policies of the District conform with the generally accepted accounting principles applicable to governments, indicating good management efficiencies.
Section 5.3 - Summary of Adopted SOI Determinations for the Richvale Sanitary District

<table>
<thead>
<tr>
<th>SOI DETERMINATION 4-1: PRESENT AND PLANNED LAND USE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Little change in land uses within the District is anticipated over the next 20 years. There are no parcels within the District that are subject to a Williamson Act contract.</td>
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</table>

<table>
<thead>
<tr>
<th>SOI DETERMINATION 4-2: PRESENT AND PROBABLE NEED FOR PUBLIC SERVICES AND FACILITIES</th>
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<tbody>
<tr>
<td>The District has adequate capacity in both its wastewater collection system and its wastewater treatment facility to provide service to existing customers and to the limited amounts of future growth expected in the Richvale area.</td>
</tr>
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</table>

<table>
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<tr>
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<thead>
<tr>
<th>SOI DETERMINATION 4-4: SOCIAL AND ECONOMIC COMMUNITIES OF INTEREST</th>
</tr>
</thead>
<tbody>
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<td>The only social and economic community within the District is the unincorporated community of Richvale, which is not expected to change substantially within the next 20 years.</td>
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</table>
Section 5.4 - Figure 5-1: Adopted Sphere of Influence Boundary for RSD
### 6.0 ACRONYMS AND DEFINITIONS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
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</thead>
<tbody>
<tr>
<td>BCAG</td>
<td>Butte County Association of Governments</td>
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<tr>
<td>CEQA</td>
<td>California Environmental Quality Act</td>
</tr>
<tr>
<td>CKH</td>
<td>Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000</td>
</tr>
<tr>
<td>CRWQCB</td>
<td>California Regional Water Quality Control Board</td>
</tr>
<tr>
<td>I&amp;I</td>
<td>Inflow and infiltration</td>
</tr>
<tr>
<td>LAFCO</td>
<td>Local Agency Formation Commission</td>
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<tr>
<td>MSR</td>
<td>Municipal Service Review</td>
</tr>
<tr>
<td>RSD</td>
<td>Richvale Sanitary District</td>
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<tr>
<td>SOI</td>
<td>Sphere of Influence</td>
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<tr>
<td>SSMP</td>
<td>Sewer System Management Plan</td>
</tr>
<tr>
<td>SSO</td>
<td>Sanitary Sewer Overflow</td>
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</table>

**ANNEXATION**

The inclusion, attachment, or addition of a territory to a city of district.

**BOARD OF DIRECTORS**

The legislative body or governing board of a district.

**CEQA**

The California Environmental Quality Act (CEQA) is intended to inform governmental decision-makers and the public about potential environmental effects of a project, identify ways to reduce adverse impacts, offer alternatives to the project, and disclose to the public why a project was approved. CEQA applied to projects undertaken, funded, or requiring issuance of a permit by a public agency.

**GENERAL PLAN**

A document containing a statement of development policies including a diagram and text setting forth the objectives of the plan. The general plan must include certain state mandated elements related to land use, circulation, housing, conservation, open-space, noise, and safety.
LAFCO

A state mandated local agency that oversees boundary changes to cities and special districts, the formation of new agencies including incorporation of new cities, and the consolidation of existing agencies. The broad goals of the agency are to ensure the orderly formation of local government agencies, to preserve agricultural and open space lands, and to discourage urban sprawl.

Municipal Service Review (MSR)

A study designed to determine the adequacy of governmental services being provided in the region or sub-region. Performing service reviews for each city and special district within the county may be used by LAFCO, other governmental agencies, and the public to better understand and improve service conditions.

Sphere of Influence (SOI)

A plan for the probable physical boundaries and service area of a local agency, as determined by the LAFCO.

Sphere of Influence Determinations

In establishing a sphere of influence, the Commission must consider and prepare written determinations related to present and planned land uses, need and capacity of public facilities, and existence of social and economic communities of interest.

Zoning

The primary instrument for implementing the general plan. Zoning divides a community into districts or “zones” that specify the permitted/prohibited land uses.
7.0  BIBLIOGRAPHY

Butte County. Butte County General Plan. (Land Use Element)

__________. 2000. Butte County Zoning Ordinance.


