



STAFF REPORT	
SUBJECT: Discussion and Consideration of Actions Regarding Concerns with the Lake County Sanitation District	MEETING DATE: May 7, 2026
SUBMITTED BY: Alan D. Flora, City Manager	
PURPOSE OF REPORT: <input type="checkbox"/> Information only <input checked="" type="checkbox"/> Discussion <input checked="" type="checkbox"/> Action Item	

WHAT IS BEING ASKED OF THE CITY COUNCIL/BOARD:

The City Council is being asked to provide staff direction on addressing on-going challenges with the Lake County Sanitation District.

BACKGROUND/DISCUSSION:

The Lake County Sanitation District was formed by the Board of Supervisors in 1963. At the time it included all of the County with the exception of the City of Lakeport and Clearlake Oaks. The District was established for the purpose of constructing wastewater improvements in various areas of the County. Multiple assessment districts were formed, within the District to finance sewer collection. A total of 10 assessment districts are completely or partially within the City of Clearlake. The Lake County Sanitation District (LACOSAN) is a separate legal entity from the County of Lake, but has always been governed by the Lake County Board of Supervisors as its Board of Directors. The Sanitation District has no staff and is operated and managed by staff from Lake County Special Districts, with direction from the Board. Lake County Special Districts also manages other utility districts within the County and is split into three Utility Areas: 1 (Clearlake, Spring Valley, Middletown), 2 (Kelseyville, Cobb, South Lakeport), 3 (North Lakeport, Upper Lake, Nice, Lucerne, Glenhaven).

According to the information available on Special Districts website, the sewer system has 11,053 connections (excluding 932 connections in Kelseyville’s system which is not a part of LACOSAN). This includes 492 connections in Middletown, 196 connections in South Lakeport, 4,088 connections in the Northeast system (North Lakeport, Upper Lake, Nice, Lucerne, Glenhaven), and 6,277 connections in the Southeast system (Clearlake and Lower Lake). It should be noted that these numbers appear to be several years old and do not reflect a significant number of new connections in Clearlake over the past several years. The population served by LACOSAN that resides within the City is approximately 60%.

When the City was incorporated in 1980, the conditions of the District changed and a shift of governance should have occurred. There was no change at the time and some years later the City realized they should have been afforded a role in the governance of the District per Health and Safety Code (HSC) 4730. In 1983 the City Council took action to formally designate the Board of Supervisors as the governing Board of LACOSAN, essentially foregoing its right at that time to be involved in the governance.

After a significant period of time trying to address concerns over system operation and maintenance at a staff level, in April of 2024 the City Council took action to request the Board of Supervisors meet with the City to determine a governance structure was consistent with HSC 4730 and the population of those served by the District.

Requests to meet from the City were unsuccessful until February of 2025 the Board narrowly voted (3-2) to meet with the City and appointed Supervisor Sabatier and Supervisor Owen for that role. Still no meeting was scheduled and attempts by the City to schedule a meeting were again unsuccessful. In November of 2025, the City Council took action to rescind the delegation of authority from 1983. This action did result in a staff level discussion in January and four meetings with City/County representatives since then to discuss issues, however an agreement regarding the City's role in governance is still a stalemate.

The City's determination for a representative role in the governance of the system is rooted in longstanding concerns over operations and maintenance of the system and under the current administration frequent hurdles and unnecessary conflict for development projects that require sewer service and infrastructure projects that require the adjustment of utilities.

While no incidents are more reflective of the issues with the system than the 2026 Robin Lane Sewer Spill, problems in the Southeast system are not new. Since 2007 over 2.8 million gallons of sewage has been spilled from the system, LACOSAN reports that 1.25 million gallons was recovered and 1.55 million gallons lost to surface waters (creeks, waterways, and Clear Lake). It should also be noted that the data reflects that the frequency and volume of spills is getting worse. 82% of the spill volume in the past 19 years has happened in the past five years (2.36 million gallons spilled). Even this data illustrates a number of concerns with how spills are calculated. The calculations submitted by LACOSAN on large spills do not seem to match reality on the ground and the data from the State Boards website simply does not add up.

The Regional Water Board has issued a series of notices of violations over the years, with NOVs in 2010, 2011, 2012, 2013, 2015 and 2024. The 2024 notice included three violations and seven areas of concern.

Violations

- 1. Based on review of CIWQS data reported by the Enrollee between 2007 and 2023, the Enrolled reported that 1,057,089 gallons of untreated sewage reached surface waters.*
- 2. The Enrollee does not have a formal capital improvement plan (CIP).*
- 3. The Enrollee failed to submit and certify No Spill Reports, Category 4 Spill Reports, and SSO [sanitary sewer overflows] Reports within the required timeline.*

Areas of Concern

- 1. The Enrollee does not have emergency signage for aerial crossing or ARVs.*
- 2. There has been a significant delay in alarm notification from the Enrollee's third-party alarm company.*
- 3. The Enrollee has had difficulties obtaining a capacity management operation and maintenance (CMOM) coordinator.*
- 4. The Enrollee does not have formalized standard operating procedures (SOPs) for training and operation and maintenance.*
- 5. The Enrollee does not re-review CCTV footage after the initial inspection.*
- 6. The Enrollee does not have a method in place to inspect and maintain air relief valves (ARVs).*

7. *The Enrollee does not use a computerized maintenance management system (CMMS) and relies on historical knowledge of problem areas.*

It is very concerning to note that many of these violations and concerns from the primary regulatory agency (Regional Water Board) have not been clearly addressed. Those on-going concerns continue to result in spills within our community, such as Robin Lane.

The questions around operations, maintenance, and whether the District has a corrective action plan underline the necessity for immediate answers. A list of documents/materials that need to be provided to the City within 10-days are listed below.

- All documents associated with the creation of, or changes to, the Assessment Districts that make up the Southeast system.
- After Action Report of 2026 Robin Lane Sewer Spill from Special Districts.
- Formal determination of cause of the 2026 Robin Lane Sewer spill and evidentiary support, including line pressure readings before, during and after the incident at all pressurized mains in and around Lift Station #1.
- Corrective Action Plan to be implemented for 2026 Robin Lane Sewer spill.
- Maintenance logs of collection system and treatment plant for the past five years, and specifically including lift stations, valves, air relieve valves and manholes.
- Analysis of direct in-line pumping system pilot installed at Lift Station #6 and determination on applicability at other lift stations.
- Status of Integrated Regional Watershed Management (IRWM) grant funding for slip lining in the Southeast system.
- Identification and description of which sanitary sewer overflows (SSO) were caused by natural disasters/wildfires in 2019 as reported to the Water Board.
- Standard operating procedures for training of capacity management operation and maintenance supervisor and standard operating procedures for operation and maintenance of the Southeast system.
- Logs of CCTV footage collected since 2021, including locations.
- Logs of SL-RAT data collected since 2021, including locations.
- Logs of line cleaning conducted since 2021, including locations.
- Logs of alarm notifications since 2021, including locations.
- Logs of manholes with/without manhole barrier lids to protect from Inflow/Infiltration (I&I)
- Copies of CCTV footage collected since 2021.
- Identification of any corrective action taken as a result of CCTV footage.
- Proof of implementation and utilization of computerized maintenance management system.
- Implementation plan or proof of completion of emergency signage for aerial crossings and air relief valves.
- Implementation plan for corrective action for Notice of Violation issued by Lake County Air Quality Management District in 2023 for failed odor control systems at Lift Stations #1 and #2.
- Capital Improvement Plan for the Southeast system.
- List of all funding applied for or requested from any federal, state or local agency or representative since 2021.
- Background report for proposed 2026 fee increase presented to the Board.
- Breakdown of overhead and staffing charges paid from the Southeast system to Lake County Special Districts administration over the past 5 years.

It has been and remains frustrating to see little concern over either the Robin Lane Sewer Spill, or the frequent issues with the Southeast system from Special Districts leadership or a majority of the Board of Supervisors. This results in stalled development, frequent system failures in the same locations, no apparent inspection or corrective action plan, and a nearly complete disregard for the impacts the

infrastructure causes on over 25% of Lake County population. This lack of care and concern is what resulted in the creation of an incident management team to address response efforts during the Robin Lane emergency.

Staff is recommending a number of actions be taken to generate the attention of the Board of Supervisors, Special Districts leadership, and various regulatory agencies to take the system reliability seriously and to value our community.

OPTIONS:

1. Send Demand for Records and Information to the Board of Supervisors/Special Districts/LACOSAN
 - a. File formal demand for LACOSAN/Special Districts/County conduct independent testing of surface water within all waterways near the Southeast treatment plant and between it and Clear Lake.
2. File formal complaints to regulatory agencies regarding the status of the Southeast System
 - a. Environmental Protection Agency
 - b. State Water Resources Control Board
 - c. Regional Water Resources Control Board
 - d. California Natural Resources Agency
 - e. Lake County Public Health
 - f. Lake County Water Resources
 - g. Lake County Air Quality Management District
3. Implementation of an independent engineering analysis of the Southeast system and identify deficiencies and corrective action as needed.
4. Direction to file notices of violation for any known public health and safety issues related to the Southeast system under the jurisdiction of the City of Clearlake.
5. Direction to staff to apply to the Lake County Local Agency Formation Commission (LAFCo) for detachment of the Southeast system from LACOSAN.
6. Rescind authorization given to City Manager to provide the City’s consent to purchase tax defaulted properties (January 16, 2025) until such time as a beneficial system upgrade project can be analyzed.
7. Other Direction to Staff.

FISCAL IMPACT:

None \$ Budgeted Item? Yes No

Budget Adjustment Needed? Yes No If yes, amount of appropriation increase: \$

Affected fund(s): General Fund Measure P Fund Measure V Fund Other:

Comments:

STRATEGIC PLAN IMPACT:

Goal #1: Economic Development

Goal #2: Public Facilities and Infrastructure

Goal #3: Celebrate Clearlake

Goal #4: Clean

Goal #5: Fiscal Sustainability

Goal #6: Safe

SUGGESTED MOTIONS:

Direct Staff to Implement Enclosed/Recommended Options.

- Attachments:**
1. 2023 Compliance Evaluation Inspection Report
 2. 2024 Notices of Violation
 3. 2023 Pre-Inspection Questionnaire
 4. 2024 NOV Response from Special Districts
 5. April 10, 2026 Robin Lane Spill Report & Attachments
 6. 2010 LACOSAN Municipal Service Review
 7. Southeast System spill reports (from State Board)