

Crockett Community Services District

Regular Business Meeting AGENDA FOR WEDNESDAY, MAY 22, 2024

TIME: 7:00 PM – Regular Meeting
PLACE: Crockett Community Center, 850 Pomona Street, Crockett, CA

1. CALL TO ORDER - ROLL CALL
2. CALL FOR REQUESTS TO CONSIDER ITEMS OUT OF ORDER
3. PUBLIC COMMENTS ON NON-AGENDA ITEMS
(The Board is prohibited from discussing items not on this agenda. Matters brought up that are not on the agenda may be referred to staff for action or calendared on a future agenda.)
4. PUBLIC HEARING: None.
(Public comments are limited to two minutes for each person with full discussion limited to twenty minutes unless extended by Board President.)
5. CONSENT CALENDAR: Consideration of a motion to approve the following items:
(Items are subject to removal from the Consent Calendar by request of any Board Member on request for discussion by a member of the public. Items removed from the Consent Calendar will be considered with the Administrative Items.)
 - a. Approve Minutes of the CCSD Board meeting on April 24, 2024.
 - b. Receive minutes of commissions and committees.
 - c. Approve payment of District Bills.
6. CONSIDER ITEMS REMOVED FROM THE CONSENT CALENDAR:
7. ADMINISTRATIVE:
 - a. Approve Resolution 23/24-27 Oppose Initiative 1935 - Taxpayer Protection Act.
 - b. Approve Resolution 23/24-28 – Annual Recreation Special Tax for Fiscal Year 24/25
 - c. Consider Resolution 23/24-29 COLA (Cost-of-living-adjustment) for FY 24/25.
 - d. Consider recommendations on a possible maintenance special tax increase and set a date for a public hearing.
 - e. Receive the Crockett Sanitary Sewer Use Charge (SUC) Study Report for FY 2024/25, consider the recommendation of Crockett Sanitary Commission on increasing SUCs for the town of Crockett, and consider approval of Prop. 218 notice for Crockett on proposed rate increase for sewer service, set date for public hearing, and on method of collection.
 - f. Receive the Port Costa Sanitary Sewer Use Charge (SUC) Study Report for FY 2024/25, consider the recommendation of Port Costa Sanitary Commission on increasing SUCs for the town of Port Costa, and consider approval of Prop. 218

- notice for Port Costa on proposed rate increase for sewer service, set date for public hearing, and on method of collection.
- g. Consider draft newsletter to be included with the Prop 218 mailing.
 - h. Consider draft MOU for Plaza maintenance and operation
8. BUDGET AND FINANCE:
- a. Discuss financial matters related to the District.
 - b. Consider report on Budget for FY 2024/25.
9. MANAGERS' REPORTS/REPORTS FROM COMMISSIONERS:
(These items are typically for the exchange of information only. No action will be taken at this time.)
- a. Recreation Department
 - b. District Secretary
 - c. Administrative Services Manager
 - d. Port Costa Sanitary Department
 - e. Crockett Sanitary Department
 - f. Maintenance Department
 - g. Lighting & Landscape Commission
 - h. Governmental matters
 - i. Announcements and discussion
10. REPORTS FROM BOARD MEMBERS AND COMMITTEES:
(These items are typically for the exchange of information only. No action will be taken at this time.)
- a. Personnel Committee/e: Cusack (chair), Martinez, Spinner, Wais, and Wilson
 - b. Budget & Finance Committee: Mackenzie and Barassi
 - c. Police Liaison Committee: Currington (chair), Wais, Pennisi, and Ritchey
 - d. CVSAN Wastewater Committee: Members Bartlebaugh and Manzione (chair)
 - e. Memorial Hall Advisory Committee: Members Peterson and Wilson (chair)
 - f. Ad Hoc committees
 - Personnel/District Code: Members Brosnan, Cusack, Martinez (chair), Peterson, and Wais.
 - g. Inter-agency meetings
11. FUTURE AGENDA ITEMS/BOARD COMMENTS
- a. 1 Rolph Park Drive ad hoc committee.
 - b. Resolution to grant the District Engineer the same signing authority as the General Manager for emergencies
12. ADJOURNMENT: until June 26, 2024.

HOW TO SUBMIT PUBLIC COMMENTS:

You will find the Minutes of this meeting posted on our website at www.town.crockett.ca.us/meetings

Visit our [website](#) for more information on meetings and activities of the Crockett Community Services District and the towns of Crockett and Port Costa.

In compliance with the Americans with Disabilities Act of 1990, if you need special assistance to participate in a District meeting, or if you need a copy of the agenda, or the agenda packet, in an appropriate alternative format, please contact the General Manager at (510) 787-2992. Notification at least 48 hours prior to the meeting or time when services are needed will assist District staff in assuring that reasonable arrangements can be made to provide accessibility to the meeting or service.

In accordance with California Government Code Section 54957.5, any writing or document that is a public record related to an open session agenda item, and is distributed less than 72 hours prior to a regular meeting will be made available for public inspection. The Board has designated the District's website located at www.town.crockett.ca.us/meetings as the place for making those public records available for inspection. The documents may also be obtained by calling the District Manager at the Crockett Community Services District Office in Crockett. If, however, the document or writing is not distributed until the regular meeting to which it relates, then the document or writing will be made available to the public at the location of the meeting, as listed on this agenda. The office address is 850 Pomona Street, Crockett, California 94525.

CROCKETT COMMUNITY SERVICES DISTRICT

P.O. Box 578 - Crockett, CA 94525

850 Pomona Street

Telephone (510) 787-2992

Fax (510) 787-2459

e-mail: districtsecretary@town.crockett.ca.us

website: www.town.crockett.ca.us

For Review

MINUTES OF REGULAR BOARD MEETING: April 24, 2024.

1. CALL TO ORDER - ROLL CALL: The meeting was called to order at 6:08 pm by President Spinner. Present were Board Members, Barassi, Makenzie, Martinez and Peterson
2. CLOSED SESSION: The Closed Session began at 6:10 pm.
 - a. CONFERENCE WITH LABOR NEGOTIATORS.
 - b. PUBLIC EMPLOYMENT – DISTRICT ENGINEER.
3. RECONVENE TO REGULAR SESSION: The regular session resumed at 7:16 pm.
4. REPORT ON CLOSED SESSION: No reportable action was taken; direction was given to negotiators.
5. CALL TO ORDER — ROLL CALL: All members of the Board were present. Staff present included: District Secretary (DS) Rivas, District Engineer (DE) Murdock, Administrative Services Manager (ASM) Goodman, Sanitary Department Manager (SDM) Barnhill, and Recreation Department Manager (RDM) Wilson. Crockett Sanitary Commission (CVSAN) Commissioners Manzione and Wais were also present. Three members of the Port Costa Sanitary Commission (PCSAN) were in attendance (List, Sheer, and Cusack). The Board waived the quorum meeting requirement for PCSAN commissioners for this meeting.
6. CALL FOR REQUESTS TO CONSIDER ITEMS OUT OF ORDER: Director Peterson requested that Item 12.a Recreation Manager's report be pulled to report early. CVSAN Chair Manzione requested that the CVSAN Commission report follow the Sewer Use Charge discussion (Item 10.c).

12.a RECREATION MANAGER REPORT: RDM Wilson reported that parking is currently at a premium due to the activities that have started taking place including Bocci Ball and the swim teams. Construction for Prop 68 improvements at the pool has started. The project may not be completely finished by Memorial Day weekend but they will open anyway. Recruitment for lifeguards has been better than in several years with eight applicants undergoing lifeguard training. Spearheaded by the Rodeo Phillips 66 refinery, the corporate office in Houston has granted Recreation \$54,000 for basic swimming instruction through a multi-day training on May 5th and June 1st. As an incentive to participate, P66 is paying for family passes. The diving board and tray need to be repaired. Recreation Staff will save \$9,000 by painting the diving board instead of buying a new one and it appears that P66 may help with the replacement of the diving board tray.

5.a

Members: Luigi Barassi, John Mackenzie, Diana Martinez (VP), Kent Peterson, Nick Spinner (President)

7. PUBLIC COMMENTS ON NON-AGENDA ITEMS: Director Peterson clarified that a public employee may serve on commissions and committees.
8. PUBLIC HEARING: None.
9. CONSENT CALENDAR: Item 9a was pulled and carried to the next meeting. Item 9c was pulled for discussion. Items 9b, 9d, and 9e were approved. (Makenzie 1st, Barassi 2nd, 5/0)
- a. Approve Minutes of CCSD Board meeting on March 27, 2024.
 - b. Receive minutes of commissions and committees.
 - c. Receive payment of District bills.
 - d. Receive the resignation of Raina Currington of the Police Liaison Committee.
 - e. Receive CSDA Magazine
- 10a ITEMS REMOVED FROM THE CONSENT CALENDAR:
- 9c. Receive payment of District bills. April transmittals were inadvertently attached to the agenda in error. March transmittals were provided for review. A payment for the Alhambra project was questioned. Ms. Goodman reported the project is on West Street between Winslow and Alhambra. The project began in October of 2023. The project was completed in February and paid in March.
- 10b APPROVE RESOLUTION 23/24-26 TO RE-APPOINTMENT OF COMMISSIONER TO RECREATION COMMISSION: Director Barassi motioned to approve the reappointment. Mr. Airoidi has served a long time and has served the community well. Approved (Barassi 1st, Mackenzie 2nd, 5/0)
- 10c RECEIVE THE CROCKETT SANITARY SEWER USE CHARGE (SUC) STUDY REPORT FOR FY 2024/25, CONSIDER RECOMMENDATION OF CROCKETT SANITARY COMMISSION ON INCREASING SUCS FOR THE TOWN OF CROCKETT, CONSIDER APPROVAL OF PROP. 218 NOTICE FOR CROCKETT ON PROPOSED RATE INCREASE FOR SEWER SERVICE, SET DATE FOR PUBLIC HEARING, AND ON METHOD OF COLLECTION: DE Murdock presented the findings of the SUC. The study results suggest an increase from \$918 to \$1,120 for single-family residential units (SFR) and from \$759 to \$798 for apartments. The commercial rate is based on a volumetric rate of 20.62 per 100/cubic feet of water used. The SUC represents a 20% - 25% increase. For the last six years, the District has increased the SUC every two years with no increase in the last year. DE Murdock and CVSAN Chair Manzione explained the calculation process supporting the SUC increase. The data used to calculate the SUC is based on water usage during wet weather. The volumetric rates are based on flow rates of sanitary sewage as a multiplier of SFRs. Manzione explained that the apartment rate is lower because the data reflects that apartments are conserving and using less water than SFRs.
- A good amount of time was spent on the calculations for C&H including the history of a 10-year settlement agreement that expired two years ago. Mr. Manzione further explained that Staff used meter numbers provided by C&H and incorporated generous allowances for evaporation and the elimination of process water in their rate calculation.
- Director Peterson requested that Staff return with a second option to consider. Mr. Manzione explained that an initial SUC rate increase was calculated without the C&H calculation. The numbers were \$1,170 for SFR and \$835 for apartments.

After further discussion, the item was tabled until the May meeting. The Prop 218 mailing was extended to June 1st.

13d. REPORT FROM CVSAN WASTEWATER COMMITTEE: CVSAN Chair Manzione reported that the committee is meeting the next day. The committee is preparing a draft response to C&H's proposed JUA edits which will be reviewed by the District's attorney. The Committee will ask for C&H to pay for the consequences of management decisions that negatively impact the community such as the odor incident; the District should not be responsible for equipment rental or replacement, temporary generators etc., required to mitigate such decisions. There are no new categories but percentages are being disputed on some items. Mr. Murdock cautioned that the C&H meter has a cap and is not confident that the numbers being reported are accurate.

10d RECEIVE THE PORT COSTA SANITARY SEWER USE CHARGE (SUC) STUDY REPORT FOR FY 2024/25, CONSIDER RECOMMENDATION OF PORT COSTA SANITARY COMMISSION ON INCREASING SUCS FOR THE TOWN OF PORT COSTA, CONSIDER APPROVAL OF PROP. 218 NOTICE FOR PORT COSTA ON PROPOSED RATE INCREASE FOR SEWER SERVICE, SET DATE FOR PUBLIC HEARING, AND ON METHOD OF COLLECTION: Mr. Barnhill presented the findings for the SUC for Port Costa. He referenced page 8 in the report to support the increase and explained the calculation process. SFRs and apartments are calculated the same but non-residential customers carry a heavy burden as they have the same SFR base rate plus any water usage per year. The total revenue is calculated to be \$322,878 representing an increase of 5.3% (\$17,000). He expressed his concern of "hiccup" increases - approving increases every two years following Crockett's pattern. This pattern creates significant increases every two years versus the impact of a smoother stabilized annual increase. He is anticipating expenses this year including the need for new pump replacements for the pump station – the model parts are no longer available. PCSAN has just incurred a \$21,000 expense for two chemical pumps. A discussion was had on the personal compliance implications of Mr. Barnhill as an LRO. There is a risk in knowing about potential issues and when to address them. He explained that this is a personal burden for all LROs in the industry. A question was asked if the rate stabilization reserve number was an estimate. Ms. Goodman reported that the number is a carryover from the previous year and is unable to verify the amount at this time due to the lack of account reconciliation from previous financial practices.

Ms. Goodman reported that PCSAN voted four against raising rates and one opposed (was in favor of raising rates). Mr. List and Ms. Scheer explained that the commissioners were not confident with the numbers because Staff cannot accurately report actual accounting numbers for PCSAN. Ms. Goodman explained that she cannot accurately predict when the accounting will be reconciled but pointed out that PCSAN has been informed of expected increases such as the need for a new operator whose fees will likely double to reflect market rates. She reported that the commissioners were notified that the rate stabilization number may be inaccurate. Knowing costs are increasing but not increasing rates could cause PCSAN to go into the red and could require requesting a loan from CVSAN. DE Murdock explained that the rate stabilization number could be used to absorb increases. The Board requested Staff to return to report back in May. Ms. Goodman expressed her concern that accounting reconciliation efforts would not be significant in just one month to impact the rates. Director Martinez expressed her concern that no increase this year could have a dramatic increase the following year. Director Barassi expressed support for reducing the rate stabilization number by 17,000 to cover the proposed shortage and therefore no rate increase for FY 24/25. Ms. Goodman

reminded the Board that the District is required to camera the entire sewer system. Should any problem areas be identified, repairs will need to be made but the budget cannot support the repairs. The Field Semester group has only CCTVed 25%-30% of the main line. Staff have not received the video to review and therefore unable to estimate repair costs.

The item was tabled to next month to allow Staff more time to verify numbers. Mr. Peterson asked Staff to correct the Prop 218 effective date from July 24th to July 1st, the start of a new fiscal year. He reminded all attendees that the SUC increase is to be determined at a regular meeting and this year's meetings have already been scheduled.

- 10e REVIEW QUOTE AND AUTHORIZE THE INTERIM GENERAL MANAGER TO SIGN A CONTRACT WITH MAZE & ASSOCIATES FOR ACCOUNTING SERVICES: Ms. Goodman presented the resumes of two Maze & Associates' staff who will be working on updating the District's accounting. She presented an estimate of costs based on a three-month project timeline and hopes that the reconciliation would not take much longer than three months. The project entails not only data entry but also corrections to account coding and requesting information from outside agencies. Under the auditor's advisement, she expects to continue quarterly reviews with Maze & Associates during the first year and bi-annually in the second year. Working on the SUC has made her aware of other items to consider for the budget process. Ms. Witschi will resume her authority to enter Recreation accounting data which will help reduce the time needed by Maze & Associates. Ms. Goodman is still working on accessing other accounts including credit cards and ADP (former payroll provider). There was a question about whether three months would be sufficient time to reconcile the books.
- 10f DISCUSS AUTHORITY FOR THE DISTRICT ENGINEER TO SIGN EMERGENCY CONTRACTS UP TO \$50,000: Previously as general manager, DE Murdock was authorized to spend up to \$50,000 per item without Board authorization but that authority runs with the general manager. He reported that CVSAN requested this option to allow the engineer to be able to make critical decisions during emergencies. As an example, he explained that he had to approve a \$10,000 repair during a project. Director Barassi explained that the general manager is responsible for the financial performance of the District unless the general manager wants to designate limited spending powers to employees. After a discussion on differentiating spending amounts, the Board asked Staff to return with a proposed resolution to authorize a spending limit for the district engineer for emergencies.
- 10g REVIEW DRAFT RESPONSE TO THE CALTRANS MAINTENANCE AGREEMENT: Director Peterson presented a draft response to Caltrans for the maintenance of the Bridgehead. Mr. Barassi approved of the letter's content but questioned the need for a response. Mr. Murdock added that the Caltrans representative is willing to work with Crockett and suggested the District prepare a very clear statement of the District's abilities. No edits were suggested. The response will be emailed to the Caltrans representative.
- 10h DISCUSS DOG PARK: Mr. Manzione requested that the District not use its insurance to fund the dog park due to the current instability of the insurance industry and fears that costs could increase significantly. President Spinner said he had requested quotes. Alliant Insurance had returned with a revised quote of \$1,000 and would remove medical benefits. Director Barassi asked for clarity on whether the medical benefit was solely for the dog park or District-wide. ASM Goodman reminded the Board that a State law protects groups by holding dog owners responsible for the actions of their pets. She expressed that Caltrans should accept a waiver of subrogation regardless of the medical

benefits and the State will protect the District. Director Barassi reminded the Board that the insurance issue has not made progress in two months and feels that the dog park coordinators have worked very hard to raise funds. There was a miscommunication between the district engineer and the president on follow-up tasks. The matter was assigned to ASM Goodman to follow up.

10i. DISCUSS 1 ROLPH PARK DRIVE AD HOC COMMITTEE: The item was carried to the next meeting.

11a. DISCUSS FINANCIAL MATTERS RELATED TO THE DISTRICT: ASM Goodman reported that the LAIF account increased by just shy of \$50,000 for a total of \$4.631 million reflecting an increase of .5% since the first quarter. The cash in the various accounts: Maintenance is \$46,700; PCSAN is \$131,000 (this will be reduced by their loan payment to CVSAN); and CVSAN is \$944,000. The credit card is paid in full.

11b. CONSIDER REPORT ON BUDGET FOR FY 2023/24: Ms. Goodman reported that she has been saturated with her workload as she has been assisting with the sewer use charge. She is meeting with former general manager Mr. McDonald on a roll-up budget process and advice on how to manage the process for next year.

12a. MANAGERS' REPORTS RECREATION: Item was reported earlier.

12b. MANAGERS' REPORTS DISTRICT SECRETARY: DS Rivas reported that she has moved offices and is now downstairs. There are no windows, but she will be sprucing it up with artwork. She reminded the Board that the Contra Costa Chapter of the California Special District Association (CSDA) will hold its bi-monthly meeting on May 20th. She viewed the CSDA-sponsored Initiative 1935 webinar which threatens to undo anything that has passed since 2021. The CSDA is encouraging special districts to begin educational campaigns to inform the public of the issues should the item make it to the ballot. The webinar cautioned elected officials to focus on educating and avoid advocacy. The CIA has offered to help spread information through their networks. She reported that incumbent McGill won the LAFCO election and was reappointed to that Board.

12c. MANAGERS' REPORTS ADMINISTRATIVE SERVICES MANAGER: ASM Goodman reported that Staff have been working long hours, but morale is high.

12d. MANAGERS' REPORTS MAINTENANCE DEPARTMENT: Mr. Murdock reported that he has been focusing on the completed sewer use charge, He apologized that the doors at 1 Rolph Park Drive have not been installed due to not having the necessary hardware.

12e. MANAGERS' REPORTS PORT COSTA SANITARY DEPARTMENT: SDM Barnhill reminded the Board of the pump issue in Port Costa. He reported that there were no spills or exceedances. The draft NPDES permit is undergoing public comments at the Water Board. The Water Board will vote on June 12th in the morning.

12f. MANAGERS' REPORTS CROCKETT SANITARY DEPARTMENT: Mr. Murdock reported the sewer emergency repair at Second Street is mostly completed, pending CCTV'ing the line. The contractor identified a second line that was not previously seen by him or Paul Sell. Initially, the contractor said he would repair the second at no additional charge but later decided to charge for the work. Mr. Murdock expects a reasonable price. The contractor is also doing the Alexander Park project as evidenced by the construction being done. The grit pump died at the pump station. He suspects this was repaired the year before. The repairman is expected the following day. The compressors are failing slowly and elaborated in more detail. The MMC project has not started but the project does

have a completion date next year in April or May of 2024. Director Peterson pointed out that the installation would occur during wet weather.

- 12g. MANAGERS' REPORTS LIGHTING & LANDSCAPE COMMISSION: Mr. Murdock reported that recreation staff Ms. Morales has been doing a nice job cleaning the plaza. Ken Shaw has removed deadwood, brushes and trees at the Bridgehead under the direction of Steve Batchelder.
- 12h. MANAGERS' REPORTS GOVERNMENTAL MATTERS: ASM Goodman asked the Board to support CSDA in opposing Initiative 1935 via a resolution at the following meeting. Mr. Murdock reported on a recent Supreme Court ruling on impact fees. Impact fees must be based on actual costs. Director Peterson stated that the District has capacity fees supported by professional engineering studies. Mr. Murdock clarified that the case pertained to traffic impact fees in the County of El Dorado.
- 12i. ANNOUNCEMENTS AND DISCUSSION: No report.
- 13a. REPORT FROM PERSONNEL COMMITTEE REPORT: No report.
- 13b. REPORT FROM BUDGET & FINANCE COMMITTEE: Director Barassi reported that the committee has not met due to the sewer use charge that takes precedence and is necessary to develop a good budget.
- 13c. REPORT FROM POLICE LIAISON COMMITTEE: Ms. Wais reported that the committee has lost another member and is down to only three members. The committee will be asking the Board to reduce the number of seats soon. The Sheriff's Crockett beat is in transition. A neighboring deputy attended the last meeting to fill in, but they do not expect to find a replacement for a few weeks. DS Rivas reported that outgoing chair Currington requested reimbursement for gifts to prior committee members for their service.
- 13d. REPORT FROM CVSAN WASTEWATER COMMITTEE: Reported earlier.
- 13e. REPORT FROM MEMORIAL HALL ADVISORY COMMITTEE: No report.
- 13f. REPORT FROM AD HOC COMMITTEES: Director Martinez reported that no meeting occurred in April due to illness. A meeting is scheduled for the following day. They are making progress.
- 13g. REPORT FROM INTER-AGENCY MEETINGS: No report.
14. FUTURE AGENDA ITEMS/BOARD COMMENTS: Director Makenzie reported that he continues to experience challenges meeting with railroad representatives regarding the Port Costa electrical pole fire. The railroad has forwarded information for Port Costa to file a claim.
- Resolution authorizing the District Engineer to sign Emergency Contracts up to \$50,000.
 - 1 Rolph Park Drive ah hoc committee.
 - Dog Park Insurance.
 - Annual Report on the use of recreation taxes (Gov't Code Sec. 50075.3)
12. ADJOURNMENT. The meeting was adjourned at 10:37 pm until May 22, 2024.

Respectfully submitted,
Sonai Rivas, MBA
District Secretary

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 324100 Account : 0830

Date	Name	Memo	Credit	Num
FUND 3241 - RECREATION				
04/02/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll nmbr 22, split	12,205.47	14874
Total FUND 3241 - RECREATION			12,205.47	
TOTAL			<u>12,205.47</u>	

for Hosdn
4/2/24

5.c

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District
Auditor's Date: _____ Fund: 324100 Account : 0830

Date	Name	Memo	Credit	Num
FUND 3241 - RECREATION				
04/15/2024	Raphael Hardwood Flooring Inc.	Resurface flooring in Comm Center - INV#591176-4	2,465.20	14889
04/15/2024	Ron Wilson	Home Depot Pool Supplies Reimbursement 4/4/24	47.15	14890
04/15/2024	U.S. BANK	Credit Card Payment for Feb and March 2024 - SPLIT	8,353.32	14891
04/16/2024	CONTRA COSTA COUNTY TREASURER	CalPERS payment March 2024 - SPLIT	2,762.33	14892
04/16/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll no 23 - SPLIT	7,042.97	14893
04/16/2024	City of El Cerrito	Mayors Conference - Feb 2024 - SPLIT	105.00	14894
Total FUND 3241 - RECREATION			20,775.97	
TOTAL			20,775.97	

[Handwritten Signature]
4/16/2024

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 324100 Account : 0830

Date	Name	Memo	Credit	Num
FUND 3241 - RECREATION				
04/03/2024	CINTAS FIRE 636525	Fire Inspection INV# 0F44816482	665.00	14875
04/03/2024	DC Construction, Inc	Pool ADA Reno INV# 2179	12,856.93	14876
04/03/2024	EBMUD	Park & Pool Jan 2024 - March 2024	1,052.80	14877
04/03/2024	EBMUD	Mem Park water Jan 2024 - Mar 2024	65.40	14878
04/03/2024	Let's Dig, Inc.	Erosion Control project 2nd payment - Final	13,100.00	14879
04/03/2024	PG&E	Comm Center Gas & Electric - Acct # 2501517473-0	6,541.18	14880
04/03/2024	PG&E	Pool Electric Acct # 8212111930-7	2,247.10	14881
04/03/2024	PG&E	Comm Center Gas & Electric - Acct # 6757445609-0	1,583.78	14882
04/03/2024	PRECISION SECURITY SOLUTIONS	Security - Inv # 2024-SE-5951	595.00	14883
04/03/2024	RONALD D. WILSON	Mileage reimbursement - Mar 2024	109.88	14884
04/03/2024	SDRMA	Medical Benefits - SPLIT	1,214.83	14885
04/03/2024	TERRACARE ASSOCIATES	Landscaping services - May 2024	2,305.00	14886
04/03/2024	TERMINIX	Pest Control - Inv # 444324673	174.00	14887
04/03/2024	UNIVERSAL BUILDING SERVICES	Monthly Janitorial svcs - Mar 2024 - Inv # 523912	1,173.23	14888
Total FUND 3241 - RECREATION			<u>43,684.13</u>	
TOTAL			<u>43,684.13</u>	

[Handwritten Signature]
4/3/2024

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 324200 Account : 0830

<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Credit</u>	<u>Num</u>
FUND 3242 - MAINTENANCE				
04/02/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll nmbr 22, split	329.88	595
Total FUND 3242 - MAINTENANCE			329.88	
TOTAL			<u>329.88</u>	

Jan Hood
4/2/24

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 324200 Account : 0830

<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Credit</u>	<u>Num</u>
FUND 3242 - MAINTENANCE				
04/16/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll no 23 - SPLIT	201.23	596
Total FUND 3242 - MAINTENANCE			201.23	
TOTAL			<u>201.23</u>	



4/16/2024

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 342500 Account : 0830

Date	Name	Memo	Credit	Num
FUND 3425 - PC SANITARY - O&M 04/02/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll nمبر 22, split	2,309.16	1844
Total FUND 3425 - PC SANITARY - O&M			2,309.16	
TOTAL			2,309.16	

for Hood
4/2/24

[Signature]
4/3/2024

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 342600 Account : 0830

Date	Name	Memo	Credit	Num
FUND 3426 - CV SANITARY - O&M 04/02/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll nmr 22. split	18,143.27	7154
Total FUND 3426 CV SANITARY - O&M			18,143.27	
TOTAL			18,143.27	

Jan Hood
4/2/24

W. D. ...
4/3/2024

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 324100 Account : 0830

Date	Name	Memo	Credit	Num
FUND 3241 - RECREATION				
04/02/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll nmbr 22, split	12,205.47	14874
Total FUND 3241 RECREATION			12,205.47	
TOTAL			<u>12,205.47</u>	

for Gordon
4/2/24

[Signature]
4/3/2024

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 324200 Account : 0830

Date	Name	Memo	Credit	Num
FUND 3242 - MAINTENANCE				
04/02/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll nmbr 22. split	329.88	595
Total FUND 3242 - MAINTENANCE			329.88	
TOTAL			<u>329.88</u>	

Janet Gooden
4/2/24

[Signature]
4/3/2024

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 342500 Account : 0830



Date	Name	Memo	Credit	Num
FUND 3425 - PC SANITARY - O&M				
04/02/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll nmbr 22, split	2,309.16	1844
Total FUND 3425 - PC SANITARY - O&M			2,309.16	
TOTAL			2,309.16	

for Hood
4/2/24

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 342500 Account : 0830

Date	Name	Memo	Credit	Num
FUND 3425 - PC SANITARY - O&M				
04/15/2024	L.R. PAULSELL CONSULTING	High Pressure Cleaning 4/5/24 - INV# PCSD24-4	600.00	1847
04/15/2024	U.S. BANK	Credit Card Charges Feb and Mar 2024	749.98	1848
Total FUND 3425 - PC SANITARY - O&M			<u>1,349.98</u>	
TOTAL			<u><u>1,349.98</u></u>	



4/16/2024

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 342500 Account : 0830


<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Credit</u>	<u>Num</u>
FUND 3425 - PC SANITARY - O&M				
04/03/2024	PG&E	Electric - Acct # 2704121327-6	743.10	1845
04/03/2024	SDRMA	Health Benefits - SPLIT	269.96	1846
Total FUND 3425 - PC SANITARY - O&M			<u>1,013.06</u>	
TOTAL			<u>1,013.06</u>	



CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 342600 Account : 0830

Date	Name	Memo	Credit	Num
FUND 3426 - CV SANITARY - O&M				
04/02/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll nمبر 22, split	18,143.27	7154
Total FUND 3426 - CV SANITARY - O&M			18,143.27	
TOTAL			<u>18,143.27</u>	


4/2/24

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 342600 Account : 0830

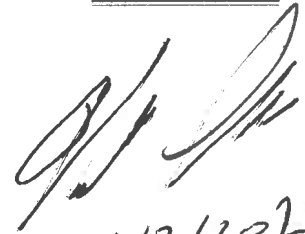
<u>Date</u>	<u>Name</u>	<u>Memo</u>	<u>Credit</u>	<u>Num</u>
FUND 3426 - CV SANITARY - O&M				
04/15/2024	BAY AREA NEWS GROUP	Alexander Park Proj Advertising - Statement#0001403863	339.50	7157
04/15/2024	Frisch Engineering, Inc.	March 2024 - MCCP - INV# 11846 - 2402c	5,737.50	7158
04/15/2024	L.R. PAULSELL CONSULTING	High Pressure Cleaning - INV# CVSD 24-9	8,850.00	7159
04/15/2024	U.S. BANK	Credit Card Purchases Feb - Mar 2024 - SPLIT	6,094.74	7160
04/15/2024	Villa's Landscape	March - 2 visits - 1 RPD Landscaping	300.00	7161
04/16/2024	CONTRA COSTA COUNTY TREASURER	CalPERS payment March 2024	5,001.68	7162
04/16/2024	CONTRA COSTA COUNTY TREASURER	Netchex Payroll no 23 - SPLIT	2,817.19	7163
04/16/2024	City of El Cerrito	Mayors Conference - Feb 2024 - SPLIT	105.00	7164
Total FUND 3426 - CV SANITARY - O&M			<u>29,245.61</u>	
TOTAL			<u><u>29,245.61</u></u>	

[Handwritten Signature]
 4/16/2024

CROCKETT COMMUNITY SERVICES DISTRICT
Crockett Community Services District

Auditor's Date: _____ Fund: 342600 Account : 0830

Date	Name	Memo	Credit	Num
FUND 3426 - CV SANITARY - O&M				
04/03/2024	MEYERS NAVE	Legal Svcs - Inv #'s 215832 & 215833	1,468.80	7155
04/03/2024	SDRMA	Health Benefits Mar 2024 - SPLIT	1,214.84	7156
Total FUND 3426 - CV SANITARY - O&M			2,683.64	
TOTAL			2,683.64	


4/3/2024

RESOLUTION 23/24-27

RESOLUTION OF THE BOARD OF DIRECTORS OF CROCKETT COMMUNITY SERVICES DISTRICT TO OPPOSE INITIATIVE 1935

– TAXPAYER PROTECTION ACT (FORMERLY 21-0042A1)

WHEREAS, an association representing California’s wealthiest corporations is spending millions of dollars to promote a deceptive proposition currently eligible for the November 2024 statewide ballot; and

WHEREAS, the proposed proposition, Initiative 1935 (formerly 21-0042A1), has received the official title: “LIMITS ABILITY OF VOTERS AND STATE AND LOCAL GOVERNMENTS TO RAISE REVENUES FOR GOVERNMENT SERVICES. INITIATIVE CONSTITUTIONAL AMENDMENT”; and

WHEREAS, the measure would revise the Constitution to allow corporations to more easily sue public agencies, costing residents and taxpayers millions of dollars and disrupting essential services; and

WHEREAS, the measure would retroactively invalidate billions of dollars in local government funding for essential services and infrastructure, including sanitary, recreation, lighting and landscaping services as well as to schools, fire and emergency response, law enforcement, public health, parks, libraries, housing, services to address homelessness and support mental health, and more; and

WHEREAS the measure would have a significantly negative impact on the financial stability of the District and the services it provides including Measure L for maintenance services; the Recreation Use Tax could be reduced further reducing recreational services; and the District would not be able to maintain or repair the aging sewer system; and

WHEREAS, the measure limits voters’ rights, containing undemocratic provisions that would make it more difficult for local voters to pass measures to fund services, provisions that retroactively cancel measures recently passed by local voters, and provisions that prevent voters from passing advisory measures that provide direction on how they want their local tax dollars spent; and

WHEREAS, the measure restricts the discretion and flexibility of locally elected boards to respond to the needs of their communities, and injects uncertainty into the financing and sustainability of critical infrastructure; and

WHEREAS, the measure constrains state and local officials’ ability to protect our environment, public health and safety, and our neighborhoods against those who violate the law; and

WHEREAS, the measure is opposed by hundreds of local governments, firefighters and other first responders, healthcare providers, teachers, working families, and local elected officials.

7.a

THEREFORE, BE IT RESOLVED that the Crockett Community Services District opposes Initiative 1935 (formerly 21-0042A1).

BE IT FURTHER RESOLVED, that the Crockett Community Services District will join the No on Initiative 1935 (formerly 21-0042A1) coalition, a growing coalition of local government, public safety, labor, infrastructure advocates, and other organizations throughout the state.

THE FOREGOING RESOLUTION was adopted at the District's Regular Meeting held in Crockett on May 22, 2024, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Nicholas Spinner, President

ATTEST:

Sonia Rivas, MBA
District Secretary

RESOLUTION NO. 23/24-28

**A RESOLUTION OF THE CROCKETT COMMUNITY SERVICES DISTRICT
LEVYING AN ANNUAL RECREATION SPECIAL TAX
FOR FISCAL YEAR 2024/2025**

WHEREAS, the Crockett Community Services District ("District") is authorized by District Resolution No. 11/12-11, which incorporates Contra Costa County Ordinance No. 86-24 and District Resolution No. 06/07-18, to annually adopt a resolution levying a recreation special tax for the fiscal year within all areas of the District; and

WHEREAS, the tax per year on each residential parcel shall not exceed \$110; and

WHEREAS, the Recreation Commission determined the recreation special tax is still needed to improve, maintain, and operate the park and recreation facilities and services within the are served by the District; and

WHEREAS, the Recreation Commission, after careful consideration of the needs of the public and value the recreation special tax brings to the residents of the District, recommended keeping the Recreation Special Tax at \$110; and

NOW, THEREFORE, BE IT RESOLVED that pursuant to Resolution No. 11/12-11, which establishes a recreational special tax, the Board of Directors of the District hereby levies the recreation special tax on all residential parcels within the District in the amount of \$110 for fiscal year 2024/2025 and authorizes and directs the Administrative Services Manager to take all steps required to place said tax levy on the tax rolls for the 2024-2025 fiscal year.

THE **FOREGOING RESOLUTION** was adopted at the District's Regular Meeting held on May 22, 2024, by the following vote and shall be effective immediately:

AYES:

NOES:

ABSENT:

ABSTAINED:

Nicholas Spinner, President

ATTEST:

Sonia Rivas, MBA
District Secretary

7.b

RESOLUTION NO. 23/24-29

RESOLUTION OF THE CROCKET COMMUNITY SERVICES DISTRICT MODIFYING THE SALARY SCHEDULE OF THE DISTRICT EMPLOYEES TO INCORPORATE A COST-OF-LIVING ADJUSTMENT FOR FISCAL YEAR 2024/25

WHEREAS, the District wishes to grant a cost-of-living salary adjustment (COLA) to District Employees by “a percentage equal to the percentage increase in the Consumer Price Index – All Items for All Urban Consumers, San Francisco-Oakland-San Jose SMSA, published by the U.S. Department of Labor, Bureau of Labor Statistics for the 12-month period ending April 2024” (CPI); and

WHEREAS, for the 12-month period ending April 2024, the percentage increase in the CPI was 4%; and

WHEREAS, the District also conducted a compensation review and job description review in January this year, resulting in salary adjustments to part-time seasonal employees and COLA increases for all full-time positions; and

WHEREAS, the COLA increase was considered and approved on May 7, 2024, by the Personnel Committee; and

WHEREAS, the salaries of the seasonal positions will not be changed by the COLA because they have already been adjusted for the annual minimum wage increase;

NOW, THEREFORE, the Board of Directors of the Crockett Community Services District resolves that the Cost-of-Living increase for FY 24/25 of ___% for all employees except seasonal employees.

THE FORGOING RESOLUTION was adopted at the regular district meeting held on May 22, 2024.

AYES:

NOES:

ABSENT:

ABSTAINED:

Nicholas Spinner, President

ATTEST:

Sonia Rivas, MBA
District Secretary

7.c

CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE

April 2024

(All items indexes. 1982-84=100 unless otherwise noted. Not seasonally adjusted.)

MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	1 Month ending					Year ending	1 Month ending	
	Apr 2023	Mar 2024	Apr 2024	Mar 2024	Apr 2024	Apr 2024	Apr 2023	Mar 2024	Apr 2024	Mar 2024	Apr 2024	Apr 2024
U. S. City Average.....	303.363	312.332	313.548	3.5	3.4	0.4	297.730	306.502	307.811	3.5	3.4	0.4
West.....	322.187	332.202	334.050	3.6	3.7	0.6	313.978	324.323	326.135	3.8	3.9	0.6
West – Size Class A ¹	331.296	341.299	343.531	3.6	3.7	0.7	319.941	329.897	332.012	3.7	3.8	0.6
West – Size Class B/C ²	188.008	194.047	194.913	3.6	3.7	0.4	189.320	195.880	196.818	3.8	4.0	0.5
Mountain ³	128.390	131.176	131.800	2.5	2.7	0.5	129.781	132.864	133.419	2.7	2.8	0.4
Pacific ³	124.019	128.341	129.096	4.0	4.1	0.6	124.798	129.315	130.106	4.1	4.3	0.6
Los Angeles-Long Beach-Anaheim, CA.....	320.089	330.671	332.572	4.0	3.9	0.6	308.474	318.280	320.458	3.9	3.9	0.7
BI-MONTHLY DATA (Published for odd months)	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	2 Months ending					Year ending	2 Months ending	
	Mar 2023	Jan 2024	Mar 2024	Jan 2024	Mar 2024	Mar 2024	Mar 2023	Jan 2024	Mar 2024	Jan 2024	Mar 2024	Mar 2024
Riverside-San Bernardino-Ontario, CA ³	127.707	131.358	133.144	2.9	4.3	1.4	128.027	131.840	134.144	3.1	4.8	1.7
San Diego-Carlsbad, CA.....	358.026	367.917	370.858	3.8	3.6	0.8	339.498	348.486	351.778	3.6	3.6	0.9
Urban Hawaii.....	322.608	333.172	338.060	3.9	4.8	1.5	321.671	332.335	337.685	3.8	5.0	1.6
BI-MONTHLY DATA (Published for even months)	Indexes			Percent Change			Indexes			Percent Change		
				Year ending	2 Months ending					Year ending	2 Months ending	
	Apr 2023	Feb 2024	Apr 2024	Feb 2024	Apr 2024	Apr 2024	Apr 2023	Feb 2024	Apr 2024	Feb 2024	Apr 2024	Apr 2024
Phoenix-Mesa-Scottsdale, AZ ⁴	179.824	181.010	184.462	2.2	2.6	1.9	179.839	180.826	184.141	2.1	2.4	1.8
San Francisco-Oakland-Hayward, CA.....	338.496	345.151	351.247	2.4	3.8	1.8	333.478	341.595	346.671	2.9	4.0	1.5
Seattle-Tacoma-Bellevue, WA.....	338.487	349.288	353.503	4.3	4.4	1.2	332.082	342.387	347.039	4.2	4.5	1.4
Urban Alaska.....	258.866	261.340	267.046	1.7	3.2	2.2	256.349	259.326	263.875	1.7	2.9	1.8

1 Population over 2,500,000 2 Population 2,500,000 and under, Dec 1996 = 100 3 Dec 2017=100 4 Dec 2001=100

NOTE: In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI): www.bls.gov/regions/west/factsheet/2018cpirevisionwest.pdf

1967=100 base year indexes and tables with semiannual and annual average data are available at: www.bls.gov/regions/west/factsheet/consumer-price-index-data-tables.htm

Release date May 15, 2024. The next release date is scheduled for June 12, 2024. For questions, please contact us at BLInfoSF@bls.gov or (415) 625-2270.

SEWER USE CHARGE STUDY
CROCKETT COMMUNITY SERVICES DISTRICT
Fiscal Year 2024/25

INTRODUCTION

The Crockett Community Services District, formed in 2006, is comprised of two Sewer Departments (the Crockett-Valona Sanitary Department, and the Port Costa Sanitary Department), Recreation Department, Landscape and Lighting Department, and a Maintenance Department. The sanitary departments receive the bulk of their operating revenue from sewer service charges collected on the county tax roll.

The Crockett Sanitary Department is currently in the 48th year of a federally mandated wastewater treatment program covering operations at all its facilities. Additionally, state, regional and county regulatory agencies have imposed new requirements on sanitary agencies from the 1990's to the present resulting in significant increases in operating costs over the years. Recent increases in regulatory oversight and reporting requirements have increased administrative costs. Inflation has exacerbated the cost of maintaining an aging system.

The District jointly co-owns the sewage treatment plant with C&H sugar. This agreement is due to expire at the end of this fiscal year (June 30, 2024) and the District is currently in negotiations for a new agreement. Treatment cost is a significant expense of the Department.

This study is performed annually to ensure that our district will be capable of performing its function for the public good. Rates have not risen since fiscal year 22/23, but in the face of regulatory, economic and engineering costs, this report will recommend that the district raise rates for the coming year.

SCOPE

This Sewer Use Charge study is provided as the rationale for determination of the Sewer Use Charge for Fiscal Year (FY) 24/25 as required by law. All discussion in this report pertains only to Crockett-Valona Sanitary District (CVSAN); sewer fees for Port Costa Sanitary District members are discussed in a separate report. Background, salient facts and financial information is included to provide context and to encourage a better understanding of the state of the CVSAN.

After four decades of price stability, inflation that increased during the pandemic has remained a significant facet of the economy and a factor in our budget.

Table 1. Crockett at a Glance

Population (2020 census)	3242
Number of residential users served by CVSAN:	
SFR's	909
Apartments	655
Collection system size	81,120 linear feet
Total Expenditure(projected), FY 23/24	\$2,926,000

REVENUE & EXPENSES

The sewer use charge comprises the difference between the available and predicted revenues and expenses. This amount, known as the *apparent deficit* is the amount that that must be raised by the sewer use charge to pay for what needs to be done.

Revenue for the Sanitary Department is primarily from the Sewer Use Charge. There are also funds from property taxes and other sources. The District maintains funds for use as emergency fallback revenue and interest on those funds is a source of revenue. Revenue and expenses are tabulated in **Table 2** for the current fiscal year (ending June 30) and as projected for next year in **Table 3**.

Table 2. Projected Budget Detail for CVSAN FY 2023-24.

CVSAN REVENUES	Projected 23/24
Sewer Use Charge	\$1,583,897
Property Taxes	\$451,000
Loan Repayments to CSD	\$26,829
Property Rental	\$8,000
Grants / RTS	\$20,000
Permit, Misc. Fees, and Other	\$1,000
Interest	\$152,261
Capacity Charges	0
Cost Recovery	0
Transfer from 3427 (TRANSFER PENDING REVIEW)	\$650,000
Total Revenue	\$2,892,987
CVSAN EXPENSES	Projected 23/24
Treatment 23/24	\$431,087
Delayed WTP billing= 1,139,138 Partial payment	\$569,569
Collection	\$585,284
Administration	\$561,000
Spent on MCC upgrade	\$9,387
Capital Expenses, (sewer replacement only)	\$527,770
Construction Fund 3427	\$167,381
Non-operating expenses	\$22,035
Recoverable Costs / Other	\$11,475
O&M Contingency @ 10%	0
Total Expenditures	\$2,884,988
Surplus/Deficit	\$8,000

Table 3. Projected Budget Detail for CVSAN FY 2024/25

CVSAN REVENUES	Projected 24/25
Carryover from 23/24	\$8,000
Property Taxes	\$475,000
<i>Transfer from reserves for past treatment billing*</i>	<i>\$1,139,138*</i>
Loans Repayments to CSD	\$26,058
Property Rental	\$12,000
Grants / RTS	\$20,000
Permit, Misc. Fees, and Other	\$1,000
Interest	\$150,000
Capacity Charges	\$2,450
Cost Recovery	\$3,000
Transfer from 3427 for MCC	\$200,000
C&H yearly Charge 3% per year	\$208,675
Total Revenue	\$2,245,321
CVSAN EXPENSES	
Treatment	\$500,000
(Delayed WTP billing= 1,139,138)	<i>\$1,139,138*</i>
Treatment plant Equipment Replacement	
Collection	\$585,000
Audit	\$50,000
Administration	\$544,000
legal expenses	\$40,000
Capital Budget Allocation(MCC)	\$200,000
Sewer replacement	\$350,000
Pump station Machinery Renewal	\$245,000
Construction Fund 3427	\$100,000
CVSAN reserve fund 3429	
Building Repairs	\$100,000
Non-operating expenses	\$22,000
Recoverable Costs / Other	\$10,000
O&M Contingency	\$180,000
Total Expenditures	\$4,065,138
Apparent Deficit	\$1,819,817

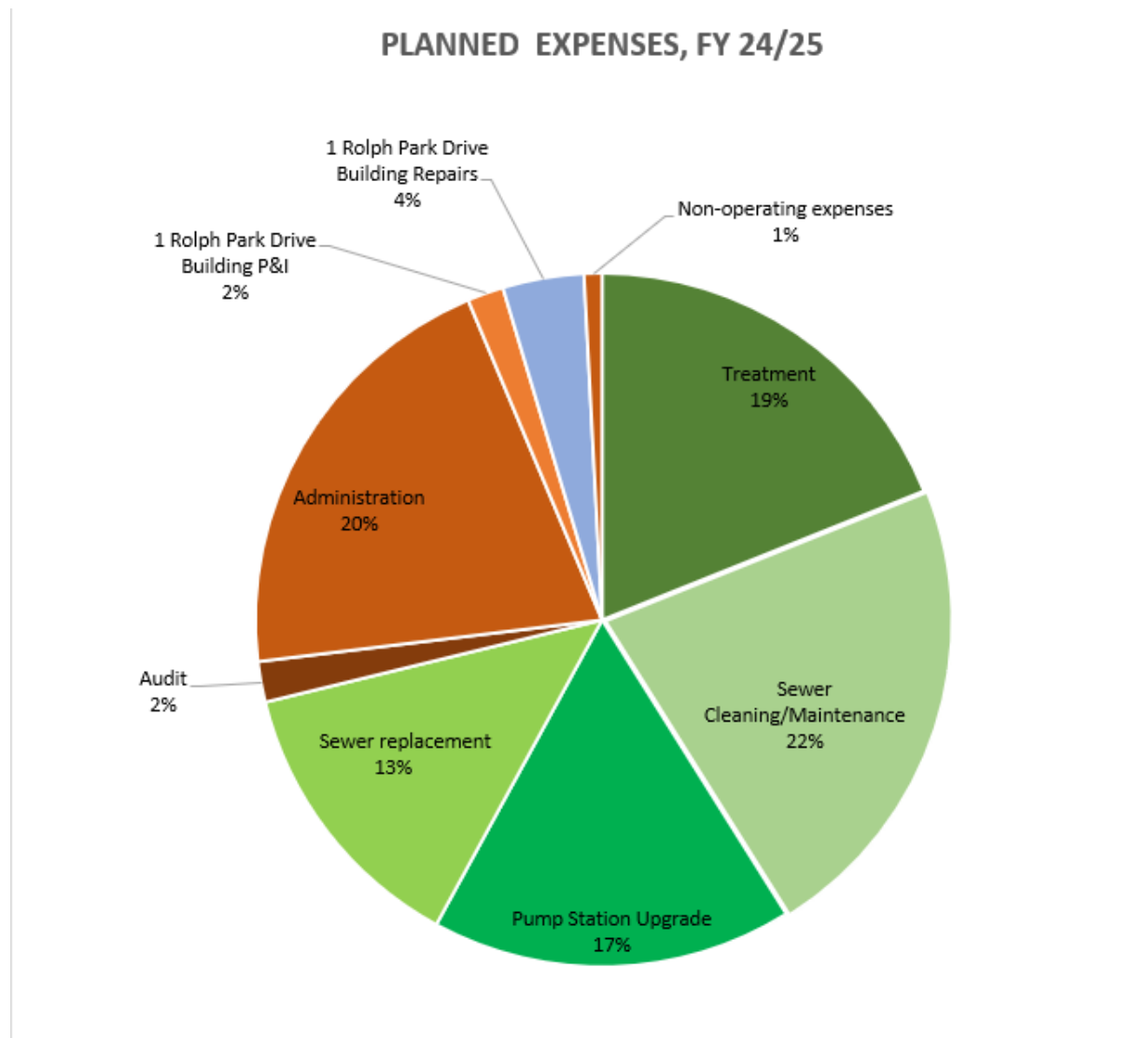
*Note that \$1,139,138 for treatment is for delayed past billing.

The tabulated Sanitary Department's costs are listed and explained below.

- **Sewage Treatment:** The Joint Treatment Plant (JTP) is owned jointly by the District and C&H Sugar and operated by C&H through their contract with Inframark. Our costs are per obligations of the Joint Use Agreement.
- **Sewage Collection:** CVSAN owns and operates an equalization (EQ) tank, which is an emergency/overflow sewage storage facility, the Crockett Pump Station, the much smaller Loring Street pump station, and 81,120 feet of sewer pipe with associated structures (manholes). Maintenance (cleaning and inspection) is performed by outside contractors.
- **Finance Costs:** CVSAN owes on several outstanding loans. Service of these loans totaled approximately \$85,430.46 in current FY 23/24.
- **Administrative Cost:** Wages, office space, and outside professional services. Wages for the CVSAN department are primarily for the District Engineer, the Administrative Services Manager, the CVSAN Department Manager, and the District Secretary. While all of these positions also work for other Departments within the District, the costs recorded here reflects only the CVSAN portion of total wages and benefits. Regulatory Compliance is a large part of administrative activity. Professional services, Legal, Auditor, Engineering, office costs and miscellaneous expenses such as utilities, membership dues, printing, and vehicle expense are also included. Board Directors and Commissioners work on a volunteer basis and are not paid.
- **Capital Improvements:** Required capital improvements include work required at the Joint Treatment Plant (JTP), Crockett Pump Station Motor Control Center (MCC), and the replacement of sewer mains. CVSAN has set a goal of replacing 2% of the sewer line every year (1622 feet). In the current FY 23/24 We will replace 1544 feet, including both work completed and under contract. 733 feet of that amount is 12" pipe. Capital replacement work is performed by outside contractors, paying prevailing wages per California law.
- **Apparent Deficit** Is the difference between the Expenses and the Revenues that must be made up with by the Tax or Fees (Sewer Use Charge)
- **Economic Considerations:** At writing, last year's Consumer Price Index inflation has settled to a more modest ~3%. More pertinently the California Construction Cost Index (CCCI) Has increased by 9.3% and 9.4 % in 2022 and 2023 and it would be prudent to assume that inflation will continue at a similar pace. Prevailing wage rates are adjusted twice per year and so can be expected to keep pace with inflation; as can the cost of HDPE pipe and mechanical components such as pumps & motors. Inflation accentuates the loss that can occur by holding reserves.

SANITARY DISTRICT EXPENDITURES

Planned Operating and Maintenance expenditures for FY 24/25 are graphically illustrated in Figure 1. Contributions to reserves are not included, nor are payments for delayed billing. In aggregate the core mechanical functions of the Sanitary Department (Collection, Treatment, Repair, and Upgrade of sewers and pump station) represents 71% of planned department expenditures. The amount shown includes only 20% of the total cost of the pump station MCC upgrade, which will be spread over multiple years. Building repairs refer to repairs to the 1 Rolph Park address that is used as the departmental office.



CONTINGENCY AND RESERVES

O & M: Wastewater agencies normally keep an operating reserve of between 10% and 50% of annual revenue requirements with most agencies operating in the 20% to 40% range.

Contingency Fund: The District has strived to include a contingency line item of between 10% and 15%. This budget provides **\$330,000** for operating contingencies, roughly 10% of next year's operating budget

In June 2012, an independent comprehensive sewer rate study was completed by Bartle Wells Associates (BWA) for the Crockett Sanitary Department. It included a financial review and a 10-year capital improvement plan. BWA recommended that the District continue to build reserves up to a level of \$2.5 million over the next 10 years. Including 10-year expense projections, BWA recommended raising rates by 7% each year for the first three years and 6% in FY 2016/17 through FY 2021/22 in order to fund the District's projected costs of service including operating and capital needs. The Crockett Sanitary Commission considered the recommendations and decided to implement lower rate increases in the neighborhood of 4% to 6% annually over a longer period to build up reserves. Staff evaluates the reserve annually and calculates what amount needs to be allocated to the reserve.

PORT COSTA INTERAGENCY LOANS:

The Crockett Sanitary Department entered into a loan agreement with the Port Costa Sanitary Department in September 2013 to pay off the remaining balance of a loan owed to Contra Costa County for treatment plant upgrades. Port Costa Sanitary has agreed to repay the loan in five years with the first annual payment made in October 2014. A second inter-agency loan agreement to pay off the remaining balance of a West America loan for treatment plant upgrades was completed in March 2016. This loan was retired this fiscal year 23/24. A third loan was needed in April 2020 for project costs associated with the wastewater settling tank. This loan is scheduled to start repayment this current fiscal year (23/24). The interest rate for each loan is 1.5% over what the District receives on its investments from the Local Agency Investment Fund (LAIF). Amortized payments through December of 2029 will be paid to the Crockett Sanitary Department annually. As of April 2023, this asset will be valued at \$300,012.

FUNDS

Funds maintained by CVSAN are described and tabulated below in Tables 4 & 5.

3427 CONSTRUCTION FUND	projected 23/24	projected 24/25
Opening Balance	\$1,000,000	\$490,800
Interest Est	\$50,000	\$50,000
Capacity Charges, Est.	\$	
Misc. Fees Est.	\$	
Capital Expenses, Est.	\$ -(527,000)	
Investment Fees, Est	\$ - (200)	
Interfund Transfers	\$32,000	-
ESTIMATED BALANCE	\$490,800	\$474,621

Table 4. Fund 3427 was created when the District received grants in 1977 for Projects C-06-1412-11 (JTP) and C-06-1412-12 (Pump Station, EQ tank & sewers). The fund derives revenue principally from investment interest and capacity fees. Capacity fee funds must be used for treatment plant improvements and reported as development impact fees as required by California AB 1600.

3429 CAPITAL RESERVE FUND	projected 23/24	projected 24/25
Opening Balance	\$74,533	\$76,768
State Loans	-	-
Interfund Transfers	-	-
Interest	\$2,235	\$2,303
Cost Recovery	-	-
Investment Fees	-\$8	-\$8
ESTIMATED BALANCE	\$76,768	\$79,063

Table 5. Fund 3429 was created in 2001 to receive \$675,356 in State Revolving Fund (SRF) loans for collection system Projects C-06-4675-110,120,130. Loan conditions require the District to have, maintain, and build Fund 3429 dedicated for "expansion, major repair, or replacement of wastewater treatment facilities" for projects that were paid for by SRF loans.

PROJECTED REVENUE

Without consideration of the sewer use fees, the projected revenue from property tax and other minor sources comes to \$697,508. This amount includes the return-to-source revenue from the Crockett Co-generation plant as granted by the Crockett Community Foundation. In the coming year, this contribution is expected to total \$20,000.

SEWER USE CHARGE RATE REVIEW

The sewer services currently provided by the Crockett Sanitary Department have been determined through a comprehensive study of properties undertaken in 1992, with continuous updates. In addition to the C&H refinery properties, the Department currently serves 909 single-family dwellings and 655 apartments, plus 82 commercial and mixed-use properties.

In 1993, the Department instituted a new structure for sewer service charges modeled after the Stege Sanitary District Ordinance. Water consumption data has been analyzed annually to determine an equitable fee structure for properties in Crockett.

In calculating average sewer use by residents only wet weather data is used, in order to discount irrigation water (which does not go down the sewer). Extreme outliers in the data were not considered. The remaining 386 Single Family Residences (SFRs) were used as the study sample. Results are averaged with the results of the previous 5 years (total of 6-year average). As a result of this analysis, each SFR is now assumed to contribute 5433 cubic feet per year to the sewer system. This becomes the Department's standard for water consumption per discharge unit in Crockett. Similarly, each apartment is now assumed to contribute 3871 cubic feet per year to the sewer system. The APT: SFR use ratio is 0.712 (aka "use Factor").

Non-residential uses are charged an equitable share based on water consumption during the previous twelve-month period, with a minimum charge set equal to the charge for one apartment. Mixed-use properties are similarly charged, with a minimum set by the charge for each dwelling and/or commercial account on the property.

Our Commercial rate applies uniformly to all non-residential customers; retail, food service, schools, and industrial users.

The sewer services provided by the District are tabulated in Table 6. The second column in Table 6 indicates the relative flow rating ("use factor") of the various types of users. The last column is the product of the number of units and the use factor. The total of the last column gives 1520 discharge units.

Inventory of Connections			
	#	USE FACTOR	Discharge Units
SFR	909	1	909
APT	655	0.712484	467
COM			202
c&H			
Total Discharge Units			1578

Table 6. Inventory of Connections is a tabulation for the purpose of determining equivalent discharge units. The use factor of Commercial properties is an based on the number of shared system users. The Discharge Unit could also be viewed as SFR equivalent.

We can use the operating deficit to find the needed Sewer Use Charge using the aggregate total of discharge units:

$$\text{SFR charge} = \text{Operating Deficit} / \text{Total Discharge units}$$

This leads to the suggested rates,

Single Family Residence.....**\$1,153**.....(Prior Rate \$918)
 Apartment.....**\$ 822**.....(Prior Rate \$759)

Commercial users pay a volumetric rate with a connection minimum being the apartment rate:

Volumetric Rate.....**\$21.23** per ccf (Prior rate \$13.71/ccf)

SUMMARY & RECOMMENDATION

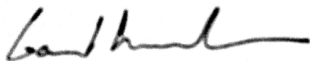
The Department's financial outlook looks strong going into FY 2024/25. The Department successfully pays for expenses as they accrue and has built modest reserves. The Department and the District will be undergoing a financial review in Fiscal Year 2024/25, and the results of that review will improve our understanding of our financial position.

The aging Motor Control Center at the Crockett pump station has outlived its service life and is currently being replaced at a cost of \$986,525, to be spread over five years. This work is under contract and the cost includes funds that have already been allocated including \$200,000 this coming year, with additional funds yet to be set aside. Additionally, some pump station machinery components (motors, pumps, etc.) will need refurbishment or replacement as part of ongoing scheduled repair.

CVSAN will continue its program of sewer line replacement, planning to contract up to \$350,000 in sewer repairs, and undertake upgrades to the pump station totaling \$245,000.

CVSAN is in a sound financial position and is currently undertaking a level of maintenance and repair that will ensure its continued effective operation for years to come and enable it to navigate the challenge of increasingly tight regulation that is reflective of the public's valuation of environmental concerns. As discussed above, for the fiscal year 24/25, the aggregate total of **\$1,819,817** is recommended to be funded by a Sewer Use Charge of **\$1153** for SFRs and **\$822** for apartments and non-residential accounts and a volumetric rate of **\$21.23 /ccf** for commercial users.

Respectfully Submitted,



Gaunt Murdock,
District Engineer
May 20, 2024

TO THE PORT COSTA SANITARY COMMISSION
AND THE BOARD OF DIRECTORS,
CROCKETT COMMUNITY SERVICES DISTRICT

FROM: Department Manager

SUBJECT: PORT COSTA Sewer Use Charge Study, FY 2024/2025

INTRODUCTION

A full Sewer Use Charge study report is performed when the Crockett Community Services District needs to consider raising the Sewer Use Charge fee. This report summarizes results of current operating & maintenance and capital costs to the Port Costa Sanitary Department of the Crockett Community Services District. The costs expected over the next fiscal year (July 1, 2024 through June 30, 2025) are predicted to provide a basis for determination of a rate structure for Sewer Use Charge for the coming year.

DISTRICT REORGANIZATION

The Crockett Community Services District was formed in July, 2006, merging the functions of the Crockett-Valona Sanitary District with the functions of two recreation organizations and Port Costa's sanitary sewer agency. This Sewer Use Charge study report is concerned only with sewer service provided in the town of Port Costa.

BACKGROUND

The small, unincorporated town of Port Costa has a population of 190 people as of the 2020 census. There are 113 properties within Crockett Community Services District boundaries, of which 85 are receiving sewer service. There is one additional property outside of the District boundaries that is also being served by Port Costa Sanitary Department. The average daily dry weather flow rate was more than 19,000 gallons in 2023.

Port Costa Sanitary Department pays for operation and maintenance, capital replacements, capital improvements, and long-term debt service with revenue collected from the Sewer Use Charge.

This review will determine the funding needed for operating, maintaining, and improving the Department's sewerage facilities, along with the available funding source(s) and revenue during FY 2024/25.

CURRENT COSTS

A review of revenue and expenditures during FY 2023/24 reveals the revenue and expenses (partially predicted) shown in TABLE 1.

TABLE 1

<u>REVENUE</u>	<u>PROJECTED DISTRICT CURRENT FY 2023/24</u>	
	Sewer Use Charges	\$ 299,169
	Annexation Charge	0
	Grants	0
	Interest	578
	Permit Fees	210
	Cost Recovery/Non-Operating	0
TOTAL REVENUE		\$306,313

<u>EXPENSES</u>		
	Sewage Treatment	\$ 109,767
	Sewage Collection	44,150
	Administration/General	49,540
	Recoverable	0
	Insurance	6,600
	County Charges	223
	Capital Projects	13,240
	Operating Reserve	29,000
	Debt Service (Principle & Interest)	26,829

TOTAL EXPENDITURES	\$279,349
CY NET O&M&R	\$26,964
PY Operating Reserve carried forward	\$168,193

FUTURE OPERATING REQUIREMENTS

This analysis is focused on the costs of operating and maintaining sewerage facilities in Port Costa for the fiscal year 2024/25.

State, regional, and county regulatory agencies impose new requirements on sanitary agencies from the 1990's to the present. Beginning in December 1, 2014, a five-year National Pollutant Discharge Elimination discharge permit (NPDES) was issued to Port Costa Sanitary Department by the Regional Water Quality Control Board (RWQCB). This Discharge permit further expanded these requirements. The current discharge permit became effective February 1, 2019 and expired January 31, 2024. Re-issuance of the permit is pending public comments. Deadline for public comments is May 20, 2024. The draft permit can be found at <http://www.waterboards.ca.gov/sanfranciscobay>. The draft permit will be considered for adoption by the Water Board on June 12, 2024 at 9:00 am. We are abiding by prior permit limitations until the next discharge permit is adopted and becomes effective.

In 2003, exceedances of permit limits resulted in mandatory upgrades to the treatment plant to eliminate discharge of pollutants. The upgrades were completed by Contra Costa County in 2007 at the cost of \$1,035,000. The Regional Water Quality Control Board certified the upgrade. 36 exceedances occurred throughout the years 2013 through 2023. The exceedances have since been attributed primarily to sludge buildup in the primary treatment (septic tank) and disturbance of the biological layer of the sand filter beds. Heavy cleaning, inspection, and maintenance of the septic tank was completed in early 2020. There have been two permit exceedances to this date following the heavy cleaning. Treatment plant operations have been accomplished by contract operators since 2008. The current contract is with Valley Operators LLC. Valley has given early notice to terminate operating services on October 1, 2024. Maintenance, repair, and replacement of specific components (pumps/generator/controls etc.) is performed by outside contractors.

Contra Costa County left no inventory of the system, inspection data, repair records, or condition assessment, and performed no preventive maintenance on the system. The District anticipated significant costs to bring the collection system up to current standards of reliability within as short a timeframe as possible. The small tax base and constrained revenue stream available for capital expenditures has restricted the ability to undertake desired projects. A review of current and forecasted operating requirements indicates that next year's operating budget should include the following items, as shown in TABLE 2:

1. Sewage Treatment:

The treatment plant facilities are operated and maintained by Valley Operators LLC. Chemicals are supplied by Sierra Chemical Company. Pre-treatment occurs in an 86,000 gallon (100% capacity) septic tank. Septic tank cleaning is ongoing, it is estimated that the top (scum) layer will require removal two to three times per year based on operator request. The bottom layer (sludge) is regularly profiled by the Valley Operators LLC. It is imperative that sludge is removed prior to the sludge level

reaching depth and concentration deemed detrimental to the removal of suspended solids which can carry-over to secondary treatment, causing damage to the plant piping, pumps, sand filter beds, and ultimately, to the effluent quality. Requests for cleaning are initiated by Valley Operators LLC. The costs associated with treatment for the next fiscal year are budgeted at \$145,767 excluding loan principle.

2. Sewage Collection:

The collection system consists of approximately 7,108 LF of 4" to 10" sewer piping. There are no lift stations. Wastewater flows by gravity from residential, mixed-use, and commercial users via the collection system. The wastewater is then conveyed, via gravity, through primary treatment (septic tank) to secondary treatment at the treatment plant. Port Costa Sanitary Department and Crockett Sanitary Department have benefited from inclusion in the Crockett Community Services District's Sanitary Sewer Management Plan. Bi-annual audits of the Sanitary Sewer Management Plan are performed by the Crockett Community Services District.

The cost for the collection system operations, maintenance, and repairs are estimated at \$54,150 for the coming year.

3. Administration/General expenses:

Wages are paid by Port Costa Sanitary Department to the General Manager, Department Manager, Administrative Services Manager, and Assistant District Secretary. Personnel costs are divided between O&M&R and capital projects, as appropriate. Sanitary Commissioners and District Board members are unpaid for meeting attendance.

Administrative (O&M) salary, professional services, office costs and miscellaneous expenses such as membership dues, printing, vehicle, etc. are budgeted at \$49,540.

4. Capital improvements budget:

The Crockett Community Services District maintains records that divide General Fund 3425 into an operating account and a capital account. Monies budgeted for capital projects will be carried over if spending is delayed, therefore capital expenditures may exceed the budget appropriation for a given year.

As a result of the 2007 plant upgrade project, the Crockett Community Services District inherited a debt burden of \$1,035,000 from Contra Costa County. Outstanding balance to be determined.

No additional long-term debt is anticipated in FY 2023/24. Port Costa Sanitary Department refinanced one of the loans in 2014 and the second loan in 2015. This reduced the interest rate on all debts burdening Port Costa. A third inter-department loan of \$150,000 was added in 2020 and is included in the debt service repayment

schedule. The fourth scheduled payment of \$26,829 includes interest and principle which reduces the total debt balance to \$128,571. Debt is paid 1.5% over the LAIF interest rate. LAIF interest rate as of this publication is 4%

5. Contingencies:

Wastewater agencies normally keep an operating reserve of between 10% and 50% of annual revenue requirements. Most agencies operate in the 20% to 40% range. Events such as El Nino '98 and storm events in the winter of 2016/17 have proven the necessity of a contingency fund.

*The Port Costa facilities were inherited with no operating reserves. \$4,000(tbd) can be contributed to the treatment plant Capital Reserve, \$10,000(tbd) for the septic tank reserve, \$5,000 for RWQCB operating reserves and \$10,000(tbd) toward the discharge permit reserve in 2024/2025.

**Port Costa Sanitary Department cannot allocate operating reserves until accounting review has taken place. The above allocations were from the prior year.*

TABLE 2

PROJECTED DISTRICT BUDGET DETAIL, FY 2024/25

**REVENUE (Excluding sewer use charges)

Carry-over unallocated cash	\$117,380
Prior Year Contingency Surplus	19,766
Tank Cleaning/Rehabilitation Reserve	30,000
Discharge Permit Reserve	30,000
TREATMENT PLANT Reserve	12,000
RWQCB Operating Reserve	15,000
Loans/Grants	0
Permit Fees	330
Capacity Charges/Annexation Charges	0
Annexation Interest	0
Cost Recovery	<u>0</u>

****TOTAL REVENUE \$224,526**

*** Port Costa Sanitary Department cannot accurately project Carry-over Unallocated Cash or Prior Year Contingency Surplus until accounting review has taken place.*

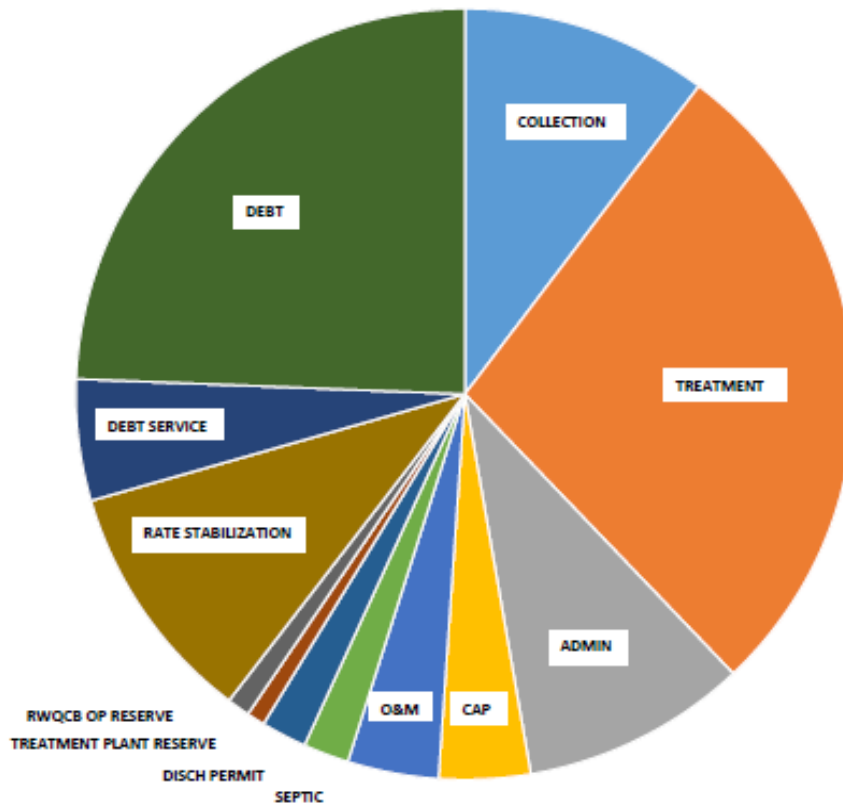
Sewer Use Charge Study
 FY 2024/25

EXPENSES

Sewage Collection	\$ 54,150
Sewage Treatment	145,767
Administration/General	49,540
Capital Replacement Projects	20,000
O&M Contingencies	20,000
***1 Septic Tank Rehabilitation/Cleaning Reserve	10,000
2 TREATMENT PLANT Reserve	4,000
3 Discharge Permit Reserve	10,000
4 RWQCB Operating Reserve	5,000
5 Rate Stabilization Reserve	53,658
6 Debt service	26,829
7 Pre-Existing Debt	128,571
TOTAL EXPENDITURES	\$527,515
APPARENT DEFICIT	\$322,878

*** Port Costa Sanitary Department cannot project expenses numbered 1-7 until accounting review has taken place.

PCSAN Projected Expenses 2024/25



This budget of \$527,515 for FY 2024/25 is about 21% higher than what was budgeted in FY 2023/24. To rebuild the operating reserves and cover ongoing operating expenses a larger than normal Sewer Use Charge increase, the only significant source of revenue for Port Costa Sanitary Department, will be required.

PROJECTED REVENUE

The preceding review of next year's budget requirements indicates that \$527,515 will be needed. Sources of this needed revenue are primarily collected through Sewer Use Charges.

The preceding expense and revenue information is summarized in TABLE 2. As can be seen from TABLE 2 there is an apparent deficit of \$322,878. A deficit is an annual occurrence and can be covered by a Sewer Use Charge increase, as described below.

PROPOSED SEWER USE CHARGE RATE

The sewer services to be provided by Port Costa Sanitary Department are determined to include 76 single family dwellings and 14 apartments, plus 3 commercial and 4 mixed-use properties (containing another 27 apartments).

Since 1964, Contra Costa County had charged Port Costa properties for sewer service based on a schedule of multipliers. The categories "single-family residence" and "apartment" have always been charged the same rate. In a 2008 rate analysis conducted by a Contra Costa County consultant, that methodology was labeled inequitable. Unfortunately, that study proposed an alternate methodology that is impracticable when applied to a small community. Secondly, that alternate methodology was inconsistent with that used by Crockett Sanitary Department. In the interest of equitable rates, Crockett Sanitary Department adopted a methodology in 1992 based on the actual wastewater flow from each property or category. The smaller the town, the more important this methodology becomes. The Crockett methodology is now being used in Port Costa.

Wet weather water data is used to calculate average sewer use by residents to discount dry weather irrigation water, which does not enter the sewer system. Extreme outliers in the data were not considered in the calculation. The remaining 35 Single Family Residences (SFR) were found to contribute an average of 4544 Cu. ft. per year to the sewer system. Each apartment is also assumed to contribute 4544 Cu. ft. feet per year to the sewer system.

Non-residential, commercial, and mixed-use properties are charged an equitable share based on water consumption during a previous 12-month period. A minimum charge is set reflecting the number of apartments present. In no case is the commercial rate less than the rate for a single apartment.

The sewer services provided by Crockett Community Services District are tabulated in TABLE 3. The second column in TABLE 3 indicates the relative flow rating ("use factor") of the various types of users. The last column is the product of the number of units and the use factor.

TABLE 3
INVENTORY OF EXISTING CONNECTIONS - 2023

<u>TYPE OF OCCUPANCY/USE</u>	<u>NUMBER OF UNITS</u>	<u>USE FACTOR PER UNIT</u>	<u>UNITS</u>	EQUIVALENT
Single family dwelling	72	1.00	72.00	
Apartment	14	1.00	14.00	
Non-residential property	3	varies	3.51	
Mixed-use property	4	varies	<u>40.96</u>	
		Discharge Units	130.47	

To provide sufficient revenue for the O&M&R and capital budget, Sewer Use Charge would be determined as follows:

OPERATING DEFICIT	\$322,878		
	-----	=	\$2,475 /UNIT
NO. DISCHARGE UNITS	130.47		

By this method, the recommended annual Sewer Use Charge per single family residence is \$2,475. The recommended annual Sewer Use Charge per apartment is also \$2,475.

The charges for other properties would vary with water consumption in proportion to the Crockett Community Services District standard for residential uses. The recommended charge is \$2,475 plus \$54.47 per 100 cubic feet of water consumption in excess of 4544 cubic feet per year.

BUDGETARY RESERVES

A budget line item intends to build a Port Costa septic tank heavy cleaning reserve of \$50,000, to be built up over 5 years. This should provide funding to clean the septic tank as needed. The most recent major cleaning, completed in early 2020, cost approximately \$230,000. This major cleaning allowed for structural inspection and full replacement of the baffle system. A National Pollutant Discharge Elimination System (NPDES) discharge permit is due every five years, it is recommended to develop a reserve of \$40,000 to pay for permit reissuance application process. It is also recommended to maintain a reserve for potential penalties imposed by the Regional Water Quality Control Board. Excess operating revenue (if any) will roll over for contingency funds and/or remain in a rate stabilization reserve that exists to smooth out fluctuations in rates. Such excess revenue could also be allocated to sewer repairs, capital improvements or debt service, as required.

The Port Costa Sanitary Commission recognizes that it does not maintain a prudent level of capital reserves to respond to unanticipated situations or emergencies. Nor does this budget contain an adequate contingency fund, provide adequately for collection system maintenance, or allow for repayment of outstanding debt to the Crockett Sanitary Department. The heavy burden of high service charges on Port Costa properties is a source of frustration and anxiety. The potential for high service charges have had the effect, over time, of restricting the Commission from achieving its goal of accepting a prudent budget to allow for proper maintenance of the facilities. It will take years to achieve financial stability. This budget should be seen as an early step toward a balance of system quality and finance.

RECOMMENDATION

With the development of a ten-year revenue program, Port Costa Sanitary Department can chart a course toward financial stability. Prior to attaining confident stability, Port Costa Sanitary Department must recognize the need for full system inspection. Inspection will pinpoint weak links in the system and allow for cost estimates for repairs, improvements, and replacements. It is recommended to perform a current and total closed-circuit television (CCTV) inspection of the collection system.

Port Costa Sanitary Department continues regular cleaning of the collection system to prevent sewer overflows (SSO's). Port Costa Sanitary Department does not have a cost estimate for collection system rehabilitation within even the next five years since knowledge of the system is spotty. Port Costa Sanitary Department spent little on system rehabilitation in the initial years of transition from county management. It appears that regular increases in Sewer Use Charge will be required annually to fund operating costs and debt service alone. Recommendation of funding for system repairs or upgrades is difficult to ascertain without full inspection. Partial inspection would be beneficial but that would still allow for unknown future expenditures.

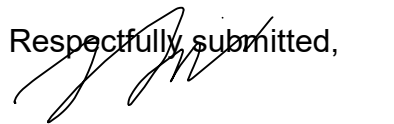
The General Manager, Department Manager, Administrative Services Manager, and Assistant District Secretary are the only positions receiving payroll in Port Costa Sanitary Department. All O&M&R services are contracted to outside contractors that regularly engage in the specific fields of work. This is believed to be the most economical and efficient method to complete work in a safe, professional, and timely manner. There is no recommendation to alter this approach.

It is therefore recommended that this Sewer Use Charge study report be accepted by the Board of Directors and that sewer use charges are raised to \$2,475 per single family residence and equivalent unit for FY 2024/25 as a source of revenue to balance the budget.

TABLE 4 sets forth the actual Sewer Use Charge anticipated for each property served by Port Costa Sanitary Department.

Revenue raised through this Sewer Use Charge would be \$322,912. There will be a net increase of 5.3% equal to \$130 annually on residential user fees for the fiscal year.

Respectfully submitted,



James Barnhill
Port Costa Department Manager
April 20, 2024

Sewer Use Charge Study
 FY 2024/25

TABLE 4

RECOMMENDED SEWER SERVICE CHARGES FOR THE TAX ROLL

	Parcel	Levy			Levy
A	No.	Code	Fund	Revenue	Amount
A	368132002	GB	3425	9796	2,475.00
A	368132003	GB	3425	9796	2,475.00
A	368132004	GB	3425	9796	2,475.00
A	368132005	GB	3425	9796	2,475.00
A	368132007	GB	3425	9796	2,475.00
A	368132012	GB	3425	9796	2,475.00
A	368132013	GB	3425	9796	2,475.00
A	368132014	GB	3425	9796	2,475.00
A	368132015	GB	3425	9796	2,475.00
A	368132016	GB	3425	9796	2,475.00
A	368132017	GB	3425	9796	2,475.00
A	368132020	GB	3425	9796	2,475.00
A	368132022	GB	3425	9796	2,475.00
A	368132023	GB	3425	9796	2,475.00
A	368132024	GB	3425	9796	2,475.00
A	368132025	GB	3425	9796	2,475.00
A	368132026	GB	3425	9796	2,475.00
A	368133003	GB	3425	9796	2,475.00
A	368133007	GB	3425	9796	2,475.00
A	368133010	GB	3425	9796	2,475.00
A	368133012	GB	3425	9796	2,475.00
A	368134003	GB	3425	9796	4,950.00
A	368134004	GB	3425	9796	4,950.00
A	368134011	GB	3425	9796	2,475.00
*A	368134012	GB	3425	9796	4,950.00
A	368135004	GB	3425	9796	2,475.00
A	368135005	GB	3425	9796	2,475.00
A	368135008	GB	3425	9796	2,475.00
A	368135009	GB	3425	9796	2,475.00
A	368135012	GB	3425	9796	2,475.00
A	368135013	GB	3425	9796	2,475.00
A	368135014	GB	3425	9796	2,475.00
A	368141003	GB	3425	9796	2,475.00
A	368141004	GB	3425	9796	4,950.00
A	368141005	GB	3425	9796	2,475.00
A	368141009	GB	3425	9796	2,475.00
A	368142006	GB	3425	9796	2,475.00
A	368142007	GB	3425	9796	2,475.00
A	368142008	GB	3425	9796	2,475.00
A	368143001	GB	3425	9796	4,950.00
A	368143003	GB	3425	9796	2,475.00
A	368143004	GB	3425	9796	2,475.00

Sewer Use Charge Study
FY 2024/25

A	368143005	GB	3425	9796	2,475.00
A	368143006	GB	3425	9796	2,475.00
A	368143007	GB	3425	9796	2,475.00
A	368144003	GB	3425	9796	2,475.00
A	368144004	GB	3425	9796	4,950.00
A	368144012	GB	3425	9796	4,950.00
A	368145001	GB	3425	9796	2,475.00
A	368145002	GB	3425	9796	2,475.00
A	368145003	GB	3425	9796	2,475.00
A	368145006	GB	3425	9796	2,475.00
A	368145007	GB	3425	9796	2,475.00
A	368145008	GB	3425	9796	2,475.00
A	368145009	GB	3425	9796	2,475.00
A	368145010	GB	3425	9796	2,475.00
A	368145014	GB	3425	9796	2,475.00
A	368145015	GB	3425	9796	2,475.00
A	368145019	GB	3425	9796	3,363.00
A	368145024	GB	3425	9796	2,475.00
A	368145025	GB	3425	9796	2,475.00
A	368145027	GB	3425	9796	31,959.00
A	368146001	GB	3425	9796	2,860.00
A	368146002	GB	3425	9796	2,475.00
A	368146003	GB	3425	9796	2,475.00
A	368146007	GB	3425	9796	2,475.00
A	368146010	GB	3425	9796	2,475.00
A	368146014	GB	3425	9796	2,475.00
A	368146017	GB	3425	9796	2,475.00
A	368146021	GB	3425	9796	2,475.00
A	368146022	GB	3425	9796	2,475.00
A	368146023	GB	3425	9796	2,475.00
A	368146024	GB	3425	9796	2,475.00
A	368146025	GB	3425	9796	2,475.00
A	368147004	GB	3425	9796	19,309.00
A	368147005	GB	3425	9796	10,866.00
A	368147006	GB	3425	9796	39,230.00
A	368148002	GB	3425	9796	2,475.00
A	368148003	GB	3425	9796	2,475.00
A	368148004	GB	3425	9796	2,475.00
A	368148005	GB	3425	9796	2,475.00
A	368148013	GB	3425	9796	2,475.00
A	368148014	GB	3425	9796	2,475.00
A	368148015	GB	3425	9796	2,475.00
A	368148018	GB	3425	9796	2,475.00
A	354290004	GB	3425	9796	Direct bill 2,475.00

Assessment on Tax Roll 320,437.00

Total revenue including direct bill (7000 Carquinez) 322,912.00

* 368134012 Pending property inspection

To **Port Costa** Customers of the Crockett Community Services District:
 (Please forward this notice to the ratepayer and property owner)

APN: LAND USE: SFR / APT

**PROPOSED INCREASE IN SEWER USE CHARGE EFFECTIVE
 JULY 1, 2024, AND NOTICE OF PUBLIC HEARING ON THE MATTER**

The Crockett Community Services District provides sewage collection, treatment, and disposal services to properties in **Port Costa**. Property owners are charged annually for these services on their property tax bills.

As recommended by the Port Costa Sanitary Commission, the District proposes a Sewer Use Charge (SUC) increase effective July 1, 2024. The SUC increase is necessary to fund the current and anticipated costs of the operations and maintenance functions and capital improvements of the District for the 2024/25 fiscal year (including new federal, state and regional water quality requirements) and to provide for the repayment of loans. Following are the proposed charges:

PRESENT ANNUAL SEWER USE CHARGE	USER CLASSIFICATION	PROPOSED ANNUAL SEWER USE CHARGE
\$2,345 per year per SFR*	Single Family Residence (SFR)	\$2,475 per year per SFR*
\$2,345 per year per APT	Apartment (APT)	\$2,475 per year per APT
\$2,345 plus \$50.31 per 100 cubic feet of water consumption in excess of 4662 cubic feet per year	Hotel and Non-residential Accounts	\$2,475 plus \$54.47 per 100 cubic feet of water consumption in excess of 4544 cubic feet per year
\$2,345 plus \$50.31 per 100 cubic feet of water consumption in excess of 4662 cubic feet per year (min. \$2,345 per APT)	Mixed-use Accounts	\$2,475 plus \$54.47 per 100 cubic feet of water consumption in excess of 4544 cubic feet per year (min. \$2,475 per APT)

*Based on average discharge of sewage per unit of the user classification.

A public hearing on the matter will be held on Wednesday, July 24, 2024 at 7:00 PM at the Crockett Community Center, 850 Pomona Street, Crockett, CA. The Crockett Community Services District phone number is (510) 787-2992.

PROPOSED LANGUAGE (CIA Rev. 2)

MEMORANDUM OF UNDERSTANDING BETWEEN CROCKETT COMMUNITY SERVICES DISTRICT AND THE CROCKETT IMPROVEMENT ASSOCIATION

WHEREAS, the Crockett Improvement Assn. (“CIA”) has nearly 30 years ago developed, at its own cost, a landscaped public plaza (“Plaza”) located at Second Avenue and Pomona Street, Crockett, California as a public asset of considerable value; and

WHEREAS, the Crockett Community Services District (“CCSD”) is the current owner of this Plaza property (APN 354-137-008/009); and

WHEREAS, the CIA has previously signed a memorandum of understanding (“MOU”) with the CCSD for continuing management of the Plaza by the CIA, at its own cost, for public benefit; and

WHEREAS, the CIA has provided all necessary utilities, maintenance, repairs, and improvements for the Plaza, at its own cost, since the Plaza’s creation; and

WHEREAS, the CIA has always managed the Plaza in full conformity with the “Conditions of Approval” issued by Contra Costa County in the permitting process for the Plaza; and

WHEREAS, the CIA has regulated public use of the Plaza through a permitting process whereby local organizations may hold public events in the Plaza on reserved dates; and

WHEREAS, the CIA wrote and advanced a ballot initiative (“Measure L”) for a special property tax to provide public financing for town maintenance in Crockett, including Plaza maintenance; and

WHEREAS, Measure L was approved by the voters of Crockett and by the County Board of Supervisors; and

WHEREAS, the CIA desires to share responsibility with the CCSD in the continued maintenance and management of the Plaza, and wishes to remain involved as an advisory body on possible future uses and improvements in the Plaza; and

WHEREAS, the CIA desires to continue as the party principally responsible for the operation and maintenance of the Plaza.

NOW, THEREFORE, the CCSD and the CIA (collectively the “Parties”) hereby agree as follows:

- A. The CIA shall continue in its role as the principal party responsible for the operation and maintenance of the Plaza, at its own cost.
- B. The CIA shall continue to provide utilities to the Plaza, its own cost.
- C. The CIA shall continue to accept responsibility for controlling the use of the Plaza through a permitting process for special events. The current permit form being used by the CIA is attached for reference.
- D. The CIA shall retain the naming rights and the right to choose plant and tree species for the Plaza.

7.h

- E. The CCSD shall assume responsibility for general cleanliness of the Plaza and for maintenance and repair of three light poles within the Plaza.
- F. The CCSD shall retain the right to intervene in response to any emergency situation involving the Plaza.
- G. The CIA understands that it shall meet the responsibilities and perform the duties listed herein on a volunteer basis and not as employees of the CCSD.
- H. The CIA understands that it will not receive insurance coverage or indemnity from CCSD.
- I. The CIA agrees that all monies, if any, raised by the CIA from events staged in the Plaza shall be used expressly to fund Plaza utilities and maintenance.
- J. Notwithstanding the willingness of the CIA to perform those duties listed herein, or to pay those costs specified herein, to the extent the CIA can no longer provide those services or pay those costs, for the protection of public health and safety the CCSD may assume those responsibilities upon one (1) day written notice.
- K. In the event that the CIA should be dissolved as a public charity or should cease to exist as a responsible entity, the CCSD shall, at its sole discretion, retain the right to close the Plaza and/or take any action(s) available as the legal owner of this real property.
- L. The initial term of this MOU is five (5) years beginning on _____, 2024, after which this MOU will automatically renew for successive one (1) year terms unless either party gives notice to the other within thirty (30) days of the end of the initial term or the end of any subsequent renewal period.
- M. This MOU supersedes all previous agreements and understandings between the Parties.

Crockett Community Service District:

Crockett Improvement Association:

By:

By:

Date

Date