

# PORT COSTA SANITARY COMMISSION

Regular Business Meeting  
AGENDA FOR WEDNESDAY, MAY 13, 2020

TIME: 7:00 PM

PLACE: \*\* TELECONFERENCE - SEE BELOW \*\*

## IMPORANT NOTICE REGARDING COVID -19 AND TELECONFERENCED MEETINGS:

Based on the mandates by the Governor in *Executive Order 33-20* and the County Public Health Officer to shelter in place and the guidance from the CDC, to minimize the spread of the coronavirus, please note the following changes to the District's ordinary meeting procedures:

- The District offices are not open to the public at this time. (See *Resolution No. 19/20-18*)
- The meeting will be conducted via tele conference using Zoom.
- All members of the public seeking to observe and/or to address the local legislative body may participate in the meeting telephonically or otherwise electronically in the manner described at the end of the agenda.

Agenda packets are available on our website at <https://www.town.crockett.ca.us/2020-05-13-port-costa-sanitary-commission-meeting>.

## HOW TO OBSERVE THE MEETING:

**Telephone:** Listen to the meeting live by calling Zoom at (669) 900-6833. Enter the Meeting ID# 820 843 868 followed by the pound (#) key. More phone numbers can be found on Zoom's website at <https://zoom.us/j/abb4GNs5xM> if the line is busy.

**Computer:** Watch the live streaming of the meeting from a computer by navigating to <https://zoom.us/j/820843868> using a computer with internet access that meets Zoom's system requirements (see <https://support.zoom.us/hc/en-us/articles/201362023-System-Requirements-for-PC-Mac-and-Linux>)

**Mobile:** Login through the Zoom mobile app on a smartphone and enter Meeting ID# 820 843 868.

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*The Port Costa Sanitary Commission is an agent of the Crockett Community Services District.*

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:
5. ADMINISTRATIVE:
  - a. Consider report on actions taken by the District Board.
  - b. Receive Self-Monitoring Report for March 2020.

6. BUDGET AND FINANCE:

Receive 10-month Budget Report and preliminary FY 2020/21 Budget and other financial matters.

7. WASTEWATER:

Receive notice that Prop. 218 Sewer Use Charge mailing has been sent.

8. REPORT OF DEPARTMENT MANAGER: *(These items are typically for exchange of information only. No action will be taken at this time.)*

- a. Operations, maintenance and capital improvements.
- b. Governmental matters.
- c. Announcements and discussion.

9. REPORTS FROM COMMISSIONERS: *(These items are typically for exchange of information only. No action will be taken at this time.)*

- a. Budget & Finance Committee – Members Mann and Surges
- b. Inter-agency Meetings:

10. CONSENT CALENDAR: Consideration of a motion to approve the following items:

- a. Approve Minutes of April 8 and April 20, 2020.

11. FUTURE AGENDA ITEMS:

12. COMMENTS FROM COMMISSIONERS:

13. ADJOURNMENT to June 10, 2020.

**HOW TO SUBMIT PUBLIC COMMENTS:**

**Written/ Read Aloud:** Please email your comments to [manager@town.crockett.ca.us](mailto:manager@town.crockett.ca.us), write "Public Comment" in the subject line. In the body of the email, include the agenda item number and title, as well as your comments. If you would like your comment to be read aloud at the meeting (*not to exceed three minutes at staff's cadence*), prominently write "Read Aloud at Meeting" at the top of the email. All comments received before 3:00 PM the day of the meeting will be included as an agenda supplement on the District's website under the relevant meeting date and provided to the Directors at the meeting. Comments received after this time will be treated as telephonic/electronic comments.

**Telephonic / Electronic Comments:** During the meeting, the Board President or designee will announce the opportunity to make public comments and identify the cut off time for submission. The public can speak up at that time or use the Zoom chat feature to indicate they want to make a public comment. If needed, a short recess (generally less than 10 minutes) will take place during the time public comment is open to allow the comments to be collected. Use Zoom chat or email your comments to [manager@town.crockett.ca.us](mailto:manager@town.crockett.ca.us), write "Public Comment" in the subject line. In the body of the email, include the agenda item number and title, as well as your

comments. Once the public comment period is closed, all submitted comments timely received will be read aloud. Comments received after the close of the public comment period will be added to the record after the meeting.

You will find the Minutes of this meeting posted on our website at [www.town.crockett.ca.us](http://www.town.crockett.ca.us) 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 of 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, relates 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 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.*

April 28, 2020

William Burrell  
Water Resource Control Engineer  
San Francisco Bay Regional  
Water Quality Control Board  
1515 Clay Street, Suite 1400  
Oakland, CA 94612

SUBJECT: Self-Monitoring Report Submittal for March 2020 for Crockett Community Services District (CCSD) WWTP Port Costa, CA

The Legally Responsible Official (LRO) for CCSD is James Barnhill, contact phone number (510) 787-2992. The Chief Plant Operator is Nicholas Gaunt with Valley Operators, a licensed California Wastewater Treatment Plant Contract Operator (40029), contact phone number (925) 698-4636.

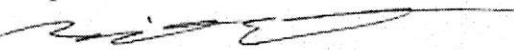
The CCSD Port Costa WWTP contracts laboratory testing with Eurofins Environmental Laboratories, Inc., which is an ELAP, certified lab. All sampling and testing analysis records are maintained and available for inspection during normal business hours at the contract lab located at 5063 Commercial Circle Suite H, Concord, CA 94520-8577 (925) 689-9022.

The monthly report for March 2020 and first quarter 2020 has been uploaded to the CIWQS website.

During the month of March no exceedances occurred.


*I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designated to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.*

Prepared by:



Nicholas Gaunt,  
Chief Plant Operator

Legally Responsible Official:




James Barnhill  
Port Costa Manager

cc: Casey Wichert, Valley Operators

# PORT COSTA SANITARY DEPARTMENT

of the Crockett Community Services District

P.O. Box 578 - Crockett, CA 94525  
Telephone (510) 787-2992  
Fax (510) 787-2459  
e-mail: [manager@town.crockett.ca.us](mailto:manager@town.crockett.ca.us)  
website: [www.town.crockett.ca.us](http://www.town.crockett.ca.us)

TO: Board of Directors and Port Costa Sanitary Commissioners  
FROM: General Manager   
SUBJECT: 10-month Budget Report and preliminary FY 2020/21 Budget  
DATE: May 6, 2020

The 10-month Port Costa Sanitary Department Budget Report details are incorporated within the attached draft Fiscal Year (FY) 20/21 budget.

The Port Costa Sanitary Department will have a deficit by fiscal year end and will need to adopt a revised budget. Adopted budget expenses for FY 2019/20 was \$361,070. It is anticipated expensed through June 30, 2020 will be \$450,987. The revised budget for FY 19/20 will be presented to the Commission on June 10 for consideration. The Board will consider the revised District budget on June 24, 2020 which will also include the financial effects COVID-19 is having on the Recreation department.

## HIGHLIGHTS

- Septic tank cleaning and related expenses, under Other Operating (#416.96), has been paid using operating reserves, the balance of contingency funds to pay for cleaning, and a portion of the \$150,000 inter-department loan from the Crockett Sanitary Department.
- The Port Costa Sanitary Department will end the year June 30, 2020 with \$93,168 in Fund 3425, which is enough to carry it through receipt of Sewer Use Charge revenue (#301.0) in mid-October and conversion to cash in mid-December.
- Regular septic tank cleaning (#416.96) will occur regularly, as requested by operators, to avoid a repeat of the major septic tank cleaning. Included in Capital Sewer Projects (#111.x) is \$5,000 for cutting maintenance hatches in the septic tank. More details on this project need to be developed and budget amount may change by final adoption of budget.
- Payroll costs for Port Costa will decrease in FY 20/21 as staff spends less time on Port Costa issues and this is reflected in this preliminary budget.
- The exhausted Operating Reserves must be rebuilt over the next 2 to 5 years. A total of \$29K is being budgeted for FY 20/21 along with a contingency reserve of \$17,190.

## SUMMARY

The final budget to be presented in June is not anticipated to be materially different than this preliminary budget being presented. It is being presented for review and comment to staff, no action is required by the Commission.

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**FY 2020-2021 PORT COSTA SANITARY DEPARTMENT BUDGET - FUND 3425 PRELIMINARY 5/6/2020**

	<b>PY 2018-19</b>	<b>FY 2019-20</b>	<b>FY 2019-20 Est.</b>	<b>FY 2020-21</b>
	<b>Actual</b>	<b>Approved Budget</b>	<b>Year End</b>	<b>Prelim Budget</b>
<b>Collection System</b>				
Liability Insurance	\$ 3,723	\$ 4,178	\$ 4,282	\$ 4,453
Profess. Services.	\$ 1,000	\$ 1,000	\$ 0	\$ 1,000
Sewers Maint.	\$ 14,808	\$ 10,000	\$ 8,543	\$ 10,000
Other Operating	\$ 1,800	\$ 1,000	\$ 657	\$ 1,000
Permits & Fees	\$ 2,286	\$ 2,331	\$ 2,625	\$ 2,678
<b>Total Collection System</b>	<b>\$ 23,617</b>	<b>\$ 18,509</b>	<b>\$ 16,107</b>	<b>\$ 19,131</b>
<b>Treatment Plant</b>				
Generator fuel / oil	\$ 60	\$ 100	\$ 266	\$ 300
Property Insurance	\$ 974	\$ 1,217	\$ 1,207	\$ 1,267
Contract Operator	\$ 48,000	\$ 54,000	\$ 51,480	\$ 55,200
Chemicals	\$ 4,523	\$ 3,500	\$ 3,350	\$ 3,937
Hardware/Supplies & Misc.	\$ 294	\$ 800	\$ 1,070	\$ 1,000
Profess. Svcs. (Engineer, Lab, Technici	\$ 19,827	\$ 20,772	\$ 12,847	\$ 15,690
Electricity	\$ 3,186	\$ 3,074	\$ 3,795	\$ 3,665
Alarm system phone	\$ 1,586	\$ 1,580	\$ 1,305	\$ 1,580
Cap. Replacement	\$ 2,820	\$ 3,000	\$ 45,649	\$ 3,000
Operating fees/permits	\$ 4,551	\$ 4,395	\$ 6,782	\$ 6,918
Other Operating - septic cleaning	\$ 0	\$ 43,000	\$ 224,323	\$ 12,000
<b>Total Treatment Plant</b>	<b>\$ 85,821</b>	<b>\$ 135,438</b>	<b>\$ 352,075</b>	<b>\$ 104,557</b>
<b>Administrative</b>				
Elections	\$ 77	\$ 0	\$ 0	\$ 80
Crime Insurance	\$ 22	\$ 25	\$ 25	\$ 25
Memberships	\$ 2,427	\$ 2,480	\$ 1,675	\$ 1,709
Office / Postal	\$ 218	\$ 250	\$ 161	\$ 250
Profess. Svcs.(admin)	\$ 1,774	\$ 3,500	\$ 5,662	\$ 5,832
Printing/Publishing	\$ 1,424	\$ 1,412	\$ 250	\$ 258
Software Subscription	\$ 171	\$ 350	\$ 1,339	\$ 1,366
Vehicle/Travel/Meetings	\$ 89	\$ 100	\$ 222	\$ 150
Other	\$ 773	\$ 1,600	\$ 310	\$ 1,000
County Charges	\$ 686	\$ 660	\$ 1,014	\$ 1,054
<b>Sub-Total Administrative</b>	<b>\$ 7,660</b>	<b>\$ 10,377</b>	<b>\$ 10,659</b>	<b>\$ 11,724</b>
Salaries and Benefits (O&M)	\$ 20,313	\$ 25,589	\$ 40,085	\$ 36,473
Other Payroll Exp. (WC premiums etc.)	\$ 0	\$ 0	\$ 0	\$ 0
<b>Total Administrative</b>	<b>\$ 27,973</b>	<b>\$ 35,966</b>	<b>\$ 50,744</b>	<b>\$ 48,197</b>
<b>Total O&amp;M Expenses</b>	<b>\$ 137,410</b>	<b>\$ 189,913</b>	<b>\$ 418,926</b>	<b>\$ 171,885</b>
<b>Non-Operational Expenses</b>				
Loan Principle	\$ 89,932	\$ 36,474	\$ 0	\$ 76,063
Loan Interest on PY Cap Projects	\$ 12,236	\$ 12,692	\$ 0	\$ 15,107
Non-Op Other	\$ 7,100	\$ 0	\$ 0	\$ 0
<b>Fixed Assets and Other</b>				
Capital Projects Allocation	\$ 6,240	\$ 68,000	\$ 32,061	\$ 26,500
Allocation to operating reserves	\$	\$ 35,000	\$	\$ 29,000
Contingency Reserve	\$ 0	\$ 18,991	\$ 0	\$ 17,190
<b>Total Expenditures</b>	<b>\$ 252,918</b>	<b>\$ 361,070</b>	<b>\$ 450,987</b>	<b>\$ 335,745</b>
<b>TOTAL APPROPRIATIONS</b>	<b>\$</b>	<b>\$ 361,070</b>	<b>\$</b>	<b>\$ 335,745</b>
<b>TOTAL REVENUES</b>				
Sewer use charge	\$ 262,501	\$ 272,528	\$ 272,528	\$ 300,165
Capacity charge	\$ 0	\$ 0	\$ 0	\$ 0
Permit fees	\$ 60	\$ 180	\$ 120	\$ 180
Interest (non-op)	\$ 939	\$ 1,483	\$ 1,575	\$ 315
Misc fees / cost recovery (ops)	\$ 0	\$ 3,403	\$ 3,712	\$ 2,783
Grants (non-op)	\$ 0	\$ 0	\$ 0	\$ 0

**PORT COSTA SANITARY DEPARTMENT  
PRELIMINARY BUDGET FY 2020/2021 (5/6/2020)**

**GENERAL FUND 3425: EXPENDITURE DETAIL**

	PY Actuals	Current Budget	10 Month Actual	Est. Year End	Prelim Budget
	FY 18/19	FY 19/20	FY 19/20	FY 19/20	FY 20/21
<b>415 · SEWAGE COLLECTION *****</b>					
415.30 · INSURANCE - Liability	3,723.03	4,178.00	4,282.36	4,282.36	4,453.00
415.55 · PROF. SVCS. (Coll.)	1,000.00	1,000.00	0.00	0.00	1,000.00
415.70 · MAINTENANCE	14,807.50	10,000.00	7,710.00	8,543.33	10,000.00
415.96 · OTHER OPERATING (Coll.)	1,800.00	1,000.00	156.72	656.72	1,000.00
415.96.2c · Permits & Fees (Coll.)	2,286.00	2,331.00	2,625.00	2,625.00	2,678.00
<b>Total 415 · SEWAGE COLLECTION *****</b>	<b>23,616.53</b>	<b>18,509.00</b>	<b>14,774.08</b>	<b>16,107.41</b>	<b>19,131.00</b>
416.25 · GASOLINE, OIL, FUEL	\$60.07	\$100.00	\$265.85	\$265.85	\$300.00
416.31 · INSURANCE - Property	\$974.35	\$1,217.00	\$1,207.09	\$1,207.09	\$1,267.00
416.51.1pc · Treatment Plant Operators	\$48,000.00	\$54,000.00	\$42,680.00	\$51,480.00	\$55,200.00
416.51.2pc · Chemicals	\$4,523.13	\$3,500.00	\$2,550.09	\$3,350.09	\$3,937.00
416.51.3pc · Hardware, Supplies, & Misc	\$293.52	\$800.00	\$937.14	\$1,070.48	\$1,000.00
416.56.2pc .3pc · Prof. Svcs. - Engineer	\$8,341.25	\$5,000.00	\$62.50	\$62.50	\$2,000.00
416.56.3pc · Prof. Svcs. -Technician	\$3,010.00	\$5,000.00	\$2,000.00	\$2,000.00	\$3,500.00
416.56.7pc · Prof. Svcs. - Lab Testing	\$8,476.00	\$10,572.00	\$8,648.00	\$10,748.00	\$9,990.00
416.56.x · Prof. Svcs. - Attorney / Other	\$0.00	\$200.00	\$0.00	\$36.67	\$200.00
416.91.1pc · Electricity	\$3,185.61	\$3,074.00	\$3,282.58	\$3,794.78	\$3,665.00
416.91.6pc and 416.96.3 · Plant Alarm System	\$1,585.56	\$1,580.00	\$1,231.49	\$1,305.49	\$1,580.00
416.96.1 · Capital Replacements (Treat.)	\$2,820.31	\$3,000.00	\$45,649.19	\$45,649.19	\$3,000.00
416.96.2 · Permits & Fees (Treat.)	\$4,551.00	\$4,395.00	\$6,377.00	\$6,782.00	\$6,918.00
416.96 · OTHER OP (Treat) - Septic Cleaning	\$0.00	\$43,000.00	\$209,323.12	\$209,323.12	\$12,000.00
416.99 · ENFORCEMENT PENALTIES	\$0.00	\$0.00	\$15,000.00	\$15,000.00	\$0.00
<b>Total 416 · SEWAGE TREATMENT *****</b>	<b>85,820.80</b>	<b>135,438.00</b>	<b>339,214.05</b>	<b>352,075.26</b>	<b>104,557.00</b>
<b>417. ADMIN/GENERAL</b>					
417.21 · ELECTIONS	77.18	0.00	0.00	0.00	80.00
417.31 · INSURANCE -Crime(employee bond)	21.50	25.00	0.00	25.00	25.00
417.36 · MEMBERSHIPS - BACWA & CASA	2,427.00	2,480.00	1,675.00	1,675.00	1,709.00
417.41 · OFFICE POSTAL / SUPPLIES	217.98	250.00	123.25	161.25	250.00
417.56 · PROF SVCS (Admin) Attorney/Auditor	1,773.98	3,500.00	4,728.81	5,662.14	5,832.00
417.61 · PRINTING/ PUBLISHING	1,424.36	1,412.00	130.00	250.00	258.00
417.70 · SOFTWARE SUBSCRIPTION	170.53	350.00	1,270.92	1,339.26	1,366.00
417.80 · VEHICLE / TRAVEL REIMBURSEMEN	88.90	100.00	204.92	221.58	150.00
417.96 · OTHER ADMIN. / RECOVERY	772.97	1,600.00	310.39	310.39	1,000.00
417.96.3pc · County Charges	685.71	660.00	972.17	1,014.17	1,054.00
<b>Total 417 · ADMIN / GENERAL *****</b>	<b>7,660.11</b>	<b>10,377.00</b>	<b>9,415.46</b>	<b>10,658.79</b>	<b>11,724.00</b>
<b>6560 · PAYROLL EXPENSES *****</b>					
6560.x · Salary & Benefits	20,312.59	25,589.00	33,710.34	39,459.17	35,823.00
6560.2 · CalPERS Unfunded Liability	0.00	0.00	625.58	625.58	650.00
<b>Total 6560 · PAYROLL EXPENSES *****</b>	<b>20,312.59</b>	<b>25,589.00</b>	<b>34,335.92</b>	<b>40,084.75</b>	<b>36,473.00</b>
<b>Total O&amp;M Expense</b>	<b>137,410.03</b>	<b>189,913.00</b>	<b>397,739.51</b>	<b>418,926.21</b>	<b>171,885.00</b>
<b>Non-Op and Capitol Expenses</b>					
416.212 · LOAN PRINCIPAL (non-op)	89,931.51	36,474.00	0.00	0.00	76,063.00
419.1 · Loan Interest - Non-Op Expense	12,236.13	12,692.00	0.00	0.00	15,107.00
111.x Capitol Sewer Projects and CCTV	6,240.00	68,000.00	28,560.75	32,060.75	26,500.00
419 · Non-Op Expense - Other	7,100.00	0.00	0.00	0.00	0.00
<b>Operating Reserves - Budget Allocation</b>					
Septic Tank Heavy Cleaning (\$50k over 5yrs - 2025)		30,000.00			10,000.00
NPDES Permit Reserve (\$40k over 5yrs - 2024)		2,000.00			10,000.00
WWTP Cap Repl. Reserve (\$20K over 5yrs - 2025)		3,000.00			4,000.00
RWQCB Operations Reserve (\$15K over 3yrs - 2023)		0.00			5,000.00
Contingency 10%		18,991.00			17,190.00
<b>TOTAL EXPENSES</b>	<b>\$252,917.67</b>	<b>\$361,070.00</b>	<b>\$426,300.26</b>	<b>\$450,986.96</b>	<b>\$335,745.00</b>
<b>Net Ordinary O&amp;M Income</b>	<b>126,090.28</b>	<b>87,681.00</b>	<b>29,875.57</b>	<b>9,008.87</b>	<b>131,558.00</b>
<b>Net Include. Contingency, Capital, &amp; Reserves</b>	<b>\$10,582.64</b>	<b>(83,476.00)</b>	<b>1,314.82</b>	<b>(23,051.88)</b>	<b>\$ (32,302.00)</b>

**PORT COSTA SANITARY DEPARTMENT  
PRELIMINARY BUDGET FY 2020/2021 (5/6/2020)**

Sewer Use Charge \$2,245

**GENERAL FUND 3425: REVENUE DETAIL**

	PY Actual FY 18/19	Adopted FY 19/20	10 Month Actual FY 19/20	Est. Year End FY 19/20	Prelim Budget FY 20/21
301.0 Sewer use charge	\$262,501.00	\$272,528.00	\$272,528.00	\$272,528	\$300,165.00
303.0 Capacity charge	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
302.0 Permit fees	\$60.00	\$180.00	\$0.00	\$120.00	\$180.00
306.0 Misc fees	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>SUB-TOTALS O&amp;M</b>	<b>\$262,561.00</b>	<b>\$272,708.00</b>	<b>\$272,528.00</b>	<b>\$272,648.00</b>	<b>\$300,345.00</b>
311.0 Interest	\$939.31	\$1,483.00	\$1,574.77	\$1,574.77	\$315.00
318.0 Cost recovery (Non-op)	\$0.00	\$3,403.00	\$3,512.31	\$3,712.31	\$2,783.00
317.0 Inter-department Loan	\$0.00	\$0.00	\$150,000.00	\$150,000.00	\$0.00
319.0 Grants	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<b>TOTAL REVENUE</b>	<b>\$263,500.31</b>	<b>\$277,594.00</b>	<b>\$427,615.08</b>	<b>\$427,935.08</b>	<b>\$303,443.00</b>

**FUND 3425 - BALANCE OVERVIEW**

	PY ACTUAL FY 18/19	ADOPTED FY 19/20	10 Month Actual FY 19/20	ESTIMATED YEAR END FY 19/20	DRAFT BUDGET FY 20/21
<b>Opening Cash Balance</b>					
Septic Tank Replacement Reserve	\$ 16,820.15	\$ 28,820.15	\$ 28,820.15	\$ 28,820.15	\$ -
Discharge Permit Reserve	\$ 29,946.25	\$ 32,908.75	\$ 32,908.75	\$ 32,908.75	\$ -
Plumbing Pipe Refurb. Reserve	\$ 10,000.00	\$ 12,000.00	\$ 12,000.00	\$ 12,000.00	\$ -
RWQCB Violation Fines Reserve	\$ 6,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ -
Contingency Reserve ***	\$ -	\$ -	\$ -	\$ -	\$ -
Carry Over (unallocated)	\$ 42,871.48	\$ 34,491.62	\$ 34,491.62	\$ 34,491.62	\$ 93,168.64
<b>TOTAL OPENING CASH BALANCE</b>	<b>\$ 105,637.88</b>	<b>\$ 116,220.52</b>	<b>\$ 116,220.52</b>	<b>\$ 116,220.52</b>	<b>\$ 93,168.64</b>
<b>ESTIMATED REVENUE</b>	<b>\$263,500.31</b>	<b>\$277,594.00</b>	<b>\$427,615.08</b>	<b>\$427,935.08</b>	<b>\$ 303,443.00</b>
<b>ESTIMATED O&amp;M EXPENSES</b>	<b>\$ (137,410.03)</b>	<b>\$ (189,913.00)</b>	<b>\$ (397,739.51)</b>	<b>\$ (418,926.21)</b>	<b>\$ (171,885.00)</b>
<b>ESTIMATED CAP. PROJ. EXPENSES</b>	<b>\$ (6,240.00)</b>	<b>\$ (68,000.00)</b>	<b>\$ (28,560.75)</b>	<b>\$ (32,060.75)</b>	<b>\$ (26,500.00)</b>
<b>ESTIMATED LOAN PRINCIPAL</b>	<b>\$ (89,931.51)</b>	<b>\$ (36,474.00)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (76,063.00)</b>
<b>ESTIMATED LOAN INTEREST</b>	<b>\$ (12,236.13)</b>	<b>\$ (12,692.00)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (15,107.00)</b>
<b>NON-OPERATING EXPENSE - OTH</b>	<b>\$ (7,100.00)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Closing Fund Balance</b>					
<b>Operating Reserves Included in Balance</b>					
Septic Tank Rehab/Replace Rese	\$ 28,820.15	\$ 15,820.15	\$ -	\$ -	\$ 10,000.00
Discharge Permit Reserve	\$ 32,908.75	\$ 34,908.75	\$ 34,908.75	\$ -	\$ 10,000.00
Plumbing Pipe Refurb. Reserve	\$ 12,000.00	\$ 15,000.00	\$ 15,000.00	\$ -	\$ 4,000.00
RWQCB Violation Fines Reserve	\$ 8,000.00	\$ 8,000.00	\$ -	\$ -	\$ 5,000.00
Contingency ***	\$ -	\$ 18,991.00	\$ -	\$ -	\$ 17,190.00
Interfund G/L non-op adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
Carry Over(unallocated)	\$ 34,491.62	\$ (5,984.38)	\$ 67,626.59	\$ 93,168.64	\$ 60,866.64
<b>TOTAL CLOSING FUND BALANCE</b>	<b>\$ 116,220.52</b>	<b>\$ 86,735.52</b>	<b>\$ 117,535.34</b>	<b>\$ 93,168.64</b>	<b>\$ 107,056.64</b>

\*\*\* Unused contingency reserve moves to unallocated general funds at the end of the fiscal year.

Outstanding Debt	Beginning FY 19/20	Est. Ending FY 19/20	Principle Pay FY 20/21	Est. Ending FY 20/21
Crockett Sanitary (WestA Refi)	\$277,963.36	\$277,963.36	\$73,976.87	\$203,986.49
Crockett Sanitary (Pre-2013 transfer)	\$24,233.49	\$24,233.49	\$0.00	\$24,233.49
Crockett Sanitary (3rd Loan)	\$0.00	\$150,000.00	\$0.00	\$150,000.00
<b>Total Debt</b>	<b>\$302,196.85</b>	<b>\$452,196.85</b>	<b>\$73,976.87</b>	<b>\$378,219.98</b>



# Capital Projects for FY 2020/21 *Prelim (5/6/2020)*

## PORT COSTA SANITARY DEPARTMENT

SEWER COLLECTION SYSTEM PROJECTS	CAPITAL IMPROVEMENTS FIXED ASSET	GRANT FUNDED	PCSAN FUNDED
Emergency project(s)	\$5,000.00		\$5,000.00
CCTV Inspection	\$10,000.00		\$10,000.00
<b>TOTAL</b>	<b>\$15,000.00</b>		

TREATMENT PLANT	CAPITAL REPLACEMENTS O&M	CAPITAL IMPROVEMENTS FIXED ASSET	
Septic Tank Hatches		\$5,000.00	\$5,000.00
Sump high alarm		\$1,500.00	\$1,500.00
Various emergency WWTP	\$3,000.00	\$5,000.00	\$8,000.00
<b>TOTAL</b>	<b>\$3,000.00</b>	<b>\$11,500.00</b>	

EQUIPMENT	CAPITAL IMPROVEMENTS
No tools or equipment planned	\$0.00
<b>TOTAL</b>	<b>\$0.00</b>

**\$29,500.00**

### Future Capital Reserve for large WWTP projects

Sand Replacement Reserve	TBD
Sand bed engineering study	TBD
RR Crossing	TBD

# CROCKETT COMMUNITY SERVICES DISTRICT

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P.O. Box 578 - Crockett, CA 94525  
850 Pomona Street  
Telephone (510) 787-2992  
Fax (510) 787-2459  
e-mail: [manager@town.crockett.ca.us](mailto:manager@town.crockett.ca.us)  
website: [www.town.crockett.ca.us](http://www.town.crockett.ca.us)

TO: Board of Directors  
Port Costa Sanitary Commission

FROM: General Manager

SUBJECT: Prop. 218 Notices to Port Costa Ratepayers

DATE: May 7, 2020

The Notice of Public Hearing required under Prop. 218 in order to raise rates for sewer service in Port Costa, was mailed on or before May 11, 2020. This was more than 45 days before the hearing date of June 24, 2020 and therefore in compliance with Prop. 218. All notices were mailed first class.

Notices were mailed to the owners of record for all 86 properties receiving sewer service in the Port Costa area. Service is provided by the Crockett Community Services District through the Port Costa Sanitary Department. Data from the most recent tax roll (July 2019) was used. The District showed due diligence in updating that information by seeking corrected data on properties for which a property sale or death of the owner had been reported. Notice envelopes returned to the District where tax roll address information did not match P.O. Boxes for property owners were hand delivered.

The notices were sent to the owners of 80 residential properties, 3 non-residential properties and 3 mixed-use properties. Written protests received from the owners of 44 properties would constitute a majority protest.

# PORT COSTA SANITARY COMMISSION

of the Crockett Community Services District

P.O. Box 578 - Crockett, CA 94525

Telephone (510) 787-2992

Fax (510) 787-2459

e-mail: [manager@town.crockett.ca.us](mailto:manager@town.crockett.ca.us)

website: [www.town.crockett.ca.us](http://www.town.crockett.ca.us)

## MINUTES OF REGULAR MEETING, APRIL 8, 2020

**1. CALL TO ORDER:** The meeting was called to order at 7:00 PM by Chairperson Surges. Present were Commissioners Cusack, List, Mann and Scheer, along with General Manager McDonald and Dept. Manager Barnhill. Director Barassi was also in attendance.

**2. AGENDA ORDER:** There were no requests to hear agenda items out of order.

### **3. PUBLIC COMMENTS:**

**4. PUBLIC HEARING:** Mr. McDonald reported the State Water Resources Control Board requires a 5-year update and recertification of our Sanitary Sewer Management Plan (SSMP). He said District Consultant, Vivian Housen has reviewed the District's SSMP and determined that objectives and elements of the SSMP remain generally unchanged. Commissioner Scheer asked if the audit is covered through December 31, 2019. Mr. McDonald said yes, the covered period is from January 1, 2018 through December 31, 2019. The Commission received the bi-annual SSMP audit.

**5.a. DISTRICT BOARD ACTIONS:** Mr. McDonald reported on the actions taken by the District Board in March. He said the purchase of the Hosselkus Chapel has been put on hold due to the Coronavirus limiting the ability to hold a public meeting on its acquisition.

**5.b. SELF-MONITORING REPORT:** The Commission received the Self-Monitoring Report for January 2020.

**5.c. APPOINT CHAIR AND VICE-CHAIR:** A motion to nominate Joe Surges for Chair and Tom Cusack for Vice-Chair carried unanimously (jm/as).

**6.a. FINANCIAL REPORT:** The monthly statement of Department finances was examined by the Commission. Mr. McDonald reported a fund balance of \$200K. He said \$40K was spent towards the septic tank baffle replacement.

**6.b. 9-MONTH BUDGET REPORT:** Mr. McDonald reported the Port Costa Sanitary Department will have a deficit by fiscal year end and will need to adopt a revised budget. He said septic tank cleaning is well above the budgeted amount. Clean Harbors invoice will be close to \$200K. The sewer use charge (SUC) income is the sole source of revenue planned for FY 20/21. The annual SUC per unit will need to increase at minimum \$272 or 13.8% to cover expenses through June 30, 2021. He would even consider a higher increase of up to 25%. Commissioner Scheer said we are seeing various agencies delaying paying property taxes. Mr. McDonald said Contra Costa County has not chosen to defer or delay property tax collections at this time.

**6.c. INTER-DEPARTMENT LOAN:** Mr. McDonald presented a Inter-Department Loan Agreement between Port Costa Sanitary Department and Crockett Sanitary Department,

along with an installment loan amortization schedule. The loan amount would be up to \$150K with a variable interest rate, estimated at 3.75% over 10 years. Mr. Barassi said he does not like taking on more debt to have interest only payments in the early years. He asked would it be possible to structure this debt. Mr. McDonald said we can structure this loan anyway we want since it is an inter-department loan. Staff would have enough time to lessen the SUC increase if we wait to see what is owed Clean Harbors. A motion to request an inter-department loan from Crockett Sanitary Commission up to \$150K on an adjustable loan over 10 years carried unanimously (as/jm). Mr. Barassi asked the Commission if they want to authorize it before they know what the loan amount is. Mr. McDonald said whatever the decision it you needs to be large enough to pay the Clean Harbors invoice.

**6.d. CLEAN HARBOR INVOICES:** Mr. Barnhill summarized general items and corresponding charges submitted by Clean Harbors for the Septic Tank Maintenance Project. The estimate for the job was \$117,657.82 and the department was invoiced \$230,094.08, a difference of \$112,436.26. He said the cause of the overrun relates to the nature and volume of the sludge material. He said that it did not decant as anticipated, the material had to be held in the decanting tanks for a longer period of time. Commissioner Scheer asked if we have a contract with x amount of money? Mr. McDonald stepped in and said we do not have a contract just a proposal, he said the project was rushed to start and a formal contract was not executed. Ms. Scheer said if we had a contract we could review change orders to the contract. Mr. Barassi said, to be fair to the department, no one wanted to do this job and it took a long time to find contractors. Commissioner Scheer stated that she is happy that this was taken care of and that it needed to be done years ago. Mr. McDonald said the material was contaminated with copper and could not be accepted at EBMUD, he said there was only one disposal site that accepted the material. He said if Potrero Hills had not accepted the waste we might have had to ship the waste out of state as a hazardous material. Commissioner Mann said the contractors should have known what kind of material they were dealing with and their estimate was understated. Mr. Barnhill said the material had previously been partially pumped out by Ponder Environmental from the existing access points and was accepted for disposal at EBMUD. He said the majority of the septic tank is inaccessible for measurement or sampling, so the characteristics of the material beyond the existing access points was unknown. Mr. Barnhill said the tank should be cleaned out more often to help avoid this in the future. Mr. Barnhill said that Clean Harbors found that one baffle wall was broken and no longer attached to the tank, a second baffle wall was still intact and in its proper position, and a third baffle wall was not found. He said the tank was designed to have three baffles and expressed concern as to when the tank was last thoroughly cleaned or inspected, because the tank was not found to be constructed as designed. He asked the commission when the tank had last been cleaned or inspected. One of the commissioners said 25 years. Mr. Barnhill said a better way to appreciate the cost, is to divide the invoiced amount of \$230,000 by 20 years for an annual cost of \$11,500, he said that represents the cost of the maintenance at this moment. He said inspection of the broken baffle and the intact baffle found they were constructed with redwood and nails. Nailed lumber had separated which likely caused the total failure of the broken baffle. Due to the nature of the construction, the one remaining intact baffle wall could not be relied upon and it was decided to demolish it. Mr. McDonald said by the time the estimate was accepted by the Commission the timeframe was short and the department was rushed to start work due to impending wet weather. He said there was only an estimate done for the work and there was never a final contract before work began. Commissioner Surges said we don't want to pay for anything Clean Harbors may have caused. Commissioner Cusack asked if the Commission can review the invoice. Mr. McDonald said they can but the summary gives it more justice. Commissioner List asked if

the presence of metals is a fault of the collection system. Mr. McDonald said that we do not know and we do not have an assessment of the collection system. Commissioner Mann said regardless of where the sludge came from and what it was, Clean Harbors presented themselves as people who knew what they were doing, they knew what materials they were dealing with, they are the experts to do this as a proper job and they cannot put back on us that we that they misunderstood or misestimated what was actually in the tank. Mr. Barnhill reiterated that there is no way to access materials beyond reach of the existing access points, so the majority of the tank could not be sampled or measured. Commissioner Mann suggested that a reduced payment of \$50,000 be made. The commission discussed this and since the proposal was previously accepted for \$117,657.82 the proposed amount should be accepted and any charges over the amount be reviewed at a special meeting. A motion to pay Clean Harbors the initial estimate of \$117,657.82 and hold off paying \$112,436.26 until the Commission can review the invoice carried with 4 Ayes and 1 Nae (as/tc).

7. SEWER SERVICE CHARGE: This item was continued to the next Special Meeting.

8.a. STAFF REPORT ON OPERATIONS: Mr. Barnhill reported Sarah Humann has decided to resign from the Port Costa Sanitary Commission as the alternate Commissioner. He said he received an odor complaint at the treatment plant. He met with an operator onsite and spoke with the Chief Plant Operator from Valley Operators. Nick said he will instruct Rudy to increase the frequency of recirculation through the filter beds

8.b. GOVERNMENTAL MATTERS: None

8.c. ANNOUNCEMENTS AND DISCUSSION: None

9.b. BUDGET & FINANCE COMMITTEE REPORT: The Budget & Finance Committee needs to meet to discuss the budget for FY 20/21.

9.c. AD HOC COMMITTEES REPORT: None

9.d. INTER-AGENCY MEETINGS: None

10. CONSENT CALENDAR: The consent items were approved unanimously (jm/tc):  
a. Approve Minutes of January 13 and February 24, 2020.  
b. Receive Status Report on outstanding issues.

11. FUTURE AGENDA ITEMS:

12. COMMISSIONER COMMENTS: None

13. ADJOURNMENT: The meeting was adjourned at 8:46 PM until May 13, 2020.

Respectfully submitted,



Susan Witschi  
April 13, 2020

# PORT COSTA SANITARY COMMISSION

of the Crockett Community Services District

P.O. Box 578 - Crockett, CA 94525

Telephone (510) 787-2992

Fax (510) 787-2459

e-mail: [manager@town.crockett.ca.us](mailto:manager@town.crockett.ca.us)

website: [www.town.crockett.ca.us](http://www.town.crockett.ca.us)

## MINUTES OF SPECIAL MEETING, APRIL 20, 2020

1. CALL TO ORDER: The meeting was called to order at 3:00 PM by Chairperson Surges. Present were Commissioners Cusack, List and Scheer, along with General Manager McDonald, District Counsel Hundley, Dept. Manager Barnhill and Assistant District Secretary Witschi. Also present were Directors Barassi and Kirker. Commissioner Mann was absent.
2. CLOSED SESSION – CONFERENCE WITH LEGAL COUNSEL- ANTICIPATED LITIGATION:
3. OPEN SESSION: Mr. McDonald said there were no reportable actions in the closed session. The open session resumed at 3:20 pm.
4. AGENDA ORDER: There were no requests to hear agenda items out of order.
5. PUBLIC COMMENTS: None
- 6.a. FINANCIAL REPORT: Mr. McDonald reported the general fund balance for Port Costa is \$191K. He made an Advance-on-Taxes transfer of \$93K to cash sub-account. Mr. McDonald reported the current Sewer Use Charge (SUC) is \$1,973 and an increase will be needed. The department will not generate a lot of money unless a sizeable increase is implemented. The cost associated with the consideration of a SUC ranges from \$2,000 to \$3,000. This cost includes required public hearing mailings, publication of ordinance, and staff time to complete report. A minimal increase alone would only cover administrative costs to implement the SUC. The department needs to work to build up its reserves. Mr. McDonald said he reran the budget numbers found an error in loan interest on the most recent report in favor of Port Costa. It is recommended to leave the contingency reserve at 10%. Revenue from last year was \$272,578. The preliminary budget proposed for FY 20/21 is dependent upon receiving an inter-department loan of at least \$125K from the Crockett Sanitary Department. The preliminary budget presented includes anticipated charges and obtaining the loan this current fiscal year. No action or recommendations were given. A final proposed budget will be presented in June.
- 6.b. CLEAN HARBOR INVOICES: Mr. Barnhill summarized the Clean Harbors invoices. He said the invoices tallied to \$209,323.12. He said the current primary invoice from Clean Harbors of \$175,820 represents more than \$40k reduction in charges from previous invoices. The \$33,460 invoice was for storage vacuum box rentals and setup, billed separately. Mr. Barassi asked if any of those costs would have been necessary if our septic tank would have been bypassed and our secondary treatment plant was operational. He said he watched them to make sure the tank that was holding the water to Crockett didn't get overfilled. If the secondary treatment plant was operational then it would have just flowed to the treatment plant and there would have been no need for anyone to be there. Mr. Barnhill said that operators would still have been needed to monitor and control the decant operations. Clean Harbors was onsite to intervene in case anything happened. Mr. Barassi said he wasn't sure if the night shift was legitimate. Mr. Barnhill said the operation was not automated and required

oversight. He said Clean Harbors continued to use the septic tank as a holding tank. Mr. McDonald said the final decision on paying the invoices will rest with the Board as the total amount was over the authorized and budgeted amount. Mr. Kirker said he thinks it puts the Board at a disadvantage to not be included in discussion with Port Costa Commissioners and he believes a joint closed session should have been scheduled. Commissioner Surges said the Port Costa Sanitary Commission will recommend to the Board what they believe is the best decision. District Counsel Hundley wanted to clarify that the two Board members in attendance are only in attendance as the public and not as a member of the Board. Mr. Barassi asked a question about Task 2. He said from January 20 there are 3-4 people on overtime, and it was a considerable amount of overtime and asked if it was necessary? Mr. Barnhill said those days correspond to waste transfer disposal days. Commissioner Scheer asked about unbilled services on the memo. Mr. Barnhill said those were internal costs to Clean Harbors that will not be billed to Port Costa. Commissioner Scheer asked why the water was decanted to Crockett if the flow was restored to the tank. Mr. Barnhill said Clean Harbors offered to take it to Crockett and not bill Port Costa. He said he did not want to risk sending the clarified water to the Port Costa wastewater treatment plant due to the potential for additional problems. A motion to authorize payment in full of Clean Harbor invoices related to Port Costa septic tank cleaning project carried unanimously (as/tc).

**6.c. INTER-DEPARTMENT LOAN:** Mr. McDonald reported that the Crockett Sanitary Commission considered the request from Port Costa of a loan amount up to \$150K, for 10 years and 1.5% over the LAIF interest rate and made a motion in support for the loan agreement. The current LAIF interest rate is 2.03% which would bring interest charges to 3.53%. There is no pre-pay penalty in the loan agreement, interest only over the first three years. Three new payments schedule have been created; one each for loan amounts of \$100K, \$125K, and \$150K. The one major driving factor that drove the need for a Sewer Use Charge (SUC) increase was the decreased water use by commercial property owners. The Warehouse Café has cut their water use significantly. It is important to remember that with no businesses operating, using less water due to Coronavirus, that there is an anticipated reduction in revenue next year. If the SUC's for businesses are cut by one-third the department will face a reduction in SUC revenue \$15-\$20K. Also, with everyone home washing their hands 10 times a day it is anticipated the Water Factor will be higher for residential use, further lowering mixed use and commercial property revenue for next year. Commissioner Cusack said he supports the \$150K loan. A motion to execute the inter-department loan from Crockett Sanitary Department in the amount of \$150K carried unanimously (tc/as).

**6.d. SEWER USE CHARGE STUDY:** Mr. McDonald presented the Sewer Use Charge (SUC) Study report for 2020/21. He said from the revenue collected, Port Costa Sanitary Department must pay for operating and maintenance expenses and capital replacements, plus capital improvements and long-term debt service. Commissioner Cusack asked when the new amount would take effect. Mr. McDonald said November 2020. He said due to the Coronavirus less people may be able to pay their property taxes. Mr. McDonald said we do not get the cash until property owners pay their taxes but that the County has paid warrants issued by the department out of the Advance-on-Taxes sub-account based on the anticipated SUC being collected by the County. The Port Costa Sanitary Sewer Use Charge and Report for FY 2020/21 was received. A motion to recommend the proposed rate increase in Sewer Use Charge of \$272 for SFR and Apartments, proportionally increase for commercial and mixed use properties based on water usage, and to accept wording of Prop. 218 notice carried unanimously (tc/tl).



7. FUTURE AGENDA ITEMS: None.

8. COMMISSIONER COMMENTS: Commissioner Scheer asked about 80 Canyon Lake Drive and where the main sewer line, she wanted to know if it is underneath the pool and new owners have been filling it. Mr. Barnhill said he was not sure and would look into it.

9. ADJOURNMENT: The meeting was adjourned at 4:37 PM until May 13, 2020.

Respectfully submitted,

*Susan Witschi*

Susan Witschi  
May 6, 2020