

CROCKETT COMMUNITY SERVICES DISTRICT (CCSD)

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MINUTES OF THE BOARD MEETING ON MAY 27, 2026.

1. CALL TO ORDER - ROLL CALL: President McDonald called the meeting to order at 7:01 PM. Directors Mackenzie, McDonald, Murdock, and Spinner were present. Director Barassi arrived at 7:04 PM. General Manager (GM) Goodman, Sanitary Department Manager (SDM) Barnhill, Recreation Department Manager (RDM) Maria, and District Secretary (DS) Rivas were present. Crockett Sanitary Commissioners (CVSAN) Manzione, Wais, and Alternate Millward were present (quorum was waived).

OUT OF ORDER: PUBLIC COMMENTS WERE HEARD BEFORE THE CLOSED SESSION.

Multiple residents spoke regarding sinkholes, water intrusion, and long-standing infrastructure issues in the First Avenue/Pomona/Flora area. In addition, retaining walls are failing, causing damage to nearby private properties. A request was made for a community listening session involving all relevant agencies. CVSAN Commissioner Manzione expressed concerns about transparency regarding ongoing Closed Session items and asked the Board for more information.

A request from CCRCD and State Lands Commission regarding potential District interest in leasing the Nantucket parking lot area to support a long-term shoreline restoration and drainage project; public request to place this item on the June agenda.

2. CLOSED SESSION: The closed session began at 7:10 PM.
 - a. CONFERENCE WITH LEGAL COUNSEL – significant exposure to litigation pursuant to paragraph (4) of subdivision (d) of California Government Code Section 54956.9.
3. RECONVENE TO REGULAR SESSION: The Board reconvened to Regular Session at 7:59 PM.
 - a. REPORT ON CLOSED SESSION: No reportable action was taken.
4. CALL FOR REQUESTS TO CONSIDER ITEMS OUT OF ORDER: President McDonald moved Items 9a and 9b (Financial Plan & Sewer Use Charge Hearing) to the front of the meeting to allow the consultant to present. No objections.
5. PUBLIC COMMENTS ON NON-AGENDA ITEMS: Discussed earlier.
6. PUBLIC HEARING: None.

CONSIDER ITEMS OUT OF ORDER: Items 9a and 9b

9a. CONSIDER A FINANCIAL PLAN PRESENTED BY MARK HILDEBRAND ON THE DISTRICT'S FINANCIAL HEALTH, DISCUSS, AND APPROVE THE PROPOSED SEWER USE CHARGE (SUC) INCREASE RECOMMENDED BY THE FINANCIAL PLAN STUDY REPORT FOR FY 2026-27, CONSIDER THE RECOMMENDATION OF THE 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 THE METHOD OF COLLECTION: Rate consultant Mark Hildebrand presented a financial plan analyzing projected operating costs, C&H reimbursements, reserve needs, capital improvement requirements, and rate model scenarios.

Extensive Board and public discussion followed. A motion to approve issuance of Prop 218 notices reflecting a proposed 30% maximum increase, establishing proposed rates of \$1,582 (single-family) and \$1,266 (apartments), and acknowledging receipt of the financial plan passed (Barassi 1st, Spinner 2nd, 5/0).

Key points included:

- The District must address C&H's past-due amounts and projected increases in operating and capital costs.
- Current reserves (~\$4M) will decline without corrective action.
- A 30% rate increase for FY 26/27 is recommended to remain financially solvent under either the debt-financed or non-debt scenario.
- Additional phased increases (20%, then 15%) would be needed without financing; debt issuance could allow lower annual increases.
- A comprehensive Prop 218-compliant rate study is recommended for FY 26/27 or FY 27/28.
- Mailing deadline for 218 notices is June 5 to hold a July 22 hearing.

9b. APPROVE JULY 22, 2026, FOR A PUBLIC HEARING ON THE CROCKETT SANITARY SEWER USE CHARGE (SUC) STUDY REPORT FOR FY 2026/27: Discussion was incorporated in 9a. Motion to approve July 22 for a public hearing on the sewer use charge passed. (Spinner 1st, Murdock 2nd, 5/0)

7. CONSENT CALENDAR: Item 7a was carried to the June meeting; Item 7c was pulled for discussion. A motion to approve Items 7b, d, and e passed. (Spinner 1st, Barassi 2nd, 5/0)

- a. Approve the minutes of the CCSD Board meeting on April 22.
- b. Receive minutes from commissions and committees
- c. Approve payment of District bills.
- d. Receive cash account balance for all departments.
- e. Approve resolution 25/26-09 updated Sewer System Management Plan (SSMP)

8. CONSIDER ITEMS REMOVED FROM THE CONSENT CALENDAR: Motion to approve payment of District bills passed (Spinner 1st, Mackenzie 2nd, 4/1)

7c. APPROVE PAYMENT OF DISTRICT BILLS: The Olivero Plumbing payment covers various repairs, including a water heater needed to heat the pool. Staff to refer to the District Code on changing the subject from approve to receive payment of District Bills.

9. ADMINISTRATION

- a. CONSIDER A FINANCIAL PLAN PRESENTED BY MARK HILDABRANDT ON THE DISTRICT'S FINANCIAL HEALTH, DISCUSS, AND APPROVE THE PROPOSED SEWER USE CHARGE (SUC) INCREASE RECOMMENDED BY THE FINANCIAL PLAN STUDY REPORT FOR FY 2026-27, CONSIDER THE RECOMMENDATION OF THE 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 THE METHOD OF COLLECTION: Discussed earlier.
- b. APPROVE JULY 22, 2026, FOR A PUBLIC HEARING ON THE CROCKETT SANITARY SEWER USE CHARGE (SUC) STUDY REPORT FOR FY 2026/27: Discussed earlier.
- c. APPROVE RESOLUTION 2025/26-10 CONFIRMING OVERRULING OBJECTIONS TO THE METHOD OF COLLECTION OF SEWER SERVICE CHARGES FOR PORT COSTA: PCSAN supports a no increase recommendation. A resolution is required for the County to apply the tax to the property tax roll. Motion to approve Resolution 25/26-10 passed. (Barassi 1st, Spinner 2nd, 5/0)

- d. CONSIDER DRAFT NEWSLETTER TO BE INCLUDED WITH THE PROP 218 MAILING: A newsletter to accompany the Prop 218 notice includes State-mandated information. The Community Center's hours of operation are to be added to the newsletter. Motion to approve the newsletter with edits passed. (McDonald 1st, Spinner 2nd, 5/0)

10. BUDGET AND FINANCE:

- a. REVIEW FINANCIAL REPORT FOR Q3 (JANUARY – MARCH) FOR ALL DEPARTMENTS: Report received. Discussion included the need for clearer public-facing department labeling, alignment of totals, and addition of notes on C&H-related transactions.
- b. RECEIVE AND APPROVE THE PROPOSED BUDGET REPORT FOR FY 2026/27, APPROVE JULY 22, AS THE DATE FOR A PUBLIC HEARING ON THE BUDGET, AND FORM RECOMMENDATIONS: GM Goodman reviewed revisions, updated revenue/expense assumptions, and the inclusion of estimated year-end totals. Several C&H-related line items will require financial and terminology adjustments (“liability,” “claim,” etc.). Board provided feedback; final adoption scheduled for the June meeting. An inquiry by Director Barassi on whether Maintenance funds can be used to clear the hillside area behind Alexander Park will be presented at the next L&L Commission meeting.
- c. DISCUSS FINANCIAL MATTERS RELATED TO THE DISTRICT: No additional items.
- d. RECEIVE LIST OF DIRECT BILL BILLING FOR MAY 2026: Received; all direct bill vendors have been billed. C&H issued credits instead of direct payment transfers.

11. MANAGERS' REPORTS/REPORTS FROM COMMISSIONERS:

- a. GENERAL MANAGER / MAINTENANCE DEPARTMENT / LIGHTING & LANDSCAPE COMMISSION: Priority focus on Prop 218 mailings, and the FY 23 audit is now underway. The auditor is requesting records extending beyond FY 23 due to adjustments that may affect prior year findings.
- b. DISTRICT SECRETARY: Noted need for website improvement to make information easier to find by the public.
- c. RECREATION MANAGER: Community Center and private pool party rentals increasing significantly; pool season underway. Multiple grants awarded (pool covers, tables/chairs, safety program). Additional grants pending for tennis courts and community center infrastructure have been submitted. Expanding water safety programming through the Phillips 66 grant.
- d. CROCKETT AND PORT COSTA SANITARY DEPARTMENT MANAGER: Crockett: A private lateral spill was cleared by the property owner and followed up by sanitation. Pump 4 is undergoing a rebuild. Port Costa: Generator bypass incident triggered emergency generator operation and a Water Board report; fencing and future (shore-based) generator replacement needed. A new NSU operator (replacement for an outgoing regular operator) was given a tour and overview of Crockett and Port Costa systems and operations.
- e. GOVERNMENTAL MATTERS: Three full-term seats (Mackenzie, Murdock and Spinner) are open for the 2026 election. The filing period is from July 13 through August 7.
- f. ANNOUNCEMENTS AND DISCUSSION: None.

12. REPORTS FROM BOARD MEMBERS AND COMMITTEES:

- a. BUDGET & FINANCE COMMITTEE: Did not meet.
- b. LEGAL NEGOTIATIONS AD HOC: Ad Hoc met with legal counsel to discuss the C&H claim and payments.

c. POLICE LIAISON COMMITTEE: The Crockett Community Foundation (CCF) is reconsidering its funding support for the Flock license plate readers due to the company's recent data security issues. Should CCF fund the camera, CPLC will need to identify a signer for the contract as the District will not be a signatory.

d. INTER-AGENCY MEETINGS: None.

13. FUTURE AGENDA ITEMS / BOARD COMMENTS: Director Spinner reminded everyone to vote on June 9.

- Q3 Financial Report (January–March)
- Consider merger of Recreation & L&L Commissions
- Organizational Chart
- Records Retention
- Dog Park

14. ADJOURNMENT: The meeting was adjourned at 9:01 PM until June 14, 2026.

Respectfully submitted,
Sonai Rivas, MBA
District Secretary