CROCKETT SANITARY COMMISSION (CVSAN)

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MINUTES OF REGULAR MEETING OF JUNE 17, 2026.

1. CALL TO ORDER - ROLL CALL: Chair Wais called the meeting at 4:02 PM. Present were Commissioners Bartlebaugh, Wais, and Alternate Millward. Absent: Commissioner Manzione (excused). Staff present included General Manager (GM) Goodman, Sanitary Department Manager (SDM) Barnhill, and District Secretary (DS) Rivas. Board Director Barassi and former Board Director Peterson were present.

2. CALL FOR REQUESTS TO CONSIDER ITEMS OUT OF ORDER: None.

3. PUBLIC COMMENTS ON NON-AGENDA ITEMS: Alternate Millward announced his intention to submit an application to serve as a regular commissioner.

4. PUBLIC HEARINGS: None.

5. CONSENT CALENDAR: Items 5e and f were pulled for discussion. Motion to approve 5a - d passed. (Millward 1st, Wais 2nd 3/0, 1 absent; Bartlebaugh abstained from 5a as he was not present at the May 20 meeting) Commissioner Bartlebaugh requested that the Consent Calendar be moved to after staff reports.
   a. Approve Minutes for May 20.
   b. Receive Actions Taken by the Board (May).
   c. Receive warrant transmittals (May).
   d. Receive Cash and LAIF Account Balances.
   e. Receive list of direct bill billings.
   f. Receive the financial plan presented by Hildebrand Consulting to support a Sewer Use Charge increase for Crockett for fiscal year 2026-27.

6. CONSIDER ITEMS REMOVED FROM THE CONSENT CALENDAR: Motion to receive 5e and f passed. (Millward 1st, Bartlebaugh 2nd 3/0, 1 absent)

   5e. RECEIVE LIST OF DIRECT BILL BILLINGS: Staff explained that one C&H amount represented a quarterly billing while another reflected the annual total billed amount. Staff clarified that a County Auditor payment represented repayment of a loan and had been inadvertently included with direct billings.

   Discussion also included the collection of outstanding C&H billings, application of interest charges, and historical inconsistencies in billing records. Staff reported that several direct billings had not been regularly tracked before the current administrative efforts and that procedures have been established to improve documentation and collection practices.

   5f. RECEIVE FINANCIAL PLAN PRESENTED BY HILDEBRAND CONSULTING SUPPORTING A SEWER USE CHARGE INCREASE FOR FY 2026/27: Commissioners reviewed the financial plan prepared by Hildabrand Consulting and presented at the May 27 Board meeting, and asked questions regarding capital improvement assumptions, reserve targets, debt financing alternatives, debt coverage ratios, inflation assumptions, sewer use charge methodology, and treatment plant cost allocations. Staff explained that the financial plan was developed primarily to support the proposed FY 2026/27 sewer use charge and that a more comprehensive rate and financial study is planned for the upcoming fiscal year. Discussion included the estimated need for collection system rehabilitation, reserve restoration, funding alternatives, and the District's financial obligations related to CNH operations. The Commission also discussed the upcoming Proposition 218 public hearing process and methods available to ratepayers to submit protests.

The sewer plant is referred to as the joint treatment plant: C&H operates the treatment plant, and the District is a minority shareholder. The District pays its pro rata share of the actual costs based on the water flow data. The District charges C&H for their domestic sewage.

7. ADMINISTRATIVE:

a. UPDATE ON PROP 218 MAILINGS AND CALLS/FEEDBACK FROM THE PUBLIC: Proposition 218 notices were mailed on schedule; several property owners have contacted the District to update mailing information. A log was created to track calls and in-person visits regarding the proposed sewer use charge increase. As of the meeting date, two formal written protests had been received. Most inquiries concerned the size of the proposed increase and whether it was related to infrastructure projects. Staff explained that the increase is primarily associated with disputed C&H liabilities and outstanding obligations. A California Public Records Act request related to the rate increase was also received and referred to legal counsel for review. No action was taken.

   Due to time constraints associated with the Proposition 218 process, the newsletter was condensed and distributed without Commission review and focused on regulatory requirements.

8. BUDGET AND FINANCE:

a. REVIEW THE CVSAN QUARTERLY BUDGET REPORT FOR Q3 (JANUARY – APRIL): GM Goodman presented the third-quarter budget report and explained that expenditures reflected a significant payment made to C&H during the fiscal year. Commissioners requested additional information in future reports, including annual budget totals, fund balances, projected year-end forecasts, and revenue information. No action was taken.

b. DISCUSS A FINAL REVIEW OF THE PROPOSED DISTRICT BUDGET FOR FY 2026/27: GM Goodman reviewed the proposed FY 2026/27 budget, including updated narrative sections, anticipated liabilities, property tax allocations, projected revenues and expenditures, reserve considerations, and assumptions associated with the proposed sewer use charge increase.

   Discussion included outstanding claims from C&H, projected capital improvement spending, reserve funding levels, construction fund balances, and the ability to adjust the budget if the Board adopts a sewer use charge increase different from that proposed.

   Commissioners requested additional documentation regarding capital improvement projects and C&H-related costs. Staff indicated that supporting information would be provided as part of future budget and capital planning discussions. No action was taken.

c. OTHER FINANCIAL MATTERS OF THE DISTRICT: Staff provided updates regarding audit activities, financial reporting improvements, and ongoing development of financial management tools and procedures.

9. REPORT OF DEPARTMENT MANAGER:

a. OPERATIONS, MAINTENANCE, AND CAPITAL IMPROVEMENTS: SDM Barnhill reported on routine maintenance activities, collection system repairs, and capital improvement planning efforts.

   Discussion included collection system rehabilitation strategies, use of targeted spot repairs versus full line replacement, evaluation of CCTV inspection data, and long-term infrastructure planning. The Water Board is holding a public hearing on the NPDS report on August 12; comments are due by July 10 at 5 pm. The report was prepared by Larry Walker. There are structural deficiencies at 1 Rolph Park Drive, including dry rot and other building deterioration. The GM met with the State Lands Commission regarding the C&H lease. Cogen funds were awarded to CCRCD where historically they are awarded to the Crockett Community Foundation. Staff continues their efforts to pursue grant funding opportunities and continue planning for major infrastructure needs.

b. GOVERNMENTAL MATTERS: None.

c. ANNOUNCEMENTS AND DISCUSSION: None.

10. REPORTS / COMMENTS FROM COMMISSIONERS: No reports.

a. WASTEWATER COMMITTEE: None.

b. BUDGET & FINANCE AD HOC: None.

c. COMMISSIONERS: None.

d. INTER-AGENCY AND TRADE MEETINGS: None.

11. FUTURE AGENDA ITEMS:

a. CCTV repair study prepared by the Engineer of Record when available.
b. Monthly C&H billing.
c. Capacity/impact fees
d. District’s role and authority regarding the county’s processes for new development.
e. Cost-cutting measures.

12. ADJOURNMENT: The meeting was adjourned at 6:00 PM until July 15, 2026.

Respectfully submitted,
Sonia Rivas, MBA,
District Secretary