

CROCKETT COMMUNITY SERVICES DISTRICT

Budget & Finance Committee
AGENDA FOR TUESDAY, JUNE 7, 2022

TIME: 4:00 PM
PLACE: C.C.S.D. Office Building, 1 Rolph Park Drive, Crockett

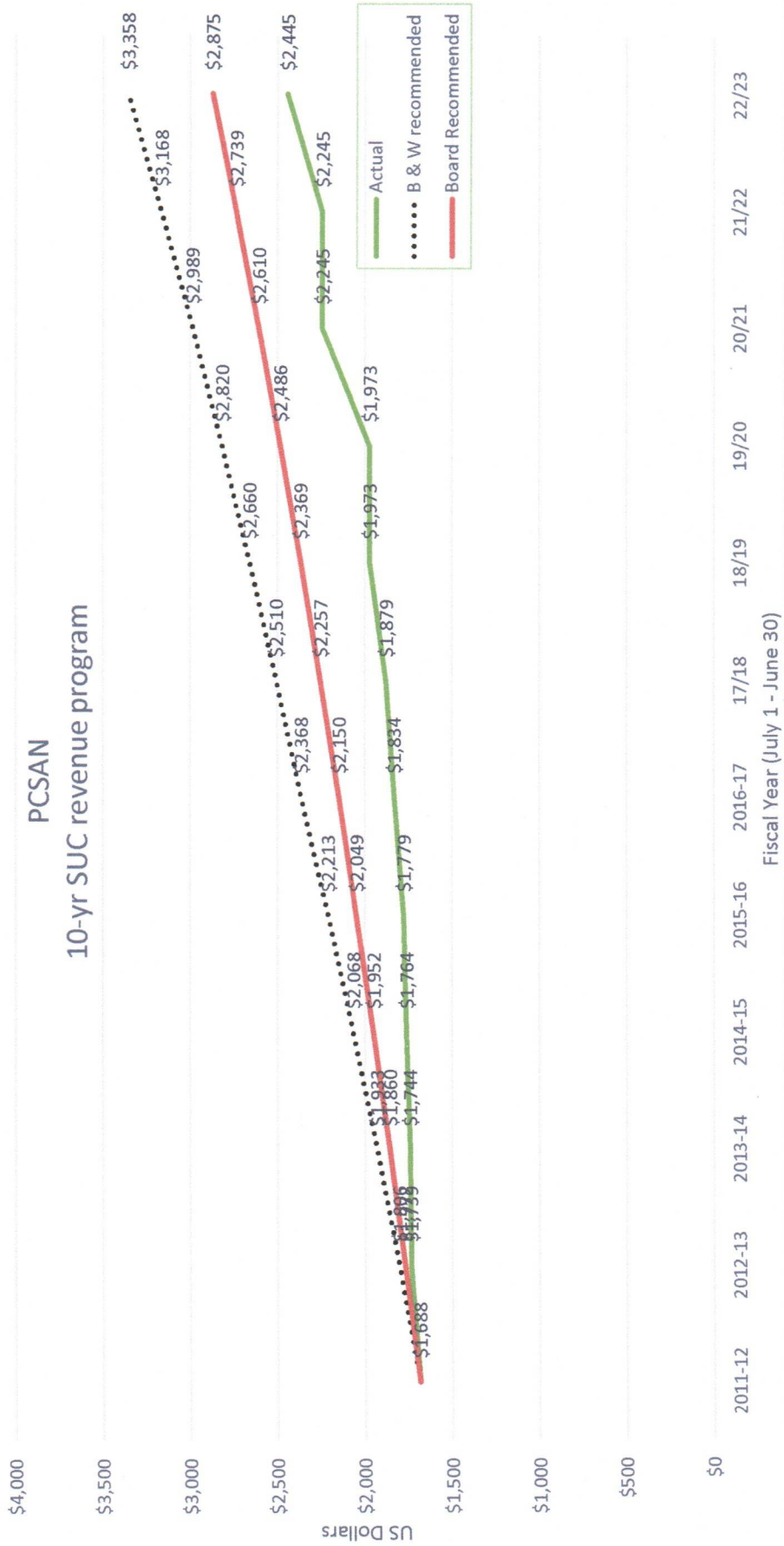
1. CALL TO ORDER – ROLL CALL
2. CALL FOR REQUESTS TO CONSIDER ITEMS OUT OF ORDER
3. PUBLIC COMMENTS ON NON-AGENDA ITEMS:
(The Committee is prohibited from discussing items not on this agenda. Matters brought up that are not on the agenda may be referred to staff for action or calendared for a future date.)
4. PUBLIC HEARING:
5. ITEMS FOR CONSIDERATION:
 - a. Consider Port Costa and Crockett Sanitary Department's Sewer Use Charge Reports for FY 2022-23. Form Recommendations for staff.
 - b. Consider budget for end of year 2021-22 and draft budget for 2022-23.
 - c. Discuss district check writing and accounting procedures.
6. FUTURE AGENDA ITEMS:
7. ADJOURNMENT:

You will find the Minutes of this meeting posted on our website at www.town.crockett.ca.us after they are adopted. 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

PCSAN 10-yr SUC revenue program



S.A.

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

FROM: Department Manager

SUBJECT: PORT COSTA Sewer Use Charge (SUC) Study, FY 2022/2023

INTRODUCTION

This report summarizes reviewed 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, 2022 through June 30, 2023) 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 (CCSD) was formed in July, 2006, merging the functions of the Crockett-Valona Sanitary District (CVSAN), County Service Area P-1 (which includes the Recreation Dept), and Port Costa's County Sanitation District No. 5. The ownership and responsibility for the Port Costa sanitary collection and treatment systems was transferred to CCSD in May, 2008. Following the transfer of responsibility, Port Costa County Sanitation District No. 5 was renamed Port Costa Sanitary Department (PCSAN). This Sewer Use Charge (SUC) 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. Within CCSD boundaries there are 113 properties, of which 85 are receiving sewer service. There is one additional property outside of the CCSD boundaries that is also being served by PCSAN. The average daily dry weather flow rate is less than 15,000 gallons.

Property tax revenue, collected by Contra Costa County, is not returned to Port Costa. PCSAN pays for operation and maintenance, capital replacements, capital improvements, and long-term debt service from revenue collected from the SUC.

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 2022/23.

FUTURE OPERATING REQUIREMENTS

This analysis is focused on the costs of operating and maintaining sewerage facilities in Port Costa for the fiscal year 2022/23.

State, regional, and county regulatory agencies impose new requirements on sanitary agencies through the 1990's to the present. A five-year discharge permit was issued to PCSAN by the Regional Water Quality Control Board (RWQCB) effective December 1, 2014, which further expanded these requirements, this discharge permit has since expired. The current discharge permit became effective February 1, 2019 and is set to expire January 31, 2024. Exceedances of wastewater discharge permit limits in 2003 resulted in mandatory upgrades of the (WWTP) to eliminate the discharge of pollutants. These upgrades were completed by Contra Costa County at the end of 2007 at the cost of \$1,035,000. The RWQCB certified the upgrade. 34 exceedances occurred throughout the years 2013 through 2019. The exceedances have since been attributed primarily to sludge buildup in the primary treatment (septic tank) and disturbance of the biological layer (schmutzdecke) of the sand filter beds. The most recent heavy cleaning and maintenance of the septic tank was completed in early 2020. There have been no permit exceedances to this date following the heavy cleaning. WWTP operations have been accomplished by contract operators since CCSD took ownership in 2008. The current contract is with Valley Operators LLC. 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 attendant reduced 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 at least the following items, as shown in TABLE 2:

1. Sewage Treatment:

The WWTP is operated and maintained by Valley Operators LLC. Chemicals are supplied by Sierra Chemical Company. Pre-treatment occurs at 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. The bottom layer (sludge) is regularly profiled. It is imperative that sludge is removed prior to the sludge level reaching depth and concentration deemed detrimental to the piping, pumps, sand filter beds, and to the ultimate effluent quality. The costs associated with treatment for the next fiscal year are budgeted at **\$116,426** 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 and business users via the collection system. The wastewater is then conveyed, via gravity, through primary treatment (septic tank) to secondary treatment at the WWTP. PCSAN and Crockett Sanitary Department (CVSAN) have benefited from inclusion in the CCSD's Sanitary Sewer Management Plan (SSMP). Bi-annual audits of the SSMP are performed by the CCSD.

The cost for the collection system operations, maintenance, and repairs are estimated at **\$30,955** for the coming year. The collection system should have few other costs during FY 2022/23, absent emergency or unforeseen cleaning or repair.

3. Administration/General expenses:

Wages are paid by PCSAN 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 are not paid for meeting attendance.

Administrative (O&M) salary, professional services, office costs and miscellaneous expenses such as membership dues, printing, vehicle, etc. are budgeted at **\$75,311**.

4. Capital improvements budget:

The CCSD 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 CCSD inherited a debt burden of \$1,035,000 from Contra Costa County. This budget includes \$44,814 for debt service.

No additional long-term debt is anticipated in FY 2022/23. PCSAN was able to refinance one of the existing 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. So far, interest only payments have been made. Principal payments begin in FY2023-24. The final interest only payment of \$2,850 is due December 2022. Debt is paid 1.5% over the LAIF interest rate.

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.

Unfortunately, the Port Costa facilities were inherited with no operating reserves. On the contrary, this budget acknowledges a pre-existing debt of \$24,233 to the CVSAN. The budget can therefore provide only \$22,269 (10%) for operating contingencies. Only \$4,000 could be contributed to the WWTP Capital Reserve, \$10,000 for the septic tank reserve, \$5,000 for RWQCB operating reserves and \$10,000 toward the discharge permit reserve in 2022/2023.

TABLE 2

PROJECTED DISTRICT BUDGET DETAIL, FY 2022/23

REVENUE (Excluding sewer use charges)

Carry-over unallocated cash	\$156,920
Prior Year Contingency Surplus	\$20,077
Tank Cleaning/Rehabilitation Reserve	0
Discharge Permit Reserve	0
WWTP Reserve	0
RWQCB Operating Reserve	0
Loans/Grants	0
Permit Fees	180
Capacity Charges/Annexation Charges	0
Annexation Interest	0
Cost Recovery	<u>300</u>
TOTAL REVENUE	\$177,477

Sewer Use Charge Study
FY 2022/23

EXPENSES

Sewage Collection	\$30,955
Sewage Treatment	116,426
Administration/General	75,311
Capital Replacement Projects	85,000
O&M Contingencies	23,050
Septic Tank Rehabilitation/Cleaning Reserve	10,000
WWTP Reserve	4,000
Discharge Permit Reserve	10,000
RWQCB Operating Reserve	5,000
Rate Stabilization Reserve	53,658
Debt service	46,814
Pre Existing Debt	24,233
TOTAL EXPENDITURES	\$484,477
APPARENT DEFICIT	\$306,970

This budget of **\$484,477** for FY 2022/23 is about 40% higher than what was budgeted in FY 2021/22. To rebuild the operating reserves and cover ongoing operating expenses a larger than normal SUC increase, the only significant source of revenue for PCSAN, will be required.

PROJECTED REVENUE

The preceding review of next year's budget requirements indicates that **\$484,477** will be needed. Sources of this needed revenue are primarily sewer service 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 **\$306,970**. A deficit is an annual occurrence and can be covered by a SUC, as described below.

PROPOSED SEWER USE CHARGE RATE

The sewer services to be provided by PCSAN are determined to include 76 single family dwellings and 14 apartments, plus 3 non-residential and 4 mixed-use properties (containing another 27 apartments).

Since 1964, the 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 County consultant, that methodology was labeled inequitable. Unfortunately, that study proposed

Sewer Use Charge Study
FY 2022/23

an alternate methodology that is impracticable when applied to a small community. Secondly, that alternate methodology was inconsistent with that used by CVSAN. In the interest of equitable rates, CVSAN 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.

In calculating average sewer use by residents only wet weather data is used, in order to discount irrigation water (which doesn't go down the sewer). Extreme outliers in the data were not considered. The remaining 65 Single Family Residences (SFR) were found to contribute an average of 4662 Cu. ft. per year to the sewer system. Each apartment is also assumed to contribute 4662 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 CCSD 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 - 2021

EQUIVALENT TYPE OF OCCUPANCY/USE	NUMBER		USE FACTOR
	OF UNITS	PER UNIT	UNITS
Single family dwelling	72	1.00	72.00
Apartment	14	1.00	14.00
Non-residential property	3	varies	1.84
Mixed-use property	4	varies	<u>37.71</u>
	Discharge Units		125.55

In order to provide sufficient revenue for the O&M&R and capital budget, SUE would be determined as follows:

OPERATING DEFICIT	\$306,970	=	\$1,736/UNIT
NO. DISCHARGE UNITS	125.55		

By this method, the recommended annual SUC per single family residence is **\$2,445**. The recommended annual SUC per apartment is also **\$2,445**.

The charges for other properties would vary with water consumption in proportion to the CCSD standard for residential uses. The recommended charge is **\$2,445** plus **\$52.45** per 100 cubic feet of water consumption in excess of **4662** 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 full structural inspection and replacement of the baffle system. A 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 (RWQCB). 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 and emergencies. **Nor does this budget contain an adequate contingency fund, nor provide adequately for collection system maintenance, or repayment of outstanding debt to CVSAN.** 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, PCSAN can chart a course toward financial stability. Prior to attaining confident stability, PCSAN 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 CCTV inspection of the collection system.

PCSAN continues regular cleaning of the collection system to prevent sewer overflows (SSO's). PCSAN does not have a cost estimate for collection system rehabilitation within even the next five years since knowledge of the system is spotty. PCSAN spent little on system rehabilitation in the initial years of transition from county management. It appears that regular increases in SUC 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.

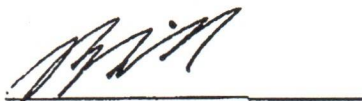
The General Manager, Department Manager, Administrative Services Manager, and Assistant District Secretary are the only positions receiving payroll in PCSAN. All O&M&R services are contracted out to others regularly engaged in this type of work. This is believed to be the most economical and efficient 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 SUC Study Report be accepted by the Board of Directors and that sewer use charges are raised to \$2,445 per single family residence and equivalent unit for FY 2022/23 as a source of revenue to balance the budget.

TABLE 4 sets forth the actual SUC anticipated for each property served by PCSAN.

Revenue raised through this SUC would be **\$312,040**. There will be a net increase of **8.9%** equal to **\$200** annually on residential user fees for the fiscal year.

Respectfully submitted,



James Barnhill
Port Costa Department Manager

May 7, 2022

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

**PROPOSED INCREASE IN SEWER USE CHARGE EFFECTIVE
 JULY 1, 2022, 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, 2022. 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 2022/23 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
\$2,245 per year per SFR*	Single Family Residence (SFR)	\$2,345 per year per SFR*
\$2,245 per year per APT	Apartment (APT)	\$2,345 per year per APT
\$2,245 plus \$38.36 per 100 cubic feet of water consumption in excess of 5852 cubic feet per year	Hotel and Non-residential Accounts	\$2,345 plus \$50.31 per 100 cubic feet of water consumption in excess of 4662 cubic feet per year
\$2,245 plus \$38.36 per 100 cubic feet of water consumption in excess of 5852 cubic feet per year (min. \$2,245 per APT)	Mixed-use Accounts	\$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)

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

A public hearing on the matter will be held on Wednesday, July TBD, 2022 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.

To **Port Costa** Customers of the Crockett Community Services District:
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PRESENT ANNUAL SEWER USE CHARGE	USER CLASSIFICATION	PROPOSED ANNUAL SEWER USE CHARGE
\$2,245 per year per SFR*	Single Family Residence (SFR)	\$2,395 per year per SFR*
\$2,245 per year per APT	Apartment (APT)	\$2,395 per year per APT
\$2,245 plus \$38.36 per 100 cubic feet of water consumption in excess of 5852 cubic feet per year	Hotel and Non-residential Accounts	\$2,395 plus \$51.38 per 100 cubic feet of water consumption in excess of 4662 cubic feet per year
\$2,245 plus \$38.36 per 100 cubic feet of water consumption in excess of 5852 cubic feet per year (min. \$2,245 per APT)	Mixed-use Accounts	\$2,395 plus \$51.38 per 100 cubic feet of water consumption in excess of 4662 cubic feet per year (min. \$2,395 per APT)

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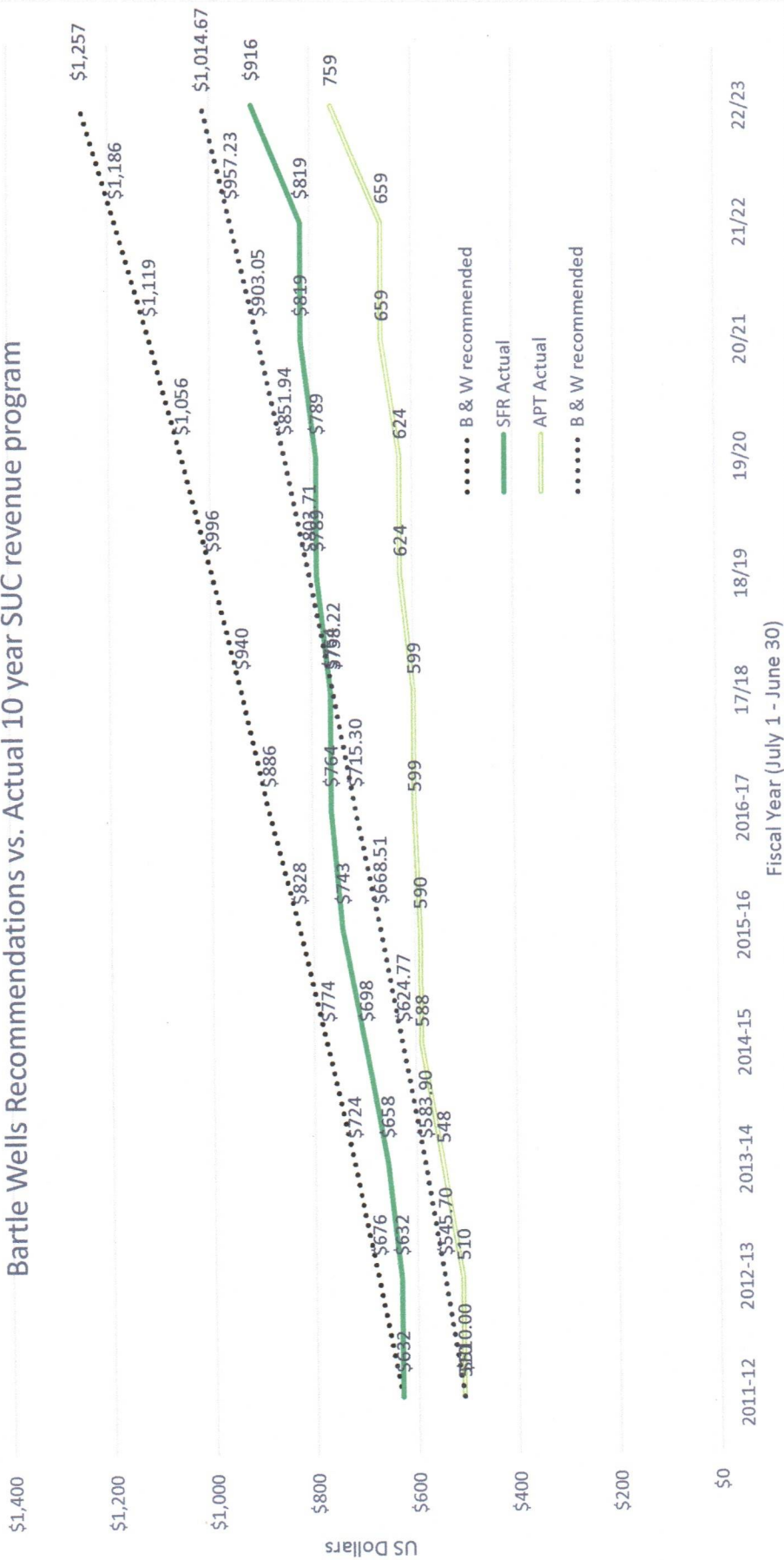
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\$2,245 per year per APT	Apartment (APT)	\$2,445 per year per APT
\$2,245 plus \$38.36 per 100 cubic feet of water consumption in excess of 5852 cubic feet per year	Hotel and Non-residential Accounts	\$2,445 plus \$52.45 per 100 cubic feet of water consumption in excess of 4662 cubic feet per year
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CVSAN
 Bartle Wells Recommendations vs. Actual 10 year SUC revenue program



S.A.

**SEWER USE CHARGE STUDY
CROCKETT COMMUNITY SERVICES DISTRICT
Fiscal Year 2022/23**

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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), a Recreation 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 Department is currently in the 45th year of a federally mandated wastewater treatment program covering operations at all of 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. We currently have a twenty-five-year lease with the state lands commission for our outfall pipeline, a requirement of our continued operation.

SCOPE

This Sewer Use Charge study is provided as the rationale for determination of the Sewer Use Charge for Fiscal Year (FY) 2022/23 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.

The Covid epidemic has impacted sanitary department revenues by the closure and reduced activity of many commercial establishments in 2020 and by introducing special efforts for the District to remain open. After four decades of price stability, inflation has again become the most significant facet of the economy and a factor in our budget. The analysis herein has tried to confront these issues.

Table 1. Crockett at a Glance

Population	3242
Number of users served by CVSAN:	
SFR's	925
Apartments	659
Commercial & mixed use	59
Collection system size	81,120 linear feet
Total Expenditure(projected), FY 21/22	\$1,773,090

REVENUE & EXPENSES

Below is a list of the main costs to CVSAN and brief description of each, with revenue and costs tabulated in Table 2.

1. **Sewage Treatment:** Operation of the Joint Treatment Plant (JTP) owned jointly by the District and C&H Sugar and operated by C&H through contract with Inframark.
2. **Sewage Collection:** CVSAN owns and operates an equalization (EQ) tank, 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 West County Wastewater District (WCWD), LR Paulsell and others.
3. **Finance Costs:** CVSAN has several outstanding loans, service of these loans totaled approximately \$97,191 in FY 21/22.
4. **Administrative Cost:** Wages, office space, and outside professional services. Wages for the CVSAN department are primarily for the General Manager/District Engineer, the Administrative Services Manager, the CVSAN Department Manager, and the Assistant 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. Professional services, 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.
5. **Capital Improvements:** Required capital improvements include work required at the Joint Treatment Plant (JTP), Crockett Pump Station, and the replacement of sewer mains. CVSAN has set a goal of replacing 2% of the sewer line every year (1622 feet). In the year 2021, 1297 feet were replaced, ~80% of goal. Capital replacement work is performed by outside contractors, paying prevailing wages per California law.
6. **Economic Considerations:** At writing, last year's Consumer Price Index inflation stands at 8.5%, and has been steadily rising over the last half year. It would be prudent to assume that inflation will remain high thru the rest of this year. 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. A 5% premium is recommended on all budget estimates to account for a year of 10% inflation. The California Construction Cost Index (CCCI) has grown steadily and is now at 24% per year, April to April. These rates accentuate the loss that can occur by holding reserves or raising capital improvement funds to be spent.

Table 2. Projected revenues and expenses for CVSAN are tabulated below for the current fiscal year (FY 21/22).

CVSAN REVENUES	Projected 21/22
Sewer Use Charge	\$1,413,811
Property Taxes	\$310,887
Loans Repayments to CSD	\$35,142
Grants / RTS	\$36,406
Permit, Misc. Fees, and Other	\$1,290
Interest	\$15,787
Capacity Charges	\$2,425
Cost Recovery	\$1,333
Total Revenue	\$1,817,081
CVSAN EXPENSES	Projected 21/22
Treatment	\$355,211
Collection	370,143
Administration	401,231
Capital Budget Allocation (partially retained)	591,705
Construction Fund 3427	2,425
Non-operating expenses	20,375
Recoverable Costs / Other	-
Total Expenditures	\$1,741,090
Budget Excess	\$75,991
PY Net O&M&R Surplus	\$2,253,759
Current Year net O&M&R Surplus	\$2,329,750

Table 3. Projected Budget Detail for CVSAN, FY 2022-23

CVSAN REVENUES	Projected 22/23
Property Taxes	\$317,105
Loans Repayments to CSD	39,648
Grants / RTS	35,000
Permit, Misc. Fees, and Other	7,525
Interest	16,261
Capacity Charges	4,850
Cost Recovery	16,500
Transfer from 3427	150,000
Total Revenue	\$586,889
CVSAN EXPENSES	Projected 22/23
Treatment	\$803,866
Collection	402,014
Administration	382,567
Capital Budget Allocation (partially retained)	550,000
-Pump Station Capital Allocation (3yrs @~\$250,000/yr)	100,000
Construction Fund 3427	4,850
Non-operating expenses	3,000
Recoverable Costs / Other	5,000
O&M Contingency @ 10%	143,323
Total Expenditures	\$2,394,620
Apparent Deficit	\$1,807,731

(Graph to go here)

RESERVES

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. Past events such as El Nino '98 have proven the necessity of a contingency fund, and the District has strived to maintain a contingency fund between 10% and 15%. This budget provides **\$143,323** for operating contingencies at 10% of operating budget next year.

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 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 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 rate stabilization 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. A third loan was needed in April, 2020 for project costs associated with the wastewater settling tank. 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 May 11, 2022 this asset will be valued at **\$339,660**.

FUNDS

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

3427 CONSTRUCTION FUND	projected 21/22	projected 22/23
Opening Balance	954,930	\$999,997
Interest Est	10,582	11,005
Capacity Charges, Est.	2,425	4,850
Misc. Fees Est.	0	0
Capital Expenses, Est.	0	-150,000
Investment Fees, Est	60	0
Interfund Transfers	32,000	<u>32,000</u>
ESTIMATED BALANCE	\$999,997	\$897,852

Table 3. 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 21/22	projected 22/23
Opening Balance	\$71,118	\$72,701
State Loans	\$0	\$0
Interfund Transfers	\$0	\$0
Interest	\$1,591	\$1,618
Cost Recovery	\$0	\$0
Investment Fees	\$8	\$8
		-
ESTIMATED BALANCE	\$72,701	\$74,311

Table 4. 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 **\$586,889**.

Decreasing revenue also comes from return-to-source funds from the Crockett Co-generation plant as granted by the Crockett Community Foundation. The budget anticipates **\$35,000** in the coming year, but these funds may also be at risk from County budget problems or tax adjustments granted the cogen plant.

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 925 single-family dwellings and 659 apartments, plus 25 commercial non-residential and 33 mixed-use and 2 industrial 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 496 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 6699 cubic feet per year to the sewer system. This becomes the Department's standard for water consumption per discharge unit in Crockett. Each apartment is now assumed to contribute 5554 cubic feet per year to the sewer system. The APT: SFR use ratio is 0.829 (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 on the property.

The sewer services provided by the District are tabulated in TABLE 5. The second column in TABLE 5 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 1777 discharge units.

Inventory of Existing Connections			
	#	equiv use factor	Discharge units
SFR	925	1	925
APT	659	0.829	546
COM	26	Varies	106
MIX	33	Varies	200
TOTAL DISCHARGE UNITS			1777

Table 5. Inventory of Connections is a tabulation for the purpose of determining equivalent discharge units. The equivalent use factor of COM & Mixed properties is an equivalency based on water use and number of apartments.

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 of:

Single Family Residence**\$ 1,017**
Apartment..... **\$ 844**

The rate for Commercial and Mixed-use accounts is the base amount paid by the associated residential user, plus a volumetric fee per hundred cubic feet (ccf) of water used in excess of the 6-year average of 5554 cf per year.

Volumetric Rate.....**\$ 15.10 / ccf** (water unit)

SUMMARY & RECOMMENDATION

The Department's financial outlook looks strong going into FY 2021/22. The District has met the goal of establishing a reserve fund of **\$2.5M**. The importance of meeting regulatory expectations requires district spending on capital improvements to the treatment plant and pump station.

Aging control equipment at the Crockett pump station has outlived its service life and needs replacement to ensure function at a cost estimated to be **~\$800,000**. It is hoped this project can be started by the end of the fiscal year, but it is very possible that it will not be underway until fall of 2023. Additionally, some pump station components (motors, pumps, etc.) need refurbishment or replacement as part of ongoing scheduled repair. Cost of these repairs are expected to be **~\$200,000**. Some of these costs will not be accrued until FY 23/24. Because these are significant upgrades that are expected to provide a long service life, these costs can be spread over a ten-year period with supplementation from reserve funds.

CVSAN will continue its program of sewer line replacement, planning to contract for **\$550,000** in sewer repairs.

Because of pandemic measures that closed commercial venues, SUC revenue from commercial users is slightly diminished. Water use by apartments, by the same token increased. Because of these effects, both apartments and SRF's have increased burden, with a greater increase seen in apartments due to their increased usage relative to SFR's. It is expected that the usage patterns will normalize as business returns to normal. It is therefore recommended that the rate stabilization fund be used to augment shortfalls. An estimated transfer of **\$267,145** from the rate stabilization fund will be required to slow the change of rates.

CVSAN is in a sound financial position, and is currently undertaking a level of maintenance 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 22/23, the aggregate total of **\$1,807,731** will be funded by a recommended Sewer Use Charge of **\$916 for SFR's** and **\$759 for apartments and non-residential accounts**, as well as utilizing a portion of the rate stabilization reserves.

Respectfully Submitted,



Gaunt Murdock

May 14, 2022

FY 2022-2023 PORT COSTA SANITARY DEPARTMENT BUDGET - FUND 3425 PROPOSED ##

	PY 2020-21	FY 2021-22	FY 2021-22 Est.	FY 2020-21
	Actual	Approved Budget	Yr. End	Proposed
Collection System				
Liability Insurance	\$ 4,514	\$ 7,223	\$ 3,725	\$ 5,215
Profess. Services.	\$ 3,960	\$ 5,000	\$ 0	\$ 5,000
Sewers Maint.	\$ 10,542	\$ 11,596	\$ 13,620	\$ 14,982
Other Operating	\$ 100	\$ 461	\$ 0	\$ 461
Permits & Fees	\$ 2,848	\$ 3,133	\$ 4,815	\$ 5,297
Total Collection System	\$ 21,964	\$ 27,412	\$ 22,160	\$ 30,955
Treatment Plant				
Generator fuel / oil	\$ 67	\$ 100	\$ 92	\$ 138
Property Insurance	\$ 1,574	\$ 2,518	\$ 2,732	\$ 4,371
Contract Operator	\$ 48,795	\$ 53,674	\$ 57,500	\$ 63,250
Chemicals	\$ 3,791	\$ 4,170	\$ 4,728	\$ 5,437
Hardware/Supplies & Misc.	\$ 420	\$ 630	\$ 1,698	\$ 2,547
Profess. Svcs. (Engineer, Lab, Technicia	\$ 22,579	\$ 26,242	\$ 16,505	\$ 19,655
Electricity	\$ 4,082	\$ 4,695	\$ 4,431	\$ 5,096
Alarm system phone	\$ 422	\$ 485	\$ 510	\$ 586
Cap. Replacement	\$ 1,350	\$ 4,485	\$ 2,100	\$ 5,310
Operating fees/permits	\$ 7,142	\$ 7,856	\$ 5,941	\$ 6,535
Other Operating - septic cleaning	\$ 0	\$ 3,500	\$ 0	\$ 3,500
Total Treatment Plant	\$ 90,222	\$ 108,356	\$ 96,237	\$ 116,426
Adminstrative				
Elections	\$ 0	\$ 0	\$ 0	\$ 0
Crime Insurance	\$ 25	\$ 40	\$ 38	\$ 61
Memberships	\$ 1,709	\$ 1,965	\$ 1,809	\$ 2,080
Office / Postal	\$ 177	\$ 194	\$ 314	\$ 377
Profess. Svcs.(admin)	\$ 3,014	\$ 3,466	\$ 5,141	\$ 5,655
Printing/Publishing	\$ 1,373	\$ 1,578	\$ 1,132	\$ 1,302
Software Subscription	\$ 633	\$ 696	\$ 672	\$ 739
Vehicle/Travel/Meetings	\$ 3	\$ 131	\$ 0	\$ 131
Other	\$ 604	\$ 695	\$ 539	\$ 646
County Charges	\$ 811	\$ 933	\$ 272	\$ 313
Sub-Total Administrative	\$ 8,347	\$ 9,698	\$ 9,916	\$ 11,303
Salaries and Benefits (O&M)	\$ 22,809	\$ 55,303	\$ 46,658	\$ 60,163
Other Payroll Exp. (WC premiums etc.)	\$ 0	\$ 0	\$ 0	\$ 0
Total Administrative	\$ 31,156	\$ 65,002	\$ 56,574	\$ 71,466
Total O&M Expenses	\$ 143,342	\$ 200,770	\$ 174,970	\$ 218,846
Non-Operational Expenses				
Loan Principle	\$ 73,977	\$ 38,560	\$ 38,560	\$ 39,648
Loan Interest on PY Cap Projects	\$ 19,586	\$ 15,145	\$ 5,804	\$ 5,166
Non-Op Other	\$ 0	\$ 0	\$ 0	\$ 0
Fixed Assets and Other				
Capital Projects Allocation	\$ 0	\$ 23,000	\$ 0	\$ 85,000
Allocation to operating reserves	\$ 29,000	\$ 29,000	\$ 29,000	\$ 29,000
Contingency Reserve	\$ 0	\$ 20,077	\$ 0	\$ 22,269
Interfund G/L non-op adjustment	\$ 0	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 236,906	\$ 306,475	\$ 219,335	\$ 377,660
TOTAL APPROPRIATIONS	\$	\$ 326,552	\$ 248,335	\$ 399,929
TOTAL REVENUES	\$ 302,511	\$ 293,813	\$ 293,618	\$ 312,670
Sewer use charge	\$ 300,164	\$ 290,859	\$ 293,031	\$ 312,040
Capacity charge	\$ 0	\$ 0	\$ 0	\$ 0
Permit fees	\$ 90	\$ 180	\$ 180	\$ 180
Interest (non-op)	\$ 2	\$ 100	\$ 207	\$ 250
Misc fees / cost recovery (ops)	\$ 2,255	\$ 2,674	\$ 0	\$ 200
Grants / Interdept Loan (no-op)	\$ 0	\$ 0	\$ 200	\$ 0

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**PORT COSTA SANITARY DEPARTMENT
PROPOSED BUDGET FY 2022/2023**

GENERAL FUND 3425: REVENUE DETAIL	Sewer Use Charge				\$2,445
	PY Actual	Adopted	10 Month	Est. Year End	Proposed Budget
	FY 20/21	FY 21/22	Actuals	FY 21/22	FY 22/23
301.0 Sewer use charge	\$300,174	\$290,859	\$146,376	\$293,031	\$312,040
303.0 Capacity charge					
302.0 Permit fees	\$90	\$180	\$120	\$180	\$180
306.0 Misc fees					
SUB-TOTALS O&M	\$300,264	\$291,039	\$146,496	\$293,211	\$312,220
311.0 Interest	\$2	\$100	\$157	\$207	\$250
318.0 Cost recovery (Non-op)	\$2,255	\$2,674	\$0	\$0	\$200
317.0 Inter-department Loan	\$0		\$0	\$200	\$100
319.0 Grants	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE	\$302,521	\$293,813	\$146,653	\$293,618	\$312,770

FUND 3425 - BALANCE OVERVIEW

	PY YEAR		Adopted	10 Month	EST YEAR	Proposed
	ACTUAL	FY	BUDGET	Actuals	END	BUDGET
	20/21	FY	FY 21/22	21/22	21/22	FY 22/23
Opening Cash Balance						
Septic Tank Replacement Reserve			\$ 10,000	\$ 10,000	\$ 10,000	\$ 20,000
Discharge Permit Reserve			\$ 10,000	\$ 10,000	\$ 10,000	\$ 20,000
Plumbing Pipe Refurb. Reserve			\$ 4,000	\$ 4,000	\$ 4,000	\$ 8,000
RWQCB Violation Fines Reserve			\$ 5,000	\$ 5,000	\$ 5,000	\$ 10,000
Contingency Reserve ***						\$ -
Carry Over (unallocated)	\$ 97,530		\$ 115,299	\$ 115,299	\$ 115,299	\$ 156,920
TOTAL OPENING CASH BALANCE	\$ 97,530		\$ 161,696	\$ 144,299	\$ 144,299	\$ 214,920
ESTIMATED REVENUE	\$ 302,511		\$ 293,813	\$ 146,653	\$ 293,618	\$ 312,770
ESTIMATED O&M EXPENSES	\$ (143,342)		\$ (200,770)	\$ (125,557)	\$ (178,632)	\$ (222,691)
ESTIMATED CAP. PROJ. EXPENSE	\$ -		\$ (23,000)	\$ -	\$ -	\$ (85,000)
ESTIMATED LOAN PRINCIPAL	\$ (73,977)		\$ (38,560)	\$ (38,560)	\$ (38,560)	\$ (39,648)
ESTIMATED LOAN INTEREST	\$ (19,586)		\$ (15,145)	\$ (5,804)	\$ (5,804)	\$ (5,166)
NON-OPERATING EXPENSE - OTH	\$ -		\$ -	\$ -	\$ -	\$ -

Closing Fund Balance

Operating Reserves Included in Balance

Septic Tank Rehab/Replace Reser	\$ 10,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 30,000
Discharge Permit Reserve	\$ 10,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 30,000
Plumbing Pipe Refurb. Reserve	\$ 4,000	\$ 8,000	\$ 8,000	\$ 8,000	\$ 12,000
RWQCB Violation Fines Reserve	\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 15,000
Contingency ***		\$ 20,077			\$ 22,269
Interfund G/L non-op adjustment		\$ -			\$ -
Carry Over(unallocated)	\$ 115,299	\$ 128,957	\$ 63,030	\$ 156,920	\$ 65,915
TOTAL CLOSING FUND BALANCE	\$ 161,696	\$ 178,034	\$ 121,030	\$ 214,920	\$ 175,185

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

Outstanding Debt	Beginning	Ending	Principle Pay	Est. Ending
	FY 21/22	FY 21/22	FY 22/23	FY 22/23
Crockett Sanitary (WestA Refi)	\$203,986	\$165,426	\$39,648	\$125,778
Crockett Sanitary (Pre-2013 transfers)	\$24,233	\$24,233	\$0	\$24,233
Crockett Sanitary (3rd Loan)	\$150,000	\$150,000	\$0	\$150,000
Total Debt	\$378,220	\$339,660	\$39,648	\$300,012

**PORT COSTA SANITARY DEPARTMENT
PROPOSED BUDGET 2022/2023**

GENERAL FUND 3425: EXPENDITURE DETAIL

	PY Actuals FY 20/21	Current Budget FY 21/22	10 Month Actuals FY 21/22	Est. Year End FY 21/22	Proposed Budget FY 22/23
415 · SEWAGE COLLECTION *****					
415.30 · INSURANCE - Liability	4,514	7,223	3,725	3,725	5,215
415.55 · PROF. SVCS. (Coll.)	3,960	5,000	0	0	5,000
415.70 · MAINTENANCE	10,542	11,596	11,620	13,620	14,982
415.96 · OTHER OPERATING (Coll.)	100	461	0	0	461
415.96.2c · Permits & Fees (Coll.)	2,848	3,133	4,815	4,815	5,297
Total 415 · SEWAGE COLLECTION *****	21,964	27,412	20,160	22,160	30,955
416.25 · GASOLINE, OIL, FUEL	67	100	42	92	138
416.31 · INSURANCE - Property	1,574	2,518	2,732	2,732	4,371
416.51.1pc · Treatment Plant Operators	48,795	53,674	44,000	57,500	63,250
416.51.2pc · Chemicals	3,791	4,170	3,728	4,728	5,437
416.51.3pc · Hardware, Supplies, & Misc	420	630	1,698	1,698	2,547
416.56.2pc .3pc · Prof. Svcs. - Engineer	0	1,000	0	0	1,000
416.56.3pc · Prof. Svcs. -Technician	14,286	15,715	5,650	6,150	6,765
416.56.7pc · Prof. Svcs. - Lab Testing	8,094	9,308	8,390	9,990	11,489
416.56.x · Prof. Svcs. - Attorney / Other	199	219	365	365	401
416.91.1pc · Electricity	4,082	4,695	3,631	4,431	5,096
416.91.6pc and 416.96.3 · Plant Alarm System	422	485	350	510	586
416.96.1 · Capital Replacements (Treat.)	1,350	4,485	2,100	2,100	5,310
416.96.2 · Permits & Fees (Treat.)	7,142	7,856	5,941	5,941	6,535
416.96 · OTHER OP (Treat) - Septic Cleaning	0	3,500	0	0	3,500
416.99 · ENFORCEMENT PENALTIES	0	0	0	0	0
Total 416 · SEWAGE TREATMENT *****	90,222	108,356	78,627	96,237	116,426
417. ADMIN/GENERAL					
417.21 · ELECTIONS	0	0	0	0	0
417.31 · INSURANCE -Crime(employee bond)	25	40	38	38	61
417.36 · MEMBERSHIPS - BACWA & CASA	1,709	1,965	1,709	1,809	2,080
417.41 · OFFICE POSTAL / SUPPLIES	177	194	14	314	377
417.45 · RENT / UTILITIES		0	3,139	3,662	3,845
417.56 · PROF SVCS (Admin) Attorney/Auditor	3,014	3,466	815	5,141	5,655
417.61 · PRINTING/ PUBLISHING	1,373	1,578	132	1,132	1,302
417.70 · SOFTWARE SUBSCRIPTION	633	696	372	672	739
417.80 · VEHICLE / TRAVEL REIMBURSEMEN	3	131	0	0	131
417.96 · OTHER ADMIN. / RECOVERY	604	695	39	539	646
417.96.3pc · County Charges	811	933	272	272	313
Total 417 · ADMIN / GENERAL *****	8,347	9,698	6,529	13,578	15,148
6560 · PAYROLL EXPENSES *****					
6560.x · Salary & Benefits	22,130	54,286	19,541	43,958	56,113
6560.2 · CalPERS Unfunded Liability	678	1,018	700	2,700	4,050
Total 6560 · PAYROLL EXPENSES *****	22,809	55,303	20,241	46,658	60,163
Total O&M Expense	143,342	200,770	125,557	178,632	222,691
Non-Op and Capitol Expenses					
416.212 · LOAN PRINCIPAL (non-op)	73,977	38,560	38,560	38,560	39,648
419.1 · Loan Interest - Non-Op Expense	24,041	15,145	5,804	5,804	5,166
111.x · Capitol Sewer Projects and CCTV	0	23,000		0	85,000
419 · Non-Op Expense - Other	0			0	
Interfund G/L non-op adjustment	0			0	
Operating Reserves - Budget Allocation					
Septic Tank Heavy Cleaning (\$50k over 5yrs - 2022)	10,000	10,000	10,000	10,000	10,000
NPDES Permit Reserve (\$40k over 4yrs - 2024)	10,000	10,000	10,000	10,000	10,000
WWTP Cap Repl. Reserve (\$20K over 5yrs - 2022)	4,000	4,000	4,000	4,000	4,000
RWQCB Operations Reserve (\$15K over 3yrs - 2022)	5,000	5,000	5,000	5,000	5,000
Rate Stabilization Reserve					53,658
Contingency 10%		20,077			22,269
TOTAL EXPENSES	270,361	326,552	198,922	251,997	457,432
Net Ordinary O&M Income	154,713	93,043	21,096	114,986	90,079
Net Include. Contingency, Capital, & Reserves	32,150	-32,739	-52,269	41,621	-144,662

Capital Projects for FY 2022/23

PORT COSTA SANITARY DEPARTMENT

SEWER COLLECTION SYSTEM PROJECTS	CAPITAL IMPROVEMENTS FIXED ASSET	GRANT FUNDED	PCSAN FUNDED
Sewer Main&Manhole realignment (approx 150+LF)	\$ 50,000		
Emergency project(s)	\$ 10,000		\$ 10,000
CCTV Inspection	\$ 25,000		\$ 25,000
TOTAL	\$ 85,000		
TREATMENT PLANT	----- REPLACEMENTS O&M	----- IMPROVEMENTS FIXED ASSET	
Septic Tank Hatches		\$0	\$0
Sump high alarm		\$1,500	\$1,500
Backup chemical pump		\$1,500	\$1,500
Various emergency WWTP	\$3,000.00	\$5,000	\$8,000
TOTAL	\$3,000.00	\$8,000	
EQUIPMENT		CAPITAL IMPROVEMENTS	
No tools or equipment planned		\$0.00	
TOTAL		\$0.00	
			<hr/> \$46,000.00

Future Capital Reserve for large projects

Sand Replacement Reserve	TBD
Sand bed engineering study	TBD
RR Crossing	TBD
Influent metering MH and flume	TBD
Survey & Main replacement on Canyon Lake	TBD

FY 2021-22 CROCKETT SANITARY DEPARTMENT BUDGET - FUND 3426 PROPOSED

	PY 2019-20	FY 2020-21	FY 2020-21	FY 2021-22
	Actual	Approved	Year End	Proposed
Collection System				
Loan Principal	\$ 78,545	\$ 81,525	\$ 87,580	\$ 81,117
Gas, Fuel, Vehicle (District owned)	\$ 786	\$ 1,376	\$ 460	\$ 546
Insurance (Property and Liability)	\$ 34,900	\$ 37,611	\$ 26,834	\$ 43,258
West County O&M Pump Station	\$ 39,541	\$ 41,519	\$ 36,309	\$ 39,940
Prof. Services (Collection Sys) Non WCWD	\$ 3,897	\$ 6,000	\$ 16,390	\$ 17,701
Rent/Lease Easements	\$ 2,485	\$ 2,500	\$ 5,697	\$ 6,152
Maintenance (CSO)	\$ 85,420	\$ 102,841	\$ 103,808	\$ 112,113
Utilities	\$ 33,456	\$ 33,602	\$ 46,028	\$ 50,924
Cap. Replacement (O&M) Pump Station	\$ 0	\$ 28,000	\$ 20,066	\$ 47,300
Other (Security, Hardware, waste)	\$ 9,570	\$ 3,140	\$ 338	\$ 2,962
Total Collection System	\$ 288,600	\$ 338,114	\$ 343,510	\$ 402,014
Treatment Plant				
JTP Operations & Maint - C&H	\$ 610,504	\$ 710,754	\$ 655,211	\$ 636,762
Capital Replacement (O&M) JTP	\$ 6,285	\$ 11,893	\$ 20,000	\$ 11,893
Total Treatment Plant	\$ 616,789	\$ 722,647	\$ 675,211	\$ 648,655
Administrative				
Elections	\$ 0	\$ 1,060	\$ 0	\$ 0
Membership	\$ 4,726	\$ 4,800	\$ 2,650	\$ 4,800
Office - Supplies/Postal/Misc.	\$ 4,156	\$ 5,466	\$ 3,660	\$ 6,434
Professional Services (Admin)	\$ 37,189	\$ 45,374	\$ 35,275	\$ 34,867
Printing / Publishing	\$ 2,345	\$ 1,800	\$ 717	\$ 1,800
Office & Meeting Space	\$ 3,000	\$ 30,000	\$ 32,516	\$ 32,713
Capital Replacement (New Office)	\$ 0	\$ 46,000	\$ 12,818	\$ 22,335
New Office Occupancy	\$ 0	\$ 13,236	\$ 9,191	\$ 9,467
Travel/Meetings/Vehicle	\$ 620	\$ 800	\$ 75	\$ 256
Utilities (phone and internet)	\$ 3,658	\$ 3,600	\$ 4,863	\$ 5,350
Software subscriptions	\$ 26,323	\$ 14,056	\$ 16,457	\$ 16,942
County & State Charges	\$ 6,917	\$ 7,400	\$ 5,471	\$ 5,853
Recoverable Expenses / Other Misc.	\$ 16,435	\$ 9,000	\$ 883	\$ 4,139
Training and Conferences	\$ 1,416	\$ 1,500	\$ 760	\$ 1,500
Sub-Total Administrative	\$ 106,786	\$ 184,092	\$ 125,336	\$ 146,455
Salaries and Benefits (O&M)	\$ 141,120	\$ 180,309	\$ 251,654	\$ 236,112
Other Payroll Exp. (WC liab, LTD, etc.)	\$ 7,798	\$ 8,408	\$ 24,241	\$ 0
Total Administrative	\$ 255,703	\$ 372,809	\$ 401,231	\$ 382,567
Fixed Assets				
Capital Projects Allocation	\$ 811,953	\$ 700,974	\$ 623,705	\$ 0
423 Other Non-Op Interfund trsfr to 3427	\$ 4,850	\$ 7,275	\$ 0	\$ 4,850
Total Fixed Assets	\$ 816,803	\$ 708,249	\$ 623,705	\$ 4,850
Interfund loan to Port Costa	\$ 150,000	\$ 0	\$ 0	\$ 0
Non-operation expenses	\$ 61,770	\$ 20,563	\$ 20,375	\$ 13,022
Contingency Expense 10%	\$ 0	\$ 143,357	\$ 0	\$ 143,323
Payroll Liability G/L Adjustment	\$ 684	\$ 0	\$ 0	\$ 0
Total Expenditures	\$ 2,190,349	\$ 2,305,739	\$ 2,064,032	\$ 1,594,431
TOTAL APPROPRIATIONS	\$	\$ 2,305,739	\$	\$ 1,594,431
TOTAL REVENUES	\$ 2,006,753	\$ 2,204,604	\$ 1,923,039	\$ 2,269,335
Property Tax	\$ 333,813	\$ 310,887	\$ 310,887	\$ 317,105
Sewer Use Charges	\$ 1,332,213	\$ 1,423,521	\$ 1,413,811	\$ 1,526,916
Sewer Use Charges - C&H	\$ 143,225	\$ 196,696	\$ 98,348	\$ 306,531
Permit fees	\$ 1,692	\$ 3,000	\$ 1,290	\$ 1,525
Capacity charges	\$ 4,850	\$ 7,275	\$ 2,425	\$ 4,850
Building Rental Revenue	\$ 0	\$ 8,000	\$ 0	\$ 0
Interest (non-op)	\$ 66,428	\$ 28,414	\$ 15,787	\$ 16,261
Cost Recovery including payroll	\$ 13,827	\$ 2,000	\$ 1,333	\$ 16,500
Grants - RTS (non-op) and others	\$ 42,968	\$ 32,226	\$ 36,406	\$ 31,500
Interfund transfer 3427	\$ 16,862	\$ 106,387	\$ 0	\$ 0
Loan repayment from Port Costa	\$ 0	\$ 73,977	\$ 35,142	\$ 39,648
Other - Penalties, pass thru, bonds, etc.	\$ 50,874	\$ 12,221	\$ 7,610	\$ 8,500
Allocation from Rate Stabilization Reserve	\$ 0	\$ 0	\$ 0	\$ 0

S.B.

CROCKETT SANITARY DEPARTMENT

10-month BUDGET

FY 2021/22

	PY Actual	Budgeted	10-month Actuals	Est. Year End	Proposed Budget
	FY 20/21	FY 21/22	FY 21/22	FY 21/22	FY 22/23
GENERAL FUND 3426 - Revenue					
3426i · FUND 3426 CVSAN. Revenue*****					
300 · OPERATING REVENUE					
301.1 · SEWER USE CHARGES - CY **	1,440,171	1,440,171	1,414,081	1,413,811	1,526,916
301.2 · SEWER USE CHARGES - PY	49,174	98,348	49,174	49,174	100,000
301.3 · SEWER USE CHARGES - C&H **	96,916	196,696	0	49,174	206,531
302 & 306 · PERMIT FEES & MISC. SERVICE F	1,290	1,994	1,290	1,290	1,525
303 · CONNECTION / CAPACITY CHARGES	0	4,850	2,425	2,425	4,850
307 · PENALTIES AND FINES COLLECTED	0	500	0	0	500
318 · COST RECOVERY					
318.2 · Abatement Costs	0	500	0	0	500
318.1 .3 .6 · C&H, Vendor, CCC Tax	30,000	16,000	1,333	1,333	16,000
Total 318 · COST RECOVERY	30,000	16,500	1,333	1,333	16,500
Total 300 · OPERATING REVENUE	1,617,550	1,759,059	1,468,302.83	1,517,206.83	1,856,822
325 · NON-OPERATING REVENUE					
311 · INTEREST	53,436.30	49,426	13,787	15,787	16,261
314 · PROPERTY TAX-transfer from 3240	295,882.11	310,985	310,887	310,887	317,105
316 · PAYMENTS PRIVATE SEWER AGRMT	0.00	5,000	2,610	2,610	0
319 · GRANTS / RTS	31,818.00	31,500	36,406	36,406	31,500
320 · OTHER NON-OP INCOME / PASSTHRU	1,004.49	2,000	0	0	2,000
322 · INTERFUND TRANSFER FROM 3427*	0.00	256,387	0	0	
325.8 · CONTRACTOR BONDS	6,000.00	6,000	4,000	5,000	6,000
325.9 · INTERFUND LOAN PRINCIPAL PCSAN	73,976.87	42,681	35,142	35,142	39,648
Total 325 · NON-OPERATING REVENUE	462,117.77	703,979	402,832	405,832	412,513
Allocation from Rate Stabilization Reserve	0.00	0	0.00	0	0
Interfund G/L non-operating income adj.	0.00	0	0.00	0	0
Total 3426i · FUND 3426 CVSAN. Revenue *****	2,079,668.18	2,463,038	1,871,134.90	1,923,039	2,269,335

*Transfer from fund 3427 to be made only if MCC project and others are initiated

GENERAL FUND 3426 - Expense

3426e · FUND 3426 CVSAN. Expense*****

CROCKETT SANITARY DEPARTMENT

10-month BUDGET

FY 2021/22

	PY Actual	Budgeted	10-month Actuals	Est. Year End	Proposed Budget
	FY 20/21	FY 21/22	FY 21/22	FY 21/22	FY 22/23
410 · COLLECTION SYSTEM *****			***** COLLECTION SYSTEM *****		
410.211 · LOAN PRINCIPAL	82,425	86,680	87,580	87,580	81,117
410.25 · GAS, FUEL, OIL, MAINT (DIST. VEHICL	534	726	460	460	546
410.30 · INSURANCE (prop.&liab.)	38,130	71,843	26,834	26,834	43,258
410.50 · O&M (Pump Station)	43,155	47,471	23,009	36,309	39,940
410.55 · PROF. SVCS. (Coll.)	18,614	20,103	9,390	16,390	17,701
410.65 · RENT/LEASE EASEMENTS	2,522	2,724	5,697	5,697	6,152
410.70 · MAINTENANCE					
70.1 · Sewers - preventive maint.	116,306	125,610	87,165	97,565	105,371
70.2 70.3 70.4 · Weeds, Hardware, & Repairs	3,738	4,037	5,743	6,243	6,742
Total 410.70 · MAINTENANCE	120,044	129,647	92,908	103,808	112,113
410.90 · UTILITIES					
90.6 · Autodialer Alarm	489	1,062	1,594	2,194	1,248
90.1 · Electricity	32,313	37,160	30,720	37,720	43,378
90.2 · Water	2,637	2,901	4,714	6,114	6,298
Total 410.90 · UTILITIES	35,439	41,122	37,028	46,027.94	50,924
410.95 · OTHER OPERATING (Coll.)					
95.1 · Capital Repl. - Pump Station	68,160	47,300	66	20,066	47,300
95.2 · Other Operating Costs + HHW	3,234	5,315	338	338	2,962
Total 410.95 · OTHER OPERATING (Coll.)	71,394	52,615	404	20,404	50,262
Total 410 · COLLECTION SYSTEM *****	412,257	452,931	283,310	343,510	402,014
411 · TREATMENT PLANT *****			***** TREATMENT PLANT *****		
411.50 · C&H - JTP O&M	553,915	639,165	55,211	655,211	636,762
411.95 · CAPITAL REPLACEMENT (Treat)	200	11,893	0	20,000	11,893
Total 411 · TREATMENT PLANT *****	554,115	651,058	55,211	675,211	648,655
414 · ADMINISTRATIVE *****			***** ADMINSTRATIVE *****		
414.20 · ELECTIONS	300	0	0	0	0
414.35 · MEMBERSHIPS	2,820	4,800	2,650	2,650	4,800
414.40 · OFFICE					
40.1 · Postal	210	1,400	150	150	1,400
40.2 · Supplies	3,234	3,019	985	1,985	3,158
40.3 · Miscellany	2,411	1,692	1,525	1,525	1,876
Total 414.40 · OFFICE	5,856	6,111	2,660	3,660	6,434
414.55 · PROF. SVCS. (Admin.)					
55.7 · Consultants	4,185	5,409	0	0	3,454
55.4 · Attorney	9,973	13,287	16,978	26,978	18,086
55.5 · Auditor	6,585	8,608	6,222	8,222	8,429
55.6 · Engineer / Consultants (non-Capl)	2,964	10,566	75	75	4,898
Total 414.55 · PROF. SVCS. (Admin.)	23,708	37,869	23,275	35,275	34,867
414.60 · PRINTING/PUBLISHING	1,485	1,800	217	717	1,800
414.65 · RENTS & LEASES (loan share)	7,200	32,713	43,940	32,516	32,713
414.70 · CAPITAL REPL. (Admin Bld.)	21,083	22,335	10,818	12,818	22,335

CROCKETT SANITARY DEPARTMENT

10-month BUDGET

FY 2021/22

	PY Actual	Budgeted	10-month Actuals	Est. Year End	Proposed Budget
	FY 20/21	FY 21/22	FY 21/22	FY 21/22	FY 22/23
414.75 · ADMIN BLDG OFFICE OPERATING	16,044	20,082	6,191	9,191	9,467
414.80 · VEHICLE / TRAVEL REIMBURSE	75	548	75	75	256
414.90 · TELEPHONE / INTERNET / CELL	2,193	2,522	3,863	4,863	5,350
414.94 · SOFTWARE SUBSCRIPTIONS	15,682	18,687	4,646	16,457	16,942
414.95 · OTHER ADMIN					
95.3 · County & State Charges	20,350	6,167	5,471	5,471	5,853
95.x · Recoverable exp. (excl. Payroll)	111	8,226	224	224	3,139
95.9 · Training and Conferences	0	1,500	760	760	1,500
95 · SUC Refund, COVID-19, and Other Misc.	4,035	1,000	659	659	1,000
Total 414.95 · OTHER ADMIN	24,496	16,892	7,114	7,114	11,492
Total 414 · ADMINISTRATIVE *****	120,941	164,360	105,449	125,336	146,455
Total 3426e · SUB-TOTAL O&M Expense*****	1,087,312	1,268,348	443,970	1,144,057	1,197,124
6560 · PAYROLL EXPENSES *****					
CVSan - O&M SALARY/BENEFITS					
General Manager / Dist Eng	61,552.69	70,000	63,650	71,738	77,476
Admin. Svcs Manager		70,000	41,600	55,200	56,856
Asst. Department Manager (JB)	72,499.28	72,000	54,600	78,600	78,600
Assistant District Secretary (SW)	32,157.59	28,000	14,000	21,000	21,000
Back Dated CalPERS				23,000	
Other hrly employees	56,555.89		2,117	2,117	2,180
Total CVSan O&M SALARY/BENEFITS	222,765	240,000	175,967	251,654	236,112
Other Payroll (CalPER Unfnd/LTD/WC prem)	7,798	8,408	16,741	24,241	
Total 6560 · PAYROLL O&M EXPENSES *****	230,563	248,408	192,707	275,895	236,112
Total O&M Expense	1,317,875	1,516,756	636,677	1,419,952	1,433,236
Net Ordinary O&M Revenue	299,676	242,302	831,626	97,255	423,585
411.99 Other Non-Op Interfund trsfr to 3427		4,850.00	2,425.00	0.00	4,850
423.1 Loan Interest Non-Op Expense	25,911.00	10,022	19,374.78	19,374.78	10,022
423 Non-Op Expense Other / Cash Bond Refund:	1,000.00	3,000	0.00	1,000.00	3,000
Contingency Expense 10%		151,675			143,323
111 Capital Project Funding Additional Allocation		61,183			
Actual spent on Capital Projects	153,296.00	0	431,705.00	591,705.00	650,000
411.98 Trnsfr to 3427 for 3rd-clarifier capx reser	32,000.00	32,000	0.00	32,000.00	32,000
Interdepartment loan to Port Costa (#3)		0	0.00	0.00	
Payroll Liability G/L Adjustment	683.86	0		0.00	0
TOTAL EXPENSE (w/ Capital Alloc. & Contingency)	1,535,615.76	1,779,486	1,090,181.49	2,064,031.55	2,276,431
Net Includ. Contingency, Capital, & reserves	544,052.42	683,551.45	780,953.41	-140,992.65	-7,096.37

Capital Projects for FY 2021/22 ADOPTED (7/28/21)

CROCKETT SANITARY DEPARTMENT

SEWER PROJECTS		CAPITAL IMPROVEMENTS FIXED ASSET	CAP. IMP. FUNDING SOURCE
Planned projects funding		\$372,000.00	#3426
Prior uncompleted projects		\$181,500.00	Reserves
Emergency projects / unidentified		\$95,000.00	Reserves
TV inspection program		\$13,000.00	#3426
Flow metering		\$2,000.00	#3426
Staff salary & benefits		\$20,000.00	#3426
Capital project District Engineer oversight		<u>\$35,000.00</u>	#3426
	TOTAL	<u>\$718,500.00</u>	
EQUIPMENT		CAPITAL IMPROVEMENTS	CAP. IMP. FUNDING SOURCE
Safety equipment and tools		\$1,500.00	#3426
Camera and Security		\$3,000.00	#3426
Office equipment		<u>\$1,000.00</u>	#3426
	TOTAL	<u>\$5,500.00</u>	
DISTRICT OFFICE / MAINTENANCE	CAPITAL REPLACEMENTS O&M	CAPITAL IMPROVEMENTS	CAP. IMP. FUNDING SOURCE
Flat roof and gutter repair			#3426
Moisture damage mitigation and drainage imp			#3426
General Construction and Remodeling			#3426
Garage Roof Replacement and rails			#3426
Shared Cap-X Costs		<u>\$55,837.50</u>	#3426
	TOTAL	<u>\$0.00</u>	<u>\$55,837.50</u>

Capital Projects for FY 2021/22 Adopted (7/28/21)

CROCKETT SANITARY DEPARTMENT

PUMP STATION	CAPITAL REPLACEMENTS O&M	CAPITAL IMPROVEMENTS FIXED ASSET	CAP. IMP. FUNDING SOURCE
MCC Phase 1 - Parts, Phase 2 install ASAP		\$150,000.00	#3427/Reserve
Improve ventilation of wet well (additional. vent fans)		\$3,300.00	Reserve
Loring Power Generator Package		\$9,500.00	Reserve
Rebuild Air Compressor and motor 1 & 2	\$25,000.00		
Rebuild of Grit Pump No. 1	\$13,000.00		
Install Pump No. 5 air vent system	\$5,000.00		
	TOTAL	\$43,000.00	\$162,800.00

TREATMENT PLANT

	CAPITAL REPLACEMENTS	CAPITAL IMPROVEMENTS	CAP. IMP. FUNDING
Replace DAF air compressor	\$3,370.00		
Install french drain south of reactors	\$5,055.00		
New wires from control room to reactor pump	\$940.00		
Miscellaneous projects - cap replacement	\$2,528.00		
Replace influent pumps, impellers, etc.		\$8,425.00	Fund 3427 *
Replace sewer liner		\$13,712.00	Fund 3427
Overhaul DAF #1		\$84,250.00	Fund 3427
Trns to JTP Cap. Reserve - diffusers/3rd clarifier		\$32,000.00	#3426
	TOTAL	\$11,893	\$138,387.00