

# CASTLEWOOD CSA R-1967-1

## ENGINEER’S REPORT FOR PROPOSED SERVICE CHARGE INCREASE

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APRIL 2024

ALAMEDA COUNTY PUBLIC WORKS AGENCY

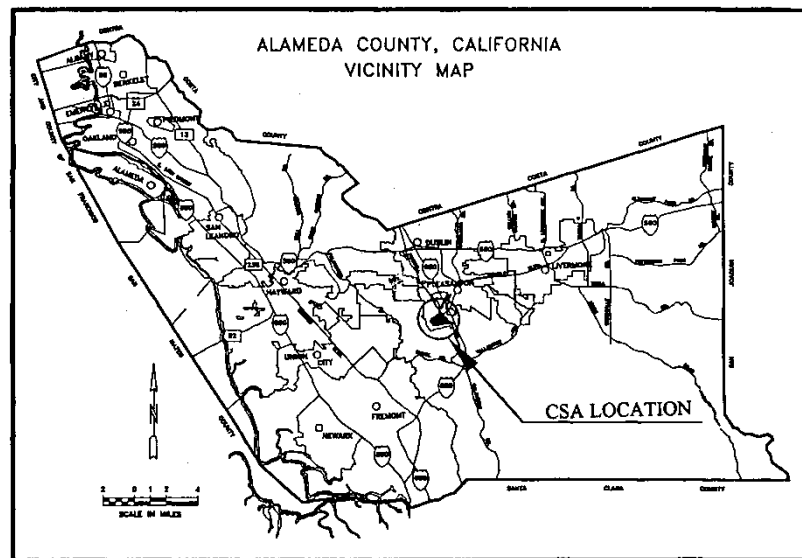
399 Elmhurst Street Hayward, CA 94544

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## 1. Background

The Castlewood County Service Area (CSA) consists of 587 acres in the unincorporated area of Alameda County. It is located southwesterly of the City of Pleasanton, adjacent to the Arroyo de la Laguna (Arroyo). Elevations within the CSA range from 250 feet along the Arroyo to 1500 feet at the CSA’s western boundary. The CSA’s bounds encompass the Castlewood Country Club (Club) buildings and facilities, including two 18-hole golf courses, and over 200 home sites.



On September 17, 1968, the Alameda County Board of Supervisors (BOS) established the Castlewood CSA in response to the request of the Club and property owners in the Club area west of Foothill Road. The CSA was established for the improvement, maintenance and drainage of roads within the CSA bounds. In the early 1970’s, the Club began to experience problems with its wastewater treatment plant operations and associated ponds. Despite system improvements in 1974, the problems continued, leading to treatment ponds overflowing into the Arroyo. In October 1977, the Board imposed a sewer connection moratorium; and in March 1978, the California Regional Water Quality Control Board (RWQCB) officially recognized the pollution problems caused by the wastewater treatment plant.

On May 22, 1979, in response to a request of the Club and CSA property owners, the BOS authorized the addition of sewer services within the CSA, including the evaluation and correction of the privately owned sewer system problems. At the same time, at the request of the

Club, the BOS added water service as an extended service the CSA could provide although improvements to the water system did not begin until 1994.

In order to connect to the Dublin San Ramon Service District (DSRSD) treatment plant, the CSA had to purchase treatment capacity from the capacity allotment of the City of Pleasanton (City). A contract for the purchase of 92,000 GPD, or 308 Residential Discharge Equivalents (RDEs), of capacity was negotiated between the CSA and the City. A condition of this purchase was that the CSA had to agree to develop a program to replace and/or repair portions of the old facilities, with priority emphasis on replacing and repairing high frequency maintenance areas and areas of highest inflow and infiltration.

Upon completion of the sanitary sewer pump station (Foothill Pump Station) and pipeline (from the pump station to the West Pleasanton Interceptor), the Board repealed the sewer connection moratorium. The City, by contract with the CSA, operates and maintains the Foothill Pump Station and the pipeline from the pump station to the West Pleasanton Interceptor, and is reimbursed by CSA for its services.

The Castlewood Country Club and the Castlewood Property Owners Association (CPOA) agreed to have engineering evaluations made of both the sewer collection system and the private water systems. By Fiscal Year 1995 consultants were hired to develop construction plans and specifications for improvements to both systems, and the Club pursued a design for the replacement of its golf course’s irrigation system. Sewer system improvements were completed in August 1997. The complete separation of the domestic water system and irrigation system were completed in March 1998.

Recently completed, in 2023, the previous redwood water tanks for the domestic water system that were leaking badly and were not seismically safe, were replaced by new steel tanks.

## 2. Description of Current Operations and Associated Costs

The Castlewood CSA has five programs for which service charges are collected—Road Service; Sewer Maintenance; Sewer Capital; Water Capital and Water Maintenance. Currently, maintenance and operation of the domestic water system and the sanitary sewer system are provided by Coleman Engineering, Inc. through a contract with Alameda County on behalf of the Castlewood CSA. The Castlewood Country Club maintains its own irrigation system separate from the CSA programs.

Current Service Charges to provide the services for the 2023-2024 Fiscal Year are listed in **Table 1 – FY 23/24 Service Charge Spreads**. All Service Charges are subject to a 1.7% collection fee charged by the County Auditor’s Office. This fee is authorized by State Law, to cover costs associated with collecting, accounting for and distributing CSA funds. Table 2 provides a service charge spread by program.

**Table 1 - FY 23/24 Service Charge Spreads**

	Road Service*	Sewer M&O (per RDE)**	Sewer Capital (per RDE)	Water Capital***	Water M&O***
FY23/24 Service charges Per Parcel/RDE	\$224	\$675	\$416	\$1,099	\$1,089
Residential Parcels/Connections/RDEs	182	206	215	193	193
Club Parcel/Connections/RDEs	31	61	41	12	12
% Residential	85%	77%	84%	94%	94%
% Club	15%	23%	16%	6%	6%

\*Road service charges are per residential parcel. The Club has been estimated to attract as many vehicle trips as 31 residential parcels.

\*\*The Club, that operates restaurant(s), pays a higher commercial rate for sewer disposal to DSRSD and the City of Pleasanton that is equivalent to an additional 20 RDEs.

\*\*\*Club Water Maintenance Service charges are calculated based on the number of Club domestic water meters which equate to 6% of total CSA domestic water meters.

RDE = Residential Discharge Equivalent

The Public Works Agency provides overall administration, contract management and engineering services including guidance relating to road, sewer and water systems improvements, design criteria and compliance with applicable law, as well as field and office investigations. Currently, the agency allocates 5% of service charges for administrative purposes.

### 3. Recommended Service Charge Increase

As indicated above, the Castlewood CSA has five programs for which service charges are collected. The recommended service charge increases are limited to only two of the programs--the Water Maintenance Program and the Sewer Maintenance Program. No service charge changes are recommended for the Road Service; Sewer Capital and Water Capital programs.

The County, on behalf of the CSA, recently issued an RFP (Request for Proposal) to secure a Water & Sewer Maintenance service provider for a five (5) year period. The County has received responses to its RFP, and is in the process of negotiating a service contract with one of the vendors. Though still under negotiations, the cost of services included in this report are based on the prices provided by the vendor selected to provide the services. Cost of services for each year of the five (5) year contract period is provided by the vendor, and will be used to adjust the annual service charges accordingly.

#### Road Program Costs and Service Charges.

- No Road service charge increase is recommended.

#### Sewer Capital Improvement Program Costs and Service Charges

- No Sewer Capital charge increase is recommended.

#### Water Capital Improvement Program Costs and Service Charges

- No Water Capital charge increase is recommended.

#### Other Charges Not Included in the Proposed Service Charge Increase

The proposed service charge increases are forward-looking, intended to cover the costs of services to be provided in the future (from fiscal year 24/25 through fiscal year 28/29). These increases do not encompass repayment of existing unfunded liabilities, such as funding shortfalls for services already rendered. These liabilities will undergo a separate review shortly, and a payment strategy will be formulated and shared with the CSA stakeholders. To this end, the CSA forecasts a funding shortfall of \$1.4 million that will require attention in the near future. This shortfall stems from numerous unexpected water leaks and pump breakdowns in the water system, necessitating immediate action. Additionally, since 2021, the contract cost for Water and Sewer Maintenance and Operations has increased as reflected in bid prices received. Unfortunately, corresponding revenues to cover these increased costs have not been available, leading the CSA to operate with a significant funding shortfall during this period.

Sewer Maintenance and Operation Program Costs and Service Charges

Costs include routine maintenance of the Foothill Sewage Pump Station by the City of Pleasanton, emergency sewage system repairs, field inspections, monitoring sewerage capacity, regulatory reporting and related sewerage system data tracking. The cost also includes PG&E electrical utility costs for operating the Foothill Pump Station and sewage treatment capacity charges from the City of Pleasanton. Maintenance of the rest of the sewer system is contracted out to a private vendor. Service Charges for sewer maintenance and operations are levied annually on all parcels that have purchased sewerage RDEs (206 Residential Connected RDEs, 41 Connected Club RDEs plus an equivalent of 20 RDEs for sewage disposal paid by the Club for commercial operations, for a total of 267 connected RDEs).

**Table 2 - Annual Cost Breakdown for Sewer M&O for FY 24/25**

M&O Monthly Base Fee (Contract Price)	\$	28,510
Sewer related repairs	\$	36,000
Sewer Pump Station (City of Pleasanton)	\$	118,872
Utilities (Electric)	\$	5,250
SSMP Updates	\$	5,415
State Water Board Waste Discharge Annual Fee	\$	3,453
1.7% Collection Fee by the County Auditor	\$	3,064
5% Administration Charges	\$	9,011
Total	\$	\$209,575

**Table 3** below shows existing service charges as compared to service charges required to cover the projected cost of Sewer M&O for Fiscal Year 2024 – 2025 totaling \$209,575. Service Charges for sewer maintenance and operations are levied annually on all parcels that have purchased sewerage RDEs (206 Residential RDEs, 61 RDE for Club Operations for a total of 267 connected RDEs).

**Table 3 Current Revenue vs Projected Cost – Sewer M&O**

Current Sewer Service Charges per RDE—Resident & Club	\$	675
Current Total Revenues (267 RDEs)	\$	180,225
Projected FY 24/25 expenditures	\$	209,575
FY 24/25 Projected Shortfall	\$	29,350

**Table 4** shows the proposed service charge for FY24/25 required to collect the necessary funds to provide Sewer Maintenance Services.

**Table 4 Proposed FY 24/25 Sewer M&O Service Charge**

Projected Expenditures for FY24/25	\$	209,575
Total RDEs Served		267
FY24/25 Proposed Service Charges Per RDE	\$	785

Water Maintenance and Operation Program Costs and Service Charges

Program costs include routine maintenance of the water pump stations, emergency or unanticipated water system repairs, field inspections, monitoring of water quality data, meter reading and management of billings from the City and County of San Francisco, and PG&E electrical costs to power the water pump stations. Maintenance and Operations services are provided through contracted services.

Based on an agreement between the CPOA and the Club, the property owners are responsible for their domestic water usage cost above 46.8 million gallons of free water per year, and the Club is responsible for its water usage cost above the 43.2 million gallons of free water per year. Meters are read by both the county vendor and the Club. Service Charges for water maintenance and operations are levied on all parcels that have water connection (meters), currently a total of 205 connections with 193 or 94% of total for residential connection, and 12 or (6%) of total for connections for club facilities.

**Table 5 Annual Cost Breakdown for Water M&O for FY 24/25**

M&O Monthly Base Fee (Contract Price)	\$	86,569
Meter Reading (Contract Price)	\$	57,319
Reimbursable (Generator+)(Contract Price)	\$	110,154
Water Related Repairs	\$	264,000
Utilities (Electric)	\$	71,496
State Water Board Drinking Water Systems Annual Fee	\$	1,961
1.7% Collection Fee by the County Auditor	\$	3,795
5% Administration Charges	\$	11,162
Total	\$	606,456



**Table 6** and **Table 7** below shows existing service charges as compared to service charges required to cover the projected cost of Water M&O for Fiscal Year 2024 – 2025 totaling \$ 606,456 . Service Charges for Water M&O are levied on all parcels that have metered connections.

**Table 6 Current Revenue vs Projected Cost - Water M&O**

Current Service charges per Water Connection	\$ 1,089
Current Total Revenues (205 Connections)	\$ 223,245
Projected FY 24/25 expenditures	\$ 606,456
Projected Shortfall	\$ 383,211

**Table 7 Proposed FY 24/25 Water M&O Service Charge**

Projected Expenditures for FY 24/25	\$ 606,456
No. of Metered Connections	205
Proposed Service Charges Per Connection	\$ 2,958

**4. Parcels Subject to Service Charge**

Parcel	Site Address	Parcel	Site Address
946 376002100	7190 FOOTHILL RD	946 459000100	CASTLEWOOD DR
946 376000304	7450 FOOTHILL RD	946 376001201	CASTLEWOOD DR
946 440101000	34 GOLF RD	946 376000102	CASTLEWOOD DR
946 376001800	7130 FOOTHILL RD	946 376000200	CASTLEWOOD DR
946 440104000	17 GOLF RD	946 440600100	CASTLEDOWN RD
946 405200500	899 OAK MANOR WAY	946 439101700	39 GOLF RD
946 440102200	19 GREENS LN	946 444000121	7757 COUNTRY LN
946 440700100	504 BUNKER LN	946 440603800	10 CASTLEDOWN RD

Castlewood County Service Area – Engineer’s Report for Increasing Service Charges on Sewer M&O and Water M&O

946 439100506	81 CASTLEWOOD DR	946 376002602	7388 FOOTHILL RD
946 440701400	536 BUNKER LN	946 439100502	79 CASTLEWOOD DR
946 443600700	407 OAK LN	946 376002300	7230 FOOTHILL RD
946 439101100	51 GOLF RD	946 376001600	7090 FOOTHILL RD
946 405200800	959 OAK MANOR WAY	946 440101500	55 CASTLEWOOD DR
946 443601400	OAK LN	946 440102700	9 GREENS LN
946 439602700	845 CASTLEWOOD PL	946 439600400	16 FAIRWAY LN
946 440601000	CASTLEDOWN RD	946 440605001	FOOTHILL RD
946 440601800	7 CASTLEDOWN RD	946 441000102	CASTLEWOOD DR
946 439101202	49 GOLF RD	946 376001300	FOOTHILL RD
946 443601700	7661 FOOTHILL RD	946 376002500	7712 FOOTHILL RD
946 440100100	52 GOLF RD	946 440605502	36 CASTLEDOWN RD
946 440602803	38 CASTLEDOWN RD	946 439602400	72 CASTLEWOOD DR
946 439603300	852 CASTLEWOOD PL	946 444000125	7756 COUNTRY LN
946 440103602	21 CASTLEWOOD DR	946 440600400	37 CASTLEDOWN RD
946 440103202	45 CASTLEWOOD DR	946 439101800	37 GOLF RD
946 443600500	406 OAK LN	946 439603600	68 CASTLEWOOD DR
946 440603400	8 CASTLEWOOD DR	946 440103800	13 GOLF RD
946 440603602	6 CASTLEDOWN RD	946 443601601	393 OAK LN
946 439603000	858 CASTLEWOOD PL	946 440701300	528 BUNKER LN
946 439602900	869 CASTLEWOOD PL	946 443601100	403 OAK LN
946 440601700	9 CASTLEDOWN RD	946 440103100	2 GREENS LN
946 440101102	32 GOLF RD	946 405200700	939 OAK MANOR WAY
946 440604800	48 BUNKER LN	946 440605601	18 CASTLEDOWN RD
946 443600800	392 OAK LN	946 443600200	370 OAK LN
946 439102205	VIEW DR	946 440601901	38 CASTLEWOOD DR
946 438600124	8522 CASTLEWOOD DR	946 444001400	7751 COUNTRY LN
946 441000104	303 CASTLEWOOD DR	946 440601300	19 CASTLEDOWN RD
946 440605900	7 CASTLEWOOD DR	946 440103300	27 CASTLEWOOD DR
946 376001202	CASTLEWOOD DR	946 440102600	11 GREENS LN
946 438600106	FOOTHILL RD	946 439601600	84 CASTLEWOOD DR

Castlewood County Service Area – Engineer’s Report for Increasing Service Charges on Sewer M&O and Water M&O

946 439102300	1001 CASTLEWOOD DR	946 376000400	7336 FOOTHILL RD
946 439103005	75 CASTLEWOOD DR	946 440605800	36 CASTLEWOOD DR
946 440600600	FOOTHILL RD	946 439102903	47 GOLF RD
946 459000100	CASTLEWOOD DR	946 440600502	35 CASTLEDOWN RD
946 376001201	CASTLEWOOD DR	946 440604200	11 CASTLEWOOD DR
946 376000102	CASTLEWOOD DR	946 376002400	7700 FOOTHILL RD
946 376000200	CASTLEWOOD DR	946 376002000	7170 FOOTHILL RD
946 440600100	CASTLEDOWN RD	946 440100200	50 GOLF RD
946 439101700	39 GOLF RD	946 440603900	12 CASTLEDOWN RD
946 444000121	7757 COUNTRY LN	946 439100800	781 VIEW DR
946 440603800	10 CASTLEDOWN RD	946 440604700	47 BUNKER LN
946 376002602	7388 FOOTHILL RD	946 440104400	16 GOLF RD
946 439100502	79 CASTLEWOOD DR	946 440103900	15 GOLF RD
946 376002300	7230 FOOTHILL RD	946 440606000	7 CASTLEWOOD DR
946 376001600	7090 FOOTHILL RD	946 440602804	16 CASTLEDOWN RD
946 440101500	55 CASTLEWOOD DR	946 440104500	14 GOLF RD
946 440102700	9 GREENS LN	946 440602404	18 CASTLEWOOD DR
946 439600400	16 FAIRWAY LN	946 440601400	17 CASTLEDOWN RD
946 440605001	FOOTHILL RD	946 440602100	30 CASTLEWOOD DR
946 441000102	CASTLEWOOD DR	946 444000119	7759 COUNTRY LN
946 376001300	FOOTHILL RD	946 439600603	20 FAIRWAY LN
946 376002500	7712 FOOTHILL RD	946 439600503	20 FAIRWAY LN
946 440605502	36 CASTLEDOWN RD	946 443601800	280 OAK LN
946 439602400	72 CASTLEWOOD DR	946 440604400	8 BUNKER LN
946 444000125	7756 COUNTRY LN	946 439604100	8249 SKY CASTLE RD
946 440600400	37 CASTLEDOWN RD	946 439600800	17 FAIRWAY LN
946 439101800	37 GOLF RD	946 376001700	7110 FOOTHILL RD
946 439603600	68 CASTLEWOOD DR	946 440604000	14 CASTLEDOWN RD
946 440103800	13 GOLF RD	946 440601500	15 CASTLEDOWN RD
946 443601601	393 OAK LN	946 440100500	44 GOLF RD
946 440701300	528 BUNKER LN	946 440700300	448 BUNKER LN

Castlewood County Service Area – Engineer’s Report for Increasing Service Charges on Sewer M&O and Water M&O

946 443601100	403 OAK LN	946 440602600	32 CASTLEDOWN RD
946 440103100	2 GREENS LN	946 439100400	83 CASTLEWOOD DR
946 405200700	939 OAK MANOR WAY	946 440103500	23 CASTLEWOOD DR
946 440605601	18 CASTLEDOWN RD	946 440101400	53 CASTLEWOOD DR
946 443600200	370 OAK LN	946 439102000	33 GOLF RD
946 440601901	38 CASTLEWOOD DR	946 439101600	41 GOLF RD
946 444001400	7751 COUNTRY LN	946 440700700	480 BUNKER LN
946 440601300	19 CASTLEDOWN RD	946 376002200	7210 FOOTHILL RD
946 440103300	27 CASTLEWOOD DR	946 440603000	42 CASTLEDOWN RD
946 440102600	11 GREENS LN	946 440102300	17 GREENS LN
946 439601600	84 CASTLEWOOD DR	946 440603102	2 CASTLEWOOD DR
946 376000400	7336 FOOTHILL RD	946 439601001	13 FAIRWAY LN
946 440605800	36 CASTLEWOOD DR	946 440101900	12 GREENS LN
946 439102903	47 GOLF RD	946 439100200	100 CASTLEWOOD DR
946 439102700	699 VIEW DR	946 439100900	789 VIEW DR
946 440101600	57 CASTLEWOOD DR	946 439603700	64 CASTLEWOOD DR
946 444001000	7750 COUNTRY LN	946 443600101	391 OAK LN
946 440603700	8 CASTLEDOWN RD	946 444000900	7754 COUNTRY LN
946 439603900	8200 SKY CASTLE RD	946 405200400	879 OAK MANOR WAY
946 439100100	124 CASTLEWOOD DR	946 439601305	78 CASTLEWOOD DR
946 439102501	CASTLEWOOD DR	946 440600900	27 CASTLEDOWN RD
946 439102503	CASTLEWOOD DR	946 440600801	33 CASTLEDOWN RD
946 440100400	46 GOLF RD	946 443600600	OAK LN
946 440602405	26 CASTLEWOOD DR	946 405201003	830 OAK MANOR CT
946 376000302	7424 FOOTHILL RD	946 439601500	82 CASTLEWOOD DR
946 376001500	7070 FOOTHILL RD	946 439102100	31 GOLF RD
946 439101500	43 GOLF RD	946 439102504	114 CASTLEWOOD DR
946 440104700	605 CASTLEWOOD DR	946 439600208	12 FAIRWAY LN
946 440701000	504 BUNKER LN	946 444001100	7749 COUNTRY LN
946 405200600	919 OAK MANOR WAY	946 439103011	103 CASTLEWOOD DR
946 440102100	16 GREENS LN	946 439601102	11 FAIRWAY LN

Castlewood County Service Area – Engineer’s Report for Increasing Service Charges on Sewer M&O and Water M&O

946 440601100	23 CASTLEDOWN RD	946 440605700	22 CASTLEWOOD DR
946 439601304	805 FAIRWAY LN	946 443600900	409 OAK LN
946 439101000	53 GOLF RD	946 440100800	38 GOLF RD
946 405200904	829 OAK MANOR CT	946 439101400	45 GOLF RD
946 439602800	857 CASTLEWOOD PL	946 440700500	464 BUNKER LN
946 440102400	15 GREENS LN	946 440103700	11 GOLF RD
946 440602200	1 CASTLEDOWN RD	946 376000305	7582 FOOTHILL RD
946 444000124	7755 COUNTRY LN	946 376000502	7266 FOOTHILL RD
946 440100700	40 GOLF RD	946 440104200	20 GOLF RD
946 440700900	496 BUNKER LN	946 376001900	7150 FOOTHILL RD
946 440603200	4 CASTLEWOOD DR	946 439100602	77 CASTLEWOOD DR
946 440100600	42 GOLF RD	946 439102203	VIEW DR
946 440602001	34 CASTLEWOOD DR	946 440103000	4 GREENS LN
946 440101201	30 GOLF RD	946 440100900	36 GOLF RD
946 444000117	7760 COUNTRY LN	946 439103107	75 CASTLEWOOD DR
946 440603300	6 CASTLEWOOD DR	946 440104100	19 GOLF RD
946 440602502	24 CASTLEWOOD DR	946 440604500	10 BUNKER LN
946 440104600	12 GOLF RD	946 440603601	4 CASTLEDOWN RD
946 440102000	14 GREENS LN	946 440101800	10 GREENS LN
946 440701200	520 BUNKER LN	946 376002701	7402 FOOTHILL RD
946 440602304	28 CASTLEWOOD DR	946 440101700	59 CASTLEWOOD DR
946 440700800	488 BUNKER LN	946 440103400	25 CASTLEWOOD DR
946 440102900	6 GREENS LN	946 440100300	48 GOLF RD
946 439600900	15 FAIRWAY LN	946 440104800	37 CASTLEWOOD DR
946 439604000	8225 SKY CASTLE RD	946 444001500	7753 COUNTRY LN
946 440600703	31 CASTLEDOWN RD	946 440104300	18 GOLF RD
946 439600701	22 FAIRWAY LN	946 440700600	472 BUNKER LN
946 440701100	512 BUNKER LN	946 440604100	9 CASTLEWOOD DR
946 439603203	844 CASTLEWOOD PL	946 440700200	BUNKER LN
946 439101900	35 GOLF RD	946 376001000	CASTLEWOOD DR
946 439102800	109 CASTLEWOOD DR	946 376001100	CASTLEWOOD DR

946 443600401	7637 FOOTHILL RD	946 441000202	CASTLEWOOD DR
946 440102500	13 GREENS LN	946 439601700	76 CASTLEWOOD DR
946 440700400	456 BUNKER LN	946 439601200	8 FAIRWAY LN
946 405200300	859 OAK MANOR WAY	946 439603500	70 CASTLEWOOD DR
946 443600300	369 OAK LN	946 439603800	8230 SKY CASTLE RD
946 405200201	820 OAK MANOR CT	946 444000115	7758 COUNTRY LN
946 440600300	39 CASTLEDOWN RD	946 440600200	41 CASTLEDOWN RD
946 405200101	819 OAK MANOR CT	946 440602303	16 CASTLEWOOD DR
946 440602301	14 CASTLEWOOD DR	946 440601600	11 CASTLEDOWN RD
946 443601500	399 OAK LN	946 440603500	10 CASTLEWOOD DR
946 440603101	CASTLEDOWN RD	946 439100300	102 CASTLEWOOD DR
946 376001400	7050 FOOTHILL RD	946 443601200	401 OAK LN
946 440604300	6 BUNKER LN	946 439602100	14 FAIRWAY LN
946 439602206	10 FAIRWAY LN	946 439102902	105 CASTLEWOOD DR
946 440602900	40 CASTLEDOWN RD	946 405201100	11 OAK MANOR WAY
946 440601200	21 CASTLEDOWN RD	946 439601400	80 CASTLEWOOD DR
946 443601000	405 OAK LN	946 439101201	GOLF RD
946 443601300	404 OAK LN	946 440605400	20 CASTLEWOOD DR
946 440101300	51 CASTLEWOOD DR	946 440102800	8 GREENS LN
946 376000501	7240 FOOTHILL RD	946 440604600	539 BUNKER LN
946 444000102	7685 FOOTHILL RD	946 439602600	833 CASTLEWOOD PL
946 376000900	CASTLEWOOD DR	946 439603400	860 CASTLEWOOD PL

## 5. Method of Service Charges

The proposed Service Charges, if approved, will continue to be collected under the tax rolls collected annually for each property who has a residential connection to water and sewer services, and benefitting club facilities and properties within the boundary of the CSA. Revenues derived from the service charge are necessary to fund the maintenance and operations of the water and sewer system.

## 6. Calculation of Service Charge

The amount of service charges needed were determined based on the bids received from a service provider, currently under contract negotiations. As indicated earlier, the RFP solicited services for 5 years with cost breakdown for each year. The proposed service charges increase for fiscal year 2025 through fiscal year 2029 are based on the bid prices received.

The cost for unanticipated repairs, utility payments, sewer pump station agreements with the City of Pleasanton are based on the historical expenditure over the past two years. Other expenses as emergency generator rentals are based on bids provided by a service provider.

**Table 8 – Cost Breakdown of Water and Sewer O&M Services**

<b>Water Maintenance</b>	
M&O Monthly Base Fee— (Bid Prices)	\$86,569
Meter Reading-- (Bid Prices)	\$57,319
Reimbursables (Generators..)-- (Bid Prices)	\$110,154
Water Related Repairs (based on historical data)	\$264,000
Utilities (Electric)	\$71,496
State Water Board Drinking Water Systems Annual Fee	\$1,961
1.7% Collection fee	\$3,795
5% Administration Charges	\$11,162
<b>Total</b>	<b>\$606,456</b>

<b>Sewer Maintenance</b>	
M&O Monthly Base Fee-- (Bid Prices)	\$28,510
Sewer related repairs-- (Bid Prices)	\$36,000
Sewer Pump Station (City of Pleasanton Agreement)	\$118,872
Utilities (Electric)	\$5,250
SSMP Updates	\$5,415
State Water Board Waste Discharge Annual Fee	\$3,453
1.7% Collection Fee	\$3,064
5% Administration Charges	\$9,011
<b>Total</b>	<b>\$209,575</b>

### 7. Basis of Service Charge Allocation

The Service Charges for sewer and water maintenance and operations are levied annually on all residential parcels and the country club properties; Sewer Maintenance based on connected RDEs; and for Water Maintenance based on connections (metered services).

	<b>Sewer (Connected RDEs)</b>	<b>Water (metered Connections)</b>
Residential	206 (77%)	193(94%)
Club	61 (23%)	12 (6%)

### 8. Service Charges for the Five Year Contract Period FY’24/25 Thru FY’28/29

The most recent RFP that is currently being negotiated by the CSA sought for services contract to be provided for 5 years with a request for cost breakdown for each year. The cost breakdown offered by the preferred vendor shows an average increase of 3% per year starting FY’25/26 thru FY’28/29. Historically, the Sewer Discharge fee, that represents a substantial portion of the expenditure in Sewer Maintenance, contracted with the City of Pleasanton has grown by 5% per year on average. Still, it is



recommended that the service charge for sewer maintenance be also increased by 3% per year through FY’28/29. Note: these service charge increases are only for Wate & Sewer Maintenance Programs (see Table 11 below).

**Table 11- Proposed Service Charges per Year**

<b>Fiscal Year</b>	<b>Road Services (per Parcel)</b>	<b>Sewer Maintenance (per RDE)</b>	<b>Sewer Capital (per RDE)</b>	<b>Water Capital (per Meter/ Connection)</b>	<b>Water Maintenance (per Meter/ Connection)</b>	<b>Total</b>
<i>Current - 23/24</i>	\$ 224	\$ 675	\$ 416	\$ 1,099	\$ 1,089	\$ 3,503
24/25	\$ 224	\$ 785	\$ 416	\$ 1,099	\$ 2,958	\$ 5,482
25/26	\$ 224	\$ 809	\$ 416	\$ 1,099	\$ 3,047	\$ 5,595
26/27	\$ 224	\$ 833	\$ 416	\$ 1,099	\$ 3,138	\$ 5,710
27/28	\$ 224	\$ 858	\$ 416	\$ 1,099	\$ 3,232	\$ 5,829
28/29	\$ 224	\$ 884	\$ 416	\$ 1,099	\$ 3,329	\$ 5,952

### 9. Summary table of FY’24/25 Service Charges

(Subsequent service charges for the remaining four years-- FY’26/27 thru FY’28/29 will be increased by 3% per year as shown in Table -11 above). Note: the service charge increases are only for Wate & Sewer Maintenance Programs.

	<b>Road Maintenance</b> (per Parcel)	<b>Sewer Maintenance</b> (per RDE)	<b>Sewer Capital</b> (per RDE)	<b>Water Capital</b> (per Metered Connection)	<b>Water Maintenance</b> (per Metered Connection)
Current Service charges per Parcel/RDE/Water Connections	\$224	\$675	\$416	\$1,099	\$1,089
Total - Annual Recurring Revenues-current service charge rates	\$47,712	\$180,225	\$106,496	\$225,295	\$223,245
Annual Recurring Revenues--Residents	\$40,768	\$139,050	\$89,440	\$212,107	\$210,177
Annual Recurring Revenues--Club	\$6,944	\$41,175	\$17,056	\$13,188	\$13,068
Projected Annual Expenditure for Services	\$12,715	\$197,500	\$0	\$174,000	\$591,499
1.7 % Service Charges	\$811	\$3,064	\$1,810	\$3,830	\$3,795
5% CSA Admin Charges	\$2,386	\$9,011	\$5,325	\$11,265	\$11,162
Projected Annual Recurring expenditures	\$15,912	\$209,575	\$7,135	\$189,095	\$606,456
Revenue minus Expenditures	\$31,800	(\$29,350)	\$99,361	\$36,200	(\$383,211)
Residence--Parcels/RDEs/Water Connections	182	206	215	193	193
Club--Parcels/RDEs/Water Connections	31	61	41	12	12
<b>Total RDE/Connection</b>	<b>213</b>	<b>267</b>	<b>256</b>	<b>205</b>	<b>205</b>

Castlewood County Service Area – Engineer’s Report for Increasing Service Charges on Sewer M&O and Water M&O

	<b>Road Maintenance</b> (per Parcel)	<b>Sewer Maintenance</b> (per RDE)	<b>Sewer Capital</b> (per RDE)	<b>Water Capital</b> (per Metered Connection)	<b>Water Maintenance</b> (per Metered Connection)
Additional Annualized Funding Increase Need	\$ 0	\$29,350	\$ 0	\$ 0	\$ 383,211
Proposed Service charges per Parcel/RDE/Water Connections	\$ 224	\$ 785	\$ 416	\$ 1,099	\$ 2,958