



Public Works Agency
—Alameda County—

Castlewood County Service Area (CSA)

CSA R-1967-1

September 2023

Alameda County Public Works Agency

Agenda

- ▶ Purpose of this meeting
 - Increase assessment to cover the services provided by the CSA
- ▶ Description of CSA Functions
- ▶ Typical Assessment Bill
- ▶ Current Services Provided
 - Water System Maintenance
 - Sewer System Maintenance
 - Road Maintenance Services
- ▶ Castlewood Financial Analysis – Projected Service Cost
 - Option 1 – O&M without CIP
 - Option 2 – O&M with CIP
- ▶ Exhibit A: Back-up Materials
 - Coleman – O&M contract responsibilities

Purpose of the Meeting

- Increase assessment to cover the cost of services to the CSA
 - Current assessment per household is \$3503 per year
 - Current assessment for the Club \$101,000 per year
 - Total revenue collected through the assessments is \$792,402
 - Revenue required to provide current services \$884,512
 - Currently in deficit by \$92,110
- Anticipate substantial increase in cost for future services

CSA Primary Function

- ▶ Maintain roads and roadside drainage
- ▶ Provide water services
 - Water allotment: 46.8 million gallons for parcel owners and 43.2 million gallons for the Club. Each household receives 330 units of water (~247,000) gallons. Beyond the free allotment, SFPUC charges \$10.55 per unit which is paid by the residents and the Club.
- ▶ Provide sewer services
- ▶ Road, sewer and water assessments within the CSA are used to pay for these services

How is the CSA paid for? (Typical Tax Bill)



- There are up to 5 lines on residents' property tax bills which fund the CSA.
- A handful of houses do not use all CSA services and are not assessed for the services they don't receive.

CSA R67-1 ROAD	510-670-5212	224.00
MOSQ MSR K 1982	800-273-5167	1.74
CSA PARAMEDIC	800-273-5167	37.40
VEC CNTRL MSR A 84	800-273-5167	5.92
PARAMEDIC SUPPLMNT	925-867-3400	19.82
ALA CO CLEAN WATER	510-670-5212	7.10
CSA R67-1 SEWER MO	510-670-5212	675.00
R67-1 SEWER CAP IM	510-670-5212	416.00
R67-1 WATER CAP IM	510-670-5212	1,099.00
R67-1 WATER M & O	510-670-5212	1,089.00
SFBRA MEASURE AA	888-508-8157	12.00
HAZ WASTE PROGRAM	800-273-5167	6.64
VECTOR CNTRL ASMT	800-273-5167	6.00
MOSQUITO ASMT 2008	800-273-5167	2.50
EAST BAY TRAIL LLD a	888-512-0316	5.44

Water System Maintenance Costs (2023 Actuals): \$453,566



Public Works Agency
—Alameda County—

- **Professional M&O contract ([Coleman](#)):** \$389,435/year
 - Monthly Base Fee- \$181,692
 - Meter Reading - \$42,024
 - Water Quality Testing- \$3,667
 - Generator Rentals- \$97,419
 - Requiring the use of 2 generators, is a requirement by the [State Water Board](#).
 - Water related Repairs- \$64,633
- **Utilities**
 - Electric- \$62,170
- **Permits**
 - Annual Water Board Drinking Water Systems Fee- \$1,961
- **Other Expenses**
 - Excess Water use Charges by SFPUC- \$189,510
 - To date only recovered 30% from the homeowners

Sewer System Maintenance Costs: \$244,230/Year



Public Works Agency
—Alameda County—

- **Professional M&O contract for collection sys (Coleman): \$111,925**
 - Monthly Base Fee \$77,868
 - Sewer Related Repairs- \$34,057
- **Professional M&O service for Sewer Pump Station (Pleasanton)- \$118,871 (bi-monthly bill)**
 - Since June 25,1985 we have had a Sewer Service Agreement with the City of Pleasanton to maintain the Sewer Pump Station located at 7341 Foothill.
 - Charges include water meter and sewer disposal/treatment at the Dublin San Ramon Services District (DSRSD) sewage treatment plant.
- **Utilities**
 - Electric- \$4,565
- **Permits**
 - Annual Water Board Waste Discharge Fee- \$3,453
- **Sanitary Sewer Management Plan (SSMP)- State requirement from 2022 Wastewater General Order (on-going implementation plan)**
 - FY 2023 Actuals- \$5,415

Road Services



Public Works Agency
—Alameda County—

- Most recent major road work was slurry sealing of side streets in 2019
- County has identified maintenance work for 2023 \$110,000
- Castlewood Drive Rehab (up to gate):
 - Full resurfacing of Castlewood Drive- \$634,400



Castlewood Financial Analysis – Projected Service Cost Option 1 – O&M without CIP



Public Works Agency
—Alameda County—

- Incorporating rising maintenance costs (sewer & water maint.) based on current provider and City of Pleasanton's estimate
- No new CIP projects added to improve road conditions, sewer and water system
- Current assessments not covering actual expenditures (Coleman)
- Increasing rates are critical to maintaining sewer/water operation and maintenance services
- The County can not continue providing these services without an increase in assessments

Castlewood Financial Analysis – Projected Service Cost

Option 1 – O&M without CIP

Current Recurring Revenues and Expenditures						TOTAL
	Road Maint	Sewer Maint	Sewer Cap	Water Cap*	Water Maint	
Service charges per Parcel/RDE/Water Connections	\$224	\$675	\$416	\$1,099	\$1,089	\$3,503
Annual Recurring Revenues--Total (tax roll)	\$47,762	\$189,273	\$116,627	\$222,147	\$216,593	\$792,402
% Residents	85%	82%	82%	94%	94%	
% Club	15%	28%	28%	6%	6%	
Annual Recurring expenditures	\$12,715.32	\$421,362	\$0	\$174,000	\$879,253	
Revenue minus Expenditures	\$35,047	-\$232,089	\$116,627	\$48,147	-\$662,660	

Parcels/RDEs/Water Connections	182	215	215	193	193
--------------------------------	-----	-----	-----	-----	-----

In the last 20 years, the CCI has gone up at least **109%**

	Road Maint	Sewer Maint	Sewer Cap	Water Cap*	Water Maint	TOTAL
If Adjusted for CCI, Service Charges would be:	\$468	\$1,411	\$869	\$2,297	\$2,276	\$7,321

Assuming No Capital Improvements (Option 1)	RM	SM	SC	WC	WM	TOTAL
	\$0	\$232,089	\$0	\$0	\$662,660	\$894,749
Total Annualized Funding Need	\$0	\$232,089	\$0	\$0	\$662,660	\$894,749

\$ Additional Needed from Residents Annually	\$0	\$190,313	\$0	\$0	\$622,900	\$813,213
\$ Additional Needed from Club Annually	\$0	\$64,985	\$0	\$0	\$39,760	\$104,745

New Rates -Residents	Road Maint	Sewer Maint	Sewer Cap	Water Cap*	Water Maint	TOTAL
	\$224	\$1,560	\$416	\$1,099	\$4,316	\$7,616
% Increase	0	131%	0	0	296%	
New Rates -Club	\$6,944	\$117,981	\$32,656	\$13,329	\$52,755	\$223,665
% Increase	0%	123%	0%	0%	306%	

Road Maintenance	
Repairs as needed	\$12,715.32
Total	12,715.32

Water Maintenance	
M&O Monthly Base Fee	\$594,500.00
Water Meter Reading	\$54,902.00
Water Quality Testing	\$3,667.13
Generator Rentals	\$97,419.00
Water Related Repairs	\$64,633.50
Utilities (Electric)	\$62,170.05
State Water Board Drinking Water Systems Annual Fee	\$1,961.12
Total	\$879,252.80

Water Capital – State Loan Repayments	
Water Tank Repayment	\$174,000.00
Total	\$174,000.00

Sewer Capital	
	\$-
Total	\$-

Sewer Maintenance	
M&O Monthly Base Fee	\$255,000.00
Sewer related repairs	\$34,057.50
Sewer Pump Station (CofP Maint)	\$118,871.70
Utilities (Electric)	\$4,565.04
SSMP Updates	\$5,415
State Water Board Waste Discharge Annual Fee	\$3,453
Total	\$421,362.24

Castlewood Financial Analysis – Projected Service Cost Option 2 – O&M with CIP



Public Works Agency
—Alameda County—

- Incorporating rising maintenance and operation costs (sewer & water) by increasing sewer and water M&O rates
- Include Capital Improvement Projects (CIP) as a separate Special Assessment
- The CIPs could be financed through debt financing and paid through a supplemental assessment to cover the debt service.
- Optionally, you may want to set aside funds for future roadway slurry seal/Overlay of roadways and upgrade water mains

Road Capital Improvements

(approximations)

Castlewood Drive Resurfacing	\$634,400.00
20% Contingency	\$126,880.00
Total	\$761,280.00

Residents	\$650,483.38	85%
Club	\$110,796.62	15%
Per Parcel	\$3,574.08	\$357.41/yr for 10 years

Water Capital Improvements

(approximations)

Water Meter Automation	\$384,000
SCADA	\$150,000
Permanent Generators	\$946,000
Emergency Interconnect	\$600,000
Total	\$2,080,000

Residents	\$1,955,200.00	94%
Club	\$124,800.00	6%
Per Connection	\$10,130.57	\$1,013.06/yr for 10 years

Optional Funding Sources for Future Improvements

Long Term Road CIP			
Total Pavement Area in CSA			43,000 SY
Overlay Unit Cost			\$37/SY
Slurry Seal Unit Cost			\$16/SY
Pavement Treatment	Total		Per Year
1. Slurry Seal	\$688,000	every 7 years	\$98,286
2. Overlay/Resurface	\$1,591,000	every 20 years	\$79,550
			\$177,836
Long Term Water Capital Improvements			
Water Main Replacement	32,000FT	1,000FT/yr	\$250,000

Summary of Services/Assessments

	Road Maintenance	Sewer Maintenance	Sewer Capital	Water Maintenance	Water Capital	Total
Required Service Charges-Current Services	\$224	\$884	\$416	\$1099	\$2249	\$4872
Projected Service Charges-No CIP	\$224	\$1560	\$416	\$1099	\$4316	7616
Service Charges per With CIP	\$224	\$1560	\$416	\$1099	\$3610**	\$6,909

** - reduction reflects the cost of generator rental and water meter reading service cost

Sample Financing Options: **EXAMPLE ONLY**

(*Financing rate is an approximation)

	Financing Period (Example Only)				
	10 years		20 Years		30 Years
	Loan Amount @5%*		Annual Cost Per Year		
Castlewood Drive	\$ 761,280.00	\$ 98,589.00	\$ 61,087.00	\$ 49,522.00	
Water Meter	\$ 384,000.00	\$ 49,729.00	\$ 30,813.00	\$ 24,980.00	
Generator	\$ 946,000.00	\$ 122,511.00	\$ 75,909.00	\$ 61,538.00	
Emergency Interconnect	\$ 600,000.00	\$ 77,702.00	\$ 48,146.00	\$ 39,030.00	
SCADA	\$ 150,000.00	\$ 19,426.00	\$ 12,100.00	\$ 9,757.00	
Total	\$ 2,841,280.00	\$ 367,957.00	\$ 228,055.00	\$ 184,827.00	
Residents (87%)	\$ 2,471,913.60	\$ 320,122.59	\$ 198,407.85	\$ 160,799.49	
Per parcel (213 Parcels)	\$ 11,605.23	\$ 1,502.92	\$ 931.49	\$ 754.93	
Club (13%)	\$ 369,366.40	\$ 47,834.41	\$ 29,647.15	\$ 24,027.51	

Process to Increase Service Charges



Public Works Agency
—Alameda County—

ROAD:

- County prepares Engineer's Report, which outlines the anticipated cost and describes need for increase.
- County sends notices to all affected property owners, notifying them of a Protest hearing to discuss proposed increase no less than 45 days later. Hearing would take place at County Board of Supervisors meeting.
- If 50% +1 of affected homeowners submit written protest, process stops. If not, election takes place no less than 45 days later.
- Election passes if 50% +1 of voters approve service charge increase.

WATER/SEWER:

- County prepares Engineer's Report, which outlines the anticipated cost and describes need for increase.
- County sends notices to all affected property owners, notifying them of a Protest hearing to discuss the increase charges no less than 45 days later. Hearing would take place at a County Board of Supervisor's meeting.
- An election is not required if the County is increasing water or sewer service charges. The increased charges will then be approved by the Board at a Board of Supervisor's meeting.

Questions?



Operations & Maintenance Contract (Currently provided by Coleman)

EXHIBIT A

DEFINITION OF SERVICES

1. Contractor shall provide Operation and Maintenance Services of Sewer and Water Systems in the Alameda County Service Area R 1967-1 Castlewood with the specific requirements and deliverables requested in this Exhibit A. The services shall cover all water system facilities shown in Exhibit A-1 including all pipelines (including associated valves, meters, fire hydrants and appurtenances, approximately 32,000 linear feet of water piping) pump stations and tanks. The services shall also cover all sewer system facilities shown on Exhibit A-2 including all sewer pipelines (approximately 28,000 linear feet), manholes, cleanouts, and lower laterals, and excluding the upper laterals and the pump station and associated force main on Foothill Road.
2. The Contractor shall perform the following services for a monthly operation fee:
 - a. Provide certified, qualified, capable, and experienced personnel to manage, operate, coordinate repairs, maintain and remotely monitor water system operations 24/7, 365 days/year. Provide basic hand tools to facilitate water system operations tasks. Qualified staff shall be onsite a minimum of three days (6 hour minimum) per week to monitor, inspect, and maintain the system. The remaining 4 days per week will be remotely monitored. In the event that the Contractor is not on-site when an emergency condition arises, the Contractor will respond or will engage services of a local sub-contractor to respond to the emergency call-out.
 - b. Emergency call outs shall be set up for a 24 hour response with personnel onsite within one hour of the emergency call at all times.
 - c. Flush sewer lines as authorized by the County.
 - d. Flush one-third of the system's fire hydrants once per year.
 - e. Exercise one-third of the system's water system valves once per year.
 - f. Daily remote monitoring of pressures, flow, reservoir levels, and chlorine residuals, via remote control systems. The Contractor will utilize remote monitoring systems provided by the County. The Contractor will not provide, install, or implement any remote monitoring systems as part of this agreement. If remote monitoring systems are not installed or not functional on days that the Contractor is not on site, remote monitoring will not be provided by the Contractor until the County restores the remote monitoring systems. For days that the Contractor is on site, visual verification of system conditions can be observed without a remote monitoring system.
 - g. Perform visual inspections of the distribution system for leaks or components needing repair.
 - h. During operator rounds, perform minimum monthly inspection of water tank facilities, exterior water tank inspections monthly, pump inspections, operate and maintain disinfection systems to achieve adequate residuals, monthly generator running/maintenance, operate control systems to maintain adequate pressures and flow rates throughout the system.
 - i. Perform visual inspection for blockage of 42 sanitary sewer manholes per year.
 - j. Respond to and identify issues. Preparation of spill reports and transmitting to the County for filing with the State.
 - k. Coordinate with a water quality lab certified by the State of California to perform all regulatory sampling, analysis, and reporting including monthly and yearly water samples, performed as defined by the California Division of Drinking Water. Sampling is expected to consist of monthly testing for chlorine and bacteria, and quarterly sampling for TTHM. Contractor will direct the lab to submit data directly to the State. The County will pay all lab costs for sampling, analysis, and reporting.
 - l. Coordinate the repair of main and service leaks on County maintained services.
 - m. Review USA water and sewer locate requests for the Dublin/Pleasanton area which are provided to the Contractor by the County or directly from USA if that is possible. Perform locate requests within Castlewood service area using mapping and locating tools provided by the County. The Contractor will only use the mapping information provided by the County and will not seek out or utilize other mapping sources to locate buried utilities.
 - n. Visually inspect pumps and pump sites weekly. Inspection may include listening for abnormal noises, noting changes in temperature or leaks.
 - o. Change weekly pump charts (weekly rounds sheets for the pumps), as required.
 - p. Visually observe pressure backflow devices monthly per as-built drawings. Coordinate annual servicing of pressure backflow devices.
 - q. Assist residents in determining if they have a leak and locating leaks on their property.
 - r. Respond to and assist residents in locating on-site laterals.
 - s. On a monthly basis, read 10 County-maintained meters and a San Francisco Public Utility Commission (SFPUC) meter at the source. Report meter readings to the County.
 - t. Respond to customer complaints regarding water and sewer problems to determine if the problem is with the County-maintained area or system. There are approximately 256 Residential Discharge Equivalents (RDEs) connected to the sewage system and 200 water meters.
 - u. Coordinate fire flow tests in conjunction and as required by the Alameda County Fire Marshall. The Operator will make sure that the pumps are isolated in order to conduct tests performed by the Fire Marshall.
 - v. Work closely with the County to determine the work required.
 - w. Supervise sub-contractors to confirm that the work performed meets the County's requirements.
3. The monthly fee does not include the following expenses:
 - a. Property taxes on County property or facility, if any
 - b. Franchise and business taxes if any
 - c. Electric and natural gas expenses for operating the system
 - d. Groundwater pump taxes, if any
 - e. Purchased water
 - f. Department of Health Services fees
 - g. Capital improvement projects.

- h. Large tools or equipment. Contractor will provide its own basic hand tools. All other tools and equipment are to be provided or paid for by the County. If the County does not have required tools or equipment, the Contractor will arrange for rental and/or engage a subcontractor and will charge those costs to the County as a Time & Materials expense.
4. Meter Reading and billing services shall include bimonthly reading of meters, billing Castlewood customers on behalf of the County, remitting the money collected to the County, and responding to customer service calls.
- a. Read all water meters in the system (approximately 200 water meters) bi-monthly and record water meter data as needed for County's bi-monthly billing.
 - b. Upon customer application, activate a utility billing account to initiate new utility services.
 - c. Provide each new customer with written utility service and billing information.
 - d. Obtain written permission from each customer wishing to receive bills via e-mail.
 - e. Turn on or off water service to individual customers.
 - f. Upon approval of the County, refer delinquent accounts to a collection agency for further collection efforts.
 - g. Calculate bi-monthly water usage and compare to annual fixed water volume paid for by each customer.
 - h. Calculate bi-monthly billing amount for each customer based on rates adopted by the County. Send bi-monthly bills. E-mail electronic bills to those desiring electronic bills. Print, stuff and mail paper utility bills, providing all materials and supplies. No other bill stuffers are to be included.
 - i. Provide banking information so that Castlewood customers may make payments electronically.
 - j. Process payments received by the Contractor, maintaining deposit records and providing distribution of payments within 30 days to the County.
 - k. Upon request, provide County with a copy of utility customer billing records. Such access will be limited to County authorized individuals.
 - l. Provide a customer service number responded to by a person able to answer billing and account activation questions or obtain a response for other utility requests during regular business hours and a voice mail system to record messages during all hours.
 - m. Maintain a computerized billing system necessary to provide the required utility billing services as specified herein. All records and data are the property of Alameda County Public Works Agency. With reasonable notice, the County shall have access to, inspect and audit all of Coleman's records relating to the Castlewood utility billing services.
 - n. All billing information shall be in a format reasonably satisfactory to transfer to another billing provider at the conclusion or termination of this agreement.
5. The level of effort for the following Additional Services cannot be predicted and will be performed on a time and materials basis as defined in Exhibit B. Contractor will need written authorization by the County before proceeding with any Additional Services except in cases which in the Contractor's judgment immediate repairs are necessary to safeguard

the public or the County, public health, or environmental resources. In no case shall a single incidence of Additional Services exceed \$30,000 without prior authorization from the County.

- a. Emergency callouts by the Contractor and sub-contractor team members where either subconsultants, large tools or equipment, or effort by the contractor in excess of 4 hours are required. Emergency callouts required on days that the Contractor is not on site are likely to require a subcontractor to respond.
 - b. Clean and perform CCTV inspection of sanitary sewers annually. CCTV inspection will be performed to NASSCO PACP standards. Access maintenance and vegetation control as needed for sewer easement areas.
 - c. Repair service leaks on County-maintained services. County-maintained services are defined as laterals installed from the water main to the meter box and ball valve.
 - d. Repair main leaks.
 - e. Perform water main repairs, water service line repair/replacement, valve maintenance or repairs, blow-off replacements, valve pot replacements, leak repairs, meter testing and replacements, meter box repair and replacements as needed, new service installations and inspections. Work may also include arrangement for traffic control.
 - f. Laboratory costs for sampling, analysis, and reporting.
 - g. Annual servicing of backflow devices.
 - h. Rental of large tools (larger than hand tools) and equipment. This may include vactor trucks, line flushing equipment, tools required for fire flow tests and testing of backflow devices, tools required to remove manhole blockages, and generators.
6. Contractor project team will consist of the following Key Personnel and subcontractors, as applicable during the contract term:

Coleman Key Personnel:
 Chad Coleman
 Christian Miranda
 Phil Godman
 Ludwig Crisol

Subconsultants:
 Underwater Resources, Inc.
 866 Estabrook Street
 San Leandro, CA 94577

Contractor agrees that it shall not transfer or reassign the individuals identified above as Key Personnel or substitute subcontractors without the express written agreement of County, which agreement shall not be unreasonably withheld. Should such individual or individuals in the employ of Contractor no longer be employed by Contractor during the term of this Agreement, Contractor shall make a good faith effort to present to

County an individual with greater or equal qualifications as a replacement subject to County's approval, which approval shall not be unreasonably withheld.

7. The approval of County to a requested change shall not release Contractor from its obligations under this Agreement.

Water System Maintenance Costs (2023 Actuals): \$453,566



- **Professional M&O contract (Coleman):** \$389,435/year
 - Monthly Base Fee- \$181,692
 - Meter Reading - \$42,024
 - Water Quality Testing- \$3,667
 - Generator Rentals- \$97,419
 - Requiring the use of 2 generators, is a requirement by the [State Water Board](#).
 - Water related Repairs- \$64,633
- **Utilities**
 - Electric- \$62,170
- **Permits**
 - Annual Water Board Drinking Water Systems Fee- \$1,961
- **Other Expenses**
 - Excess Water use Charges by SFPUC- \$189,510
 - To date only recovered 30% from the homeowners