



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

President - Chris Steele • Vice-President - Kevin Graves • Director - Jim Mattison • Director - Mark Simon • Director - Ray Tetreault

NOTICE OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE TOWN OF DISCOVERY BAY CSD

Wednesday May 16, 2012

REGULAR MEETING 7:00 P.M.

1800 Willow Lake Road, Discovery Bay, California

Website address: www.todb.ca.gov

REGULAR MEETING 7:00 P.M.

A. ROLL CALL AND PLEDGE OF ALLEGIANCE

1. Call business meeting to order 7:00 p.m.
2. Pledge of Allegiance
3. Roll Call

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

During Public Comments, the public may address the Board on any issue within the District's jurisdiction which is not on the agenda. The public may comment on any item on the Agenda that is before the Board for consideration. Any person wishing to speak must come up and speak from the podium. There will be no dialog between the Board and the commenter. Any clarifying questions from the Board must go through the Chair.

C. PRESENTATIONS

D. PRESIDENT REPORT AND DIRECTORS' COMMENTS

E. CONSENT CALENDAR

All matters listed under the CONSENT CALENDAR are considered by the District to be routine and will be enacted by one motion.

1. Minutes of previous Special meeting dated May 2, 2012
2. Minutes of previous Regular meeting dated May 2, 2012
3. District Invoices
4. District Financials

F. NEW BUSINESS AND ACTION ITEMS

1. Appointment of Board Members to District Representative Committee Positions
2. Approve and Adopt Resolution 2012-09, Direction to HERWIT Engineering to prepare 2012-2013 annual assessment report for the Ravenswood Improvement District, Discovery Bay Landscape & Lighting Zone #9
3. Consideration of the FY 2010-11 "Draft" Audit
4. Authorize payment to the California Regional Water Quality Control Board (CRWQCB) pursuant to an Administrative Civil Liability imposed by the State in the amount of \$241,000.00

G. VEOLIA REPORT

H. MANAGER'S REPORTS

1. SSMP - DRAFT

I. GENERAL MANAGER'S REPORT

J. DISTRICT LEGAL COUNSEL REPORT

K. COMMITTEE UPDATES

1. Minutes of previous FY 2012-13 Budget Review Committee meeting dated April 25, 2012

L. CORRESPONDENCE-Discussion and Possible Action

1. R – Contra Costa County Aviation Advisory Committee meeting minutes dated March 8, 2012
2. R – East Contra Costa Fire Protection District meeting minutes dated April 2, 2012
3. S – Letter to William Nelson, Principal Planner regarding Carvalho Property, Community Center Condition of Approval (C.O.A.)
4. S – Letter to William Nelson, Principal Planner regarding County File Number DP12-3009 (Hofmann Land Development Co. /Modify Lot Line Configuration – Discovery Bay West – Lakes Unit 10, Tract 8828)
5. S – Letter to Gary Kupp regarding County File Number LP12-2034 (Vernon & Vera Thomas/AT&T Wireless)
6. R – Transplan Committee meeting minutes dated April 12, 2012

M. PUBLIC RECORD REQUESTS RECEIVED

N. FUTURE AGENDA ITEMS

O. ADJOURNMENT

Adjourn to next Regular meeting of June 6, 2012 starting at 7:00 p.m. at 1800 Willow Lake Road-Located behind the Delta Community Presbyterian Church.

"This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the American with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact the Town of Discovery Bay, at (925)634-1131, during regular business hours, at least twenty-four hours prior to the time of the meeting."

"Materials related to an item on the Agenda submitted to the Town of Discovery Bay CSD after distribution of the agenda packet are available for public inspection in the District Office located at 1800 Willow Lake Road during normal business hours."



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

President - Chris Steele • Vice-President - Kevin Graves • Director - Jim Mattison • Director - Mark Simon • Director - Ray Tetreault

MINUTES OF A SPECIAL MEETING OF THE
BOARD OF DIRECTORS OF THE
TOWN OF DISCOVERY BAY CSD
Wednesday May 2, 2012
1800 Willow Lake Road, Discovery Bay, California
SPECIAL MEETING 6:30 P.M.
Website address: www.todb.ca.gov

SPECIAL MEETING AT 6:30 P.M.

A. ROLL CALL

Call business meeting to order – 6:30 p.m. by President Steele
Roll Call – All Present

B. PUBLIC COMMENT

There was one (1) Public Comment Speaker

C. OPEN SESSION DISCLOSURE OF CLOSED SESSION AGENDA

(Government Code Section 54957.7)

Legal Counsel Rod Attebery – The Board adjourned into Closed Session consistent with Government Code Section 54956.9, facts and circumstances have come to our attention related to Southwest Water Company and the termination agreement and we anticipate litigation due to lack of response.

D. CLOSED SESSION:

1. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code section 54956.9:

Anticipated litigation (1 potential case)

E. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

(Government Code Section 54957.1)

Legal Counsel Rod Attebery – The Board returned from Closed Session and there is no reportable action.

F. ADJOURNMENT

The meeting adjourned at 7:05 p.m. to the Regular Meeting on May 2, 2012 at 7:00 p.m. on 1800 Willow Lake Road.

For the Audio of this meeting please visit our Website at
<http://www.todb.ca.gov/content/agenda-and-minutes/>

//cmc – 05.04.12



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

President - Chris Steele • Vice-President - Kevin Graves • Director - Jim Mattison • Director - Mark Simon • Director - Ray Tetreault

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
TOWN OF DISCOVERY BAY CSD
Wednesday May 2, 2012
REGULAR MEETING 7:00 P.M.
1800 Willow Lake Road, Discovery Bay, California
Website address: www.todb.ca.gov

REGULAR MEETING 7:00 P.M.

A. ROLL CALL AND PLEDGE OF ALLEGIANCE

Call business meeting to order – 7:00 p.m. by President Steele
Pledge of Allegiance – Led by President Steele
Roll Call – All Present

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

None

C. PRESENTATIONS

None

D. AREA AGENCIES REPORTS / PRESENTATION

1. SHERIFF'S OFFICE REPORT

Tony Fontenot – Provided the law enforcement report for the month of April. There was a discussion between Tony Fontenot and the Board. There was one (1) Public Comment Speaker.

2. CHP REPORT – No Report

3. FIRE DISTRICT REPORT

Chief Burris – Provided his report and the details for the month of April. There was a discussion between Chief Burris and the Board.

4. EAST CONTRA COSTA FIRE PROTECTION DISTRICT REPORT – No Report

5. SUPERVISOR MARY PIÉPHO, DISTRICT III REPORT – No Report

E. COMMITTEE/LIAISON REPORTS

1. Trans-Plan Report – No Report

2. County Planning Commission Report – No Report

3. Code Enforcement Report – No Report

4. Special Districts Report** – No Report

**These meetings are held Quarterly.

F. CONSENT CALENDAR

All matters listed under the CONSENT CALENDAR are considered by the District to be routine and will be enacted by one motion.

1. Minutes of previous Regular meeting dated April 18, 2012

2. District Invoices

Motion by: Director Tetreault to approve the Consent Calendar

Second: Director Simon

Vote: Motion Carried – AYES: 5, NOES: 0

G. NEW BUSINESS AND ACTION ITEMS

1. Agency Comment Request – Land Use Permit Application – AT&T/Thomas (LP12-2034)

General Manager Howard – Provided the details of Item G-1

Staff to send a letter to the County to indicate that we have no negative comment

2. Agency Comment Request – Application – Hofmann Land Development (DP12-3009)

General Manager Howard – Provided the details of Item G-2

David Lennon – Hofmann Land Development – Provided additional details of Item G-2

There was a discussion between David Lennon and the Board.

Motion by: Director Tetreault to advise Staff to send a letter to the County stating that we have no negative comment

Second: Director Simon

Vote: Motion carried – AYES: 5, NOES: 0

3. Carvalho Property discussion and give direction regarding (Northwest intersection of Bixler and Point of Timber Roads)

General Manager Howard – Provided the details of Item G-3

David Lennon – Hofmann Land Development – Provided additional details of item G-3

There was a discussion between the General Manager, the Board, and David Lennon.

Legal Counsel Rod Attebery – Suggested the motion be – That the development of the residential or structures proposing does not preclude or constitute an obstruction to the development of the Community Center

Motion by: Director Tetreault – The above motion by Legal Counsel Rod Attebery

Second: Vice-President Graves

Vote: Motion carried – AYES: 5, NOES: 0.

4. Authorize Contract Change Order Number 2 to Conco West, Inc. for the Belt Press and Dewatering Project

General Manager Howard – Provided the details of Item G-4

There was a discussion between the General Manager, the Water and Wastewater Manager, and the Board.

Motion by: Vice-President Graves to authorize Contract Change Order to Conco-West in the amount of \$250,768.00

Second: Director Tetreault

Vote: Motion carried – AYES: 5, NOES: 0

H. PRESIDENT REPORT AND DIRECTORS' COMMENTS

Director Simon – Provided his report and details of the Budget Committee meeting dated April 25, 2012

President Steele – Provided his report and details of the Byron Union School District meeting dated April 19, 2012

I. MANAGER'S REPORT

None

J. GENERAL MANAGER'S REPORT

1. DRAFT CCR

General Manager Howard – Provided the details of Item J-1. Also, provided an update on the Earth Day Event and several of the projects within the Parks of Discovery Bay. There was a discussion between the General Manager and the Board. General Manager Howard provided an update on the Earth Day Event and also presented shirts to the Board from the Earth Day Event.

K. DISTRICT LEGAL COUNSEL REPORT

None

L. COMMITTEE UPDATES

None

M. CORRESPONDENCE – Discussion and Possible Action

1. Byron Municipal Advisory Council meeting Minutes dated March 15, 2012

N. PUBLIC RECORD REQUESTS RECEIVED

O. FUTURE AGENDA ITEMS

Director Tetreault – District Representative Listing

Vice-President Graves – Office Space

P. ADJOURNMENT

The meeting adjourned at 8:10 p.m. to the next regular meeting on May 16, 2012 at 1800 Willow Lake Road.

For the Audio of this meeting please visit our Website at
<http://www.todb.ca.gov/content/agenda-and-minutes/>

//cmc – 05.08.12



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

May 16, 2012

Prepared By: Dina Breitstein, Finance Manager & Liz Hardy, Sr. Accounts Clerk
Submitted By: Rick Howard, General Manager *RH*

Agenda Title

District Invoices

Recommended Action

Staff recommends that the Board approve the listed invoices for payment.

Executive Summary

District invoices are paid on a regular basis, and must obtain Board authorization prior to payment. Staff recommends Board authorization in order that the District can continue to pay warrants in a timely manner.

Fiscal Impact:

Amount Requested \$451,706.88

Sufficient Budgeted Funds Available?: Yes (If no, see attached fiscal analysis)

Prog/Fund # See listing of invoices. **Category:** Operating Expenses and Capital Improvements

Previous Relevant Board Actions for This Item

Attachments

Request For Authorization to Pay Invoices for the Town of Discovery Bay CSD 2011/2012
Request For Authorization to Pay Invoices for the Discovery Bay Lighting & Landscape District # 8 2011/2012
Request For Authorization to Pay Invoices for the Discovery Bay Lighting & Landscape District # 9 2011/2012

AGENDA ITEM: E-3

Request for authorization to pay invoices (RFA)
 For the Meeting on May 16, 2012
 Town of Discovery Bay CSD
 For Fiscal Year's 7/11 - 6/12

Acct Code					
1	7011	RellaStar	Inv#JR52 457(b)	Benefits for 05/01-05/15/12	\$1,428.05
	7024	ReliaStar	Inv#JR52 457(b)	Benefits for 04/01-04/15/12	\$313.49
				Sub-Total	\$1,741.54
2	7011	SDRMA	Inv#0011265-IN, dtd 05/07/12	Employee Medical Benefits	June 2012 \$1,712.61
	7024	SDRMA	Inv#0011265-IN, dtd 05/07/12	Employee Medical Benefits	June 2012 \$570.87
				Sub-Total	\$2,283.48
3	7030	SDRMA	Inv#38828, dtd 03/08/12	4th Qtr 11-12 Worker's Comp.	\$2,573.00
	7952	SDRMA	Inv#38828, dtd 03/08/12	4th Qtr 11-12 Worker's Comp.	\$1,000.00
				Sub-Total	\$3,573.00
4	7210	Herwit Engineering	Inv# 12-04, dtd 05/01/12	Services for April 1 -30	\$8,821.22
	112-003	Herwit Engineering	Inv# 12-04, dtd 05/01/12	Services for April 1 -30	\$17,640.86
				Sub-Total	\$26,462.08
5	7215	Veolia Water	Inv# 00014692, dtd 05/10/12	O&M Contract for May 2012	\$94,744.15
6	7225	Caselle, Inc.	Inv# 42299, dtd 5/01/12	Support for June 2012	\$265.00
7	7301	American Retrofit Systems	Inv# 220, dtd 05/01/12	L&M to trace elec in MH2 for Sump pump	\$300.00
8	7301	American Retrofit Systems	Inv# 221, dtd 05/03/12	L Only - Clarifier 1 - LS 1	\$900.00
9	7690	American Retrofit Systems	Inv# 222, dtd 05/03/12	L Only - rewire Dump trailer light plug	\$100.00
10	7301	American Retrofit Systems	Inv# 223, dtd 05/08/12	L Only to trouble shoot Bio chamber B Mole	\$700.00
				Sub-Total	\$2,000.00
11		<u>Cal Card - Statement Date 4/25/12</u>			
	7301	General Repairs - Water/Sewer			\$1,666.89
	7430	Office Supplies			\$121.20
	7490	Travel & Training			\$535.00
	7510	Info Systems Maintenance			\$98.99
	7520	Cellular Communications/Data			\$187.58
	7550	Telephone			\$461.97
	7620	Special Equipment			\$68.53
	7630	Facility Maintenance/Landscape			\$70.14
	7690	Equipment Maintenance/Fuel			\$2,432.69
	7950	Miscellaneous Services & Supplies			\$1,324.34
	7951	Miscellaneous Reimbursables			\$233.73
	7952	Landscape Related Reimbursables			\$37.96
					\$7,239.02
12	7301	Corix Water Products	Inv# 1721304407, dtd 04/25/12	Parts for NWTP	\$2,821.48
13	7301	Corix Water Products	Inv# 1721304408, dtd 04/25/12	Parts for NWTP	\$421.35
				Sub-Total	\$3,242.83
14	7301	DC Frost Assoc.	Inv# 6730, dtd 04/20/12	Parts for UV System	\$21,867.07
15	7301	DC Frost Assoc.	Inv# 6732, dtd 04/27/12	Parts for UV System	\$7,435.60
				Sub-Total	\$29,302.67
16	7301	Frank A. Olsen Co	Inv# 225339, dtd 04/26/12	Valve	\$4,421.64
17	7301	Frank A. Olsen Co	Inv# 225387, dtd 05/03/12	Valve	\$4,124.22
				Sub-Total	\$8,545.86
18	7301	Golden State Flow Measurement, Inc.	Inv# I-034616, dtd 04/26/12	Registers	\$3,984.97
19	7301	J.W. Backhoe & Constr.	Inv# 1670, dtd 04/30/12	Repair @ Manhole located Riverlake & Double Point.	\$984.00
20	7301	J.W. Backhoe & Constr.	Inv# 1675, dtd 05/02/12	Repair @ Plant #2	\$4,337.26
				Sub-Total	\$5,321.26
21	7301	R&B Company	Inv# S1298373.001, dtd 05/03/12	Test-Ball Plug	\$276.58
22	7301	Watersavers Irrigation	Inv# I1156105, dtd 4/26/12	Pipe for Stock	\$88.77
23	7301	Watersavers Irrigation	Inv# IW1160984, dtd 5/08/12	Parts for Stock	\$239.49
24	7952	Watersavers Irrigation Inc.	Inv# I1127743, dtd 01/03/12	Tax (Z-57 #2282)	\$59.18
25	7952	Watersavers Irrigation Inc.	Inv# I1128074, dtd 01/04/12	Various fittings (Z-57 #2282)	\$66.41
26	7952	Watersavers Irrigation Inc.	Inv# I1128131, dtd 01/04/12	PVC Piping (Z-57 #2282)	\$9.53
27	7952	Watersavers Irrigation Inc.	Inv# I1153847, dtd 04/20/12	Landscape supplies (Z-61 #2282)	\$92.14
28	7952	Watersavers Irrigation Inc.	Inv# I1154504, dtd 04/23/12	Supplies for planting tree: (Z-61 #2282)	\$73.01
29	7952	Watersavers Irrigation Inc.	Inv# I1158061, dtd 05/01/12	Bubbler (Z-61 #2282)	\$11.56
				Sub-Total	\$640.09
30	7312	Veolia Water	Inv# 00008775, dtd 11/14/11	O&M for October 2011	\$858.98

Request for authorization to pay invoices (RFA)
 For the Meeting on May 16, 2012
 Town of Discovery Bay CSD
 For Fiscal Year's 7/11 - 6/12

Acct Code				
31	7330	Univar Inv# SJ282700, dtd 04/19/12	Chemicals for 1800 Willow Lake WTP	\$1,568.94
32	7330	Univar Inv# SJ284070, dtd 04/27/12	Chemicals for 1800 Willow Lake WTP	\$1,049.10
33	7330	Univar Inv# SJ284071, dtd 04/27/12	Chemicals for 1800 Newport WTP	<u>\$1,270.30</u>
			Sub-Total	\$3,888.34
34		<u>Ace Hardware - Account #808 - Closing Date 3/31/12</u>		
	7430	Office Supplies		\$7.30
	7630	Facility Maintenance/Landscape		\$25.31
	7685	Misc Small Tools		\$14.61
	7690	Equip Maintenance /Fuel		\$12.00
	7950	Misc. Services & Supplies		\$10.67
	7952	Landscape Related Reimb.		<u>\$86.91</u>
			Sub-Total	\$166.80
35	7430	Office Depot Inv# 605366129001, dtd 04/13/12	Office Supplies	\$23.23
36	7430	Office Depot Inv# 605434812001, dtd 04/16/12	Office Supplies	\$50.28
37	7950	Office Depot Inv# 605699386001, dtd 04/17/12	Earth Day Supplies	\$47.96
38	7430	Office Depot Inv# 605699453001, dtd 04/17/12	Office Supplies	\$7.95
39	7430	Office Depot Inv# 606042275001, dtd 04/19/12	Office Supplies	\$53.88
40	7430	Office Depot Inv# 606042346001, dtd 04/19/12	Office Supplies	\$9.99
41	7430	Office Depot Inv# 606206930001, dtd 04/20/12	Office Supplies	\$19.78
42	7430	Office Depot Inv# 606853464001, dtd 04/26/12	Office Supplies	<u>\$40.45</u>
			Sub-Total	\$253.52
43	7490	Frank Cramer Expense Report for 4/02-4/26/12		\$149.30
44	7490	Sue Heint Expense Report for May 2012 (Salinity Project)		\$8.33
45	7510	MediaMacros, Inc. Inv# 2377, dtd 04/26/12	Website Adjustments	\$2,100.00
46	7510	MediaMacros, Inc. Inv# 2383, dtd 05/01/12	Annual Hosting Fee	<u>\$1,000.00</u>
			Sub-Total	\$3,100.00
47	7950	Boardwalk Grill Inv# 2042012, dtd 04/21/12	Volunteer Lunches for Earth Day Event	\$1,143.00
48	7952	Express Employment Inv# 10918482-0, dtd 04/18/12	Laborer	\$287.84
49	7952	Gates & Assoc. Inv# 33794, dtd 05/03/12	Regatta Basketball Court (Z-57 #2310)	\$92.84
50	7952	Odyssey Landscape Co. Inv# 36037025, dtd 04/23/12	Monthly Contract (Z-35 #2282)	\$215.00
51	7952	Odyssey Landscape Co. Inv# 36037025, dtd 04/23/12	Monthly Contract (Z-57 #2282)	\$2,635.00
52	7952	Odyssey Landscape Co. Inv# 36037025, dtd 04/23/12	Monthly Contract (Z-61 #2282)	\$4,280.00
53	7952	Odyssey Landscape Co. Inv# 36037116, dtd 04/30/12	Irrigation Repairs (Z-61 #2282)	<u>\$175.00</u>
			Sub-Total	\$7,305.00
54	1112-003	Conco-West, Inc. Inv# 319, dtd 04/25/12	Dewatering & Solar Dryer #3 - Progress Bill #1	\$192,652.74
55	1112-003	Kleinfelder Inv# 756459, dtd 04/16/12	Testing Solar Dryer #2	\$1,399.00
			TODB TOTAL	\$400,918.21
<hr/>				
		<u>Caselle Utility Account</u>		
	7951	Refund of overpayment #1-011-340-073-3.01		\$1,055.59
			Total	\$1,055.59
<hr/>				
			TODB GRAND TOTAL	\$401,973.80

Request For Authorization To Pay Invoices (RFA)
 For the Meeting on May 16, 2012
 Town of Discovery Bay, D.Bay L&L Park #8
 For Fiscal Year's 7/11 - 6/12

Acct Code							
1	2100	Office Depot	Inv# 606853464001, dtd 04/26/12	Office Supplies		\$17.02	
2	2100	Office Depot	Inv# 606042275001, dtd 04/19/12	Office Supplies		\$36.04	
3	2100	Office Depot	Inv# 605437162001, dtd 04/16/12	Office Supplies		\$17.70	
					Sub-Total	\$70.76	
4	2120	Discovery Bay Disposal	Acct# 17-0001966, dtd 04/30/12	Service for Apr 2012		\$279.75	
5	2120	Town of Discovery Bay CSD	9-900-000-004-2.07 4/15/12	Meter # 59186541		\$3.74	
6	2120	Town of Discovery Bay CSD	9-900-000-004-2.05 4/15/12	Meter # 56844604		\$2.92	
7	2120	Town of Discovery Bay CSD	9-900-000-004-2.01 4/15/12	Meter # 69807726		\$560.59	
8	2120	Town of Discovery Bay CSD	9-900-000-004-2.02 4/15/12	Meter # 56844612		\$5.07	
9	2120	Town of Discovery Bay CSD	9-900-000-004-2.03 4/15/12	Meter # 59186546		\$101.57	
10	2120	Town of Discovery Bay CSD	9-900-000-004-2.04 4/15/12	Meter # 62240129		\$81.88	
11	2120	Town of Discovery Bay CSD	9-900-000-004-2.06 4/15/12	Meter # 69807735		\$101.23	
12	2120	Town of Discovery Bay CSD	9-900-000-004-2.08 4/15/12	Meter # 67801604		\$2.62	
13	2120	Town of Discovery Bay CSD	9-900-000-004-2.09 4/15/12	Meter # 66369167		\$28.47	
14	2120	Town of Discovery Bay CSD	9-900-000-004-4.01 4/15/12	Meter # 68813742		\$2.62	
15	2120	Town of Discovery Bay CSD	9-900-000-004-4.02 4/15/12	Meter # 68993287		\$34.40	
16	2120	Town of Discovery Bay CSD	9-900-000-004-4.03 4/15/12	Meter # 70509819		\$40.85	
					Sub-Total	\$965.96	
17		<u>Ace Hardware Brentwood - Acct # 303 - Closing Date 03/31/12</u>					
	2130	Small Tools & Instruments				\$187.73	
	2270	Maintenance of Equipment				\$61.78	
	2282	Grounds Maintenance				\$25.30	
	2479	Other Special Expenses				\$45.61	
	2490	Misc Services & Supplies				\$23.26	
					Sub-Total	\$343.68	
18		<u>Cal Card - Statement Dated 4/25/12</u>					
	2131	Minor Equipment				\$387.54	
	2270	Maintenance of Equipment				\$64.93	
	2272	Gasoline/Fuel for Equipment				\$556.38	
	2479	Other Special Expenses				\$25.30	
	4829	Hwy 4 Project				\$325.92	
	4829	Hwy 4 Project				\$883.28	
	4834	Cornell Park Project - Bocce Ball				\$2,461.62	
					Sub-Total	\$4,704.97	
19	2282	Watersavers Irrigation	Inv# 11153847, dtd 04/20/12	Landscape Supplies		\$92.16	
20	2130	Watersavers Irrigation	Inv# 11153946, dtd 04/21/12	Shovel Handle and trowel		\$35.95	
21	2130	Watersavers Irrigation	Inv# 11154504, dtd 04/23/12	Gloves		\$8.18	
					Sub-Total	\$136.29	
22	2310	Express Employment	Inv# 10918482-0, dtd 4/18/12	Laborer		\$143.92	
23	4829	Gates & Assoc.	Inv# 33790, dtd 05/03/12	Hwy 4 East Planting		\$945.33	
24	4829	United Parcel Service	Inv# 000012X417172, dtd 04/28/12	Hwy 4 Encroachment Permit Application		\$14.57	
25	4834	Odyssey Landscape Co.	Inv# 36037115, dtd 04/30/12	Irrigation repairs to Tennls Ct, Tot Lot & Bocce areas		\$700.00	
26	4834	Odyssey Landscape Co.	Inv# 36037091, dtd 04/30/12	Horseshoe Pits		\$10,300.00	
27	4834	Odyssey Landscape Co.	Inv# 36037114, dtd 04/30/12	Stucco & Tile pots		\$600.00	
28	4834	Odyssey Landscape Co.	Inv# 36037113, dtd 04/30/12	Bocce ball court		\$4,050.00	
					Sub-Total	\$15,650.00	
29	4834	Vintage Contractors, Inc.	Inv# 4510, dtd 4/30/12	Cornell Tennis Court Resurfacing		\$20,380.00	
					TOTAL	\$43,635.23	

Request For Authorization To Pay Invoices (RFA)
 For the Meeting on May 16, 2012
 Town of Discovery Bay, D.Bay L&L Park #9
 For Fiscal Year's 7/11 - 6/12

<u>Acct Code</u>			
1	2100	Office Depot Inv# 605434854001, dtd 04/16/12	Office Supplies \$17.70
2	2120	Town of Discovery Bay CSD Acct# 9-900-000-004-3.01, dtd 4/15/12	\$116.87
3	2120	Town of Discovery Bay CSD Acct# 9-900-000-004-3.02, dtd 4/15/12	\$359.57
4	2120	Town of Discovery Bay CSD Acct# 9-900-000-004-3.03, dtd 4/15/12	<u>\$109.09</u>
		Sub-total	\$585.53
5		<u>CalCard Statement Dated 4/25/12</u>	
	2120	Utilities	\$6.70
	2131	Minor Equipment	<u>\$28.38</u>
		Sub-total	\$35.08
6		<u>Ace Hardware Brentwood - Acct# 808 - Closing Date 3/31/12</u>	
	2130	Small Tools & Instruments	<u>\$58.43</u>
		Sub-total	\$58.43
7	2282	Watersavers Irrigation Inv# 11153847, dtd 04/20/12	Landscape Supplies \$92.14
8	2130	Watersavers Irrigation Inv# 11153946, dtd 04/21/12	Shovel Handle & trowel \$35.95
9	2282	Watersavers Irrigation Inv# 11154504, dtd 04/23/12	Supplies for planting trees <u>\$73.02</u>
		Sub-total	\$201.11
10	2282	Odyssey Landscape Co. Inv# 36037025, dtd 04/23/12	Monthly Contract \$2,725.00
11	2282	Odyssey Landscape Co. Inv# 36037092, dtd 04/30/12	Concrete pad/Ravenswood \$2,300.00
12	2282	Odyssey Landscape Co. Inv# 36037116, dtd 04/30/12	Irrigation repairs <u>\$175.00</u>
		Sub-total	\$5,200.00
		Total	\$6,097.85



Town of Discovery Bay
"A Community Services District"
AGENDA REPORT

Meeting Date

May 16, 2012

Prepared By: Dina Breitstein, Finance Manager
Submitted By: Rick Howard, General Manager

Agenda Title

District Financials

Recommended Action

Receive and File

Executive Summary

Town of Discovery Bay CSD Water & Sewer

The account total fund balance before reserves for Water & Sewer is \$7,291,564.38

Less the reserves of \$3,000,000.00 & Encumbrances of \$1,947,043.34, the available fund balance is \$2,344,521.04

Plus TODBCSD Bank Account \$313,102.12, the total Funds \$2,657,623.16

DB Lighting & Landscaping Zone #8

The account total fund balance before reserves for DB#8 is \$1,403,639.00

Less the reserves of \$35,000.00, the available fund balance is \$1,368,639.00

DB Lighting & Landscaping Zone #9

The account total fund balance before reserves for DB#8 is \$144,261.00

Less the reserves of \$0.00, the available fund balance is \$144,261.00

Fiscal Impact:

Amount Requested \$0

Sufficient Budgeted Funds Available?: (If no, see attached fiscal analysis)

Prog/Fund # Category:

Previous Relevant Board Actions for This Item

N/A

Attachments

Town of Discovery Bay CSD Transaction Detail Report for 2011-2012 P09 03/13/12-04/11/12

D.Bay L&L Zone #8 Budget vs. Actuals for 2011-2012 P09 03/13/12-04/11/12

D.Bay L&L Zone #9 Budget vs. Actuals for 2011-2012 P09 03/13/12-04/11/12

AGENDA ITEM: E-4

TOWN OF DISCOVERY BAY CSD
 Transaction Detail Report for March 13, 2012 through April 11 2012
 Period 09 for 2011/12

DATE	FOR	AMOUNT
	Receivables for Town of Discovery Bay CSD BAC Account	
	Balance of Account as of end of day March 13, 2012	\$308,636.53
03/13/12-04/11/12	Deposits Made	\$53,698.37
	Balance of Account & Deposits Made Total =	\$362,334.90
	Payables Made from Town of Discovery Bay CSD BAC Account	
03/13/12-04/11/12	Checks/Payroll made out from checking account	\$49,232.78

Balance of Checking Account as of March 13, 2012		\$313,102.12
--	--	--------------

Total Year-to Date Payables Paid from Town of Discovery Bay CD ECC Acct		\$644,955.43
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03/13/12-04/11/12	BEGINNING FUND BALANCE FOR TOWN OF DB CSD IN COUNTY FUNDS	\$5,249,957.96
		\$0.00
	Sub-Total	\$5,249,957.96

REVENUE		
For Fiscal Year Starting 7/1/11		
	Year-to-date Sewer & Water Service Charge for Tax Roll 11/12	\$4,756,597.26
	Year-to-date Investments	\$0.00
03/13/12-04/11/12	Earnings on Investments	\$0.00
	Sub-Total	\$0.00

03/13/12-04/11/12	Year-to-Date Miscellaneous Income	\$0.00
	Misc.	(\$200.00)

SUB-TOTAL REVENUE \$4,756,397.26

GRAND TOTAL Fund Balance & Revenue \$10,006,355.22

EXPENDITURES		
03/13/12-04/11/12	Year-to-date Warrants Paid by CCC for Town of Discovery Bay CSD	\$2,573,648.49
	Warrants Paid	\$131,142.35
	TOTAL EXPENDITURES	\$2,714,790.84

TOTAL BALANCE AT COUNTY OF CONTRA COSTA		\$7,291,564.38
---	--	----------------

TOTAL YEAR TO DATE PAYABLES FROM BAC & CCC		\$3,259,746.27
--	--	----------------

TOTAL BALANCE AT COUNTY OF CONTRA COSTA		\$7,291,564.38
TOTAL BALANCE IN TOWN OF DISCOVERY BAY CSD BAC		\$313,102.12
TOTAL HELD FOR RESERVES		(\$3,000,000.00)
SUBTOTAL		\$4,604,666.50
TOTAL BALANCE OF ENCUMBRANCES		(\$1,947,043.34)

GRAND TOTAL FUNDS LESS RESERVES & ENCUMBRANCES		\$2,657,623.16
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Detail List of Encumbrances		Original Amount	Current Balance
WWTP#1	Wetlands Trial Project	(\$170,000.00)	(\$169,486.00)
Well #6	Well and Pump Design	(\$273,000.00)	(\$1,999.24)
U.V. System	U.V. System upgrade	(\$493,000.00)	\$0.00
Herwit/Stantec	Wastewater Master Plan (Ecologic/Stantec)	(\$180,000.00)	\$0.00
LSCE	Water Master Plan	(\$130,000.00)	\$0.00
LSCE	Well 5A Water Quality & Proposed Testing Program	(\$32,500.00)	(\$32,500.00)
Westech	Clean Flo Spiral Screen	(\$44,487.50)	\$0.00
Herwit	Dewatering BioSolids design only	(\$63,000.00)	\$11,336.61
Herwit	Dewatering BioSolids Const.	(\$65,000.00)	(\$65,000.00)
Caselle	Accounting Software	(\$20,000.00)	(\$9,855.00)
Stantec	UV Disinfection Viral Bioassay Test	(\$50,000.00)	(\$39,381.10)
Bartle Wells & Associates	Capacity Fee	(\$23,000.00)	(\$23,000.00)
Conco West	Dewatering & Solar Dryer #3 Project	(\$899,800.00)	(\$899,800.00)
Conco West	Change Order 1	(\$127,052.00)	(\$127,052.00)
Conco West	Change Order 2/ Contract Change Order	(\$250,768.00)	(\$250,768.00)
Area-Mod Inc.	Dewatering (Belt-Press)	(\$241,000.00)	(\$241,000.00)
Croce & company	11-12 Audit	(\$21,900.00)	(\$21,900.00)
Veolia	Scada System	(\$76,638.61)	(\$76,638.61)
Total		(\$3,151,146.11)	(\$1,947,043.34)

D.Bay I.&L. Park #8 District
 Revenue & Expenditure Budget vs. Actuals Worksheet 2011-12
 March 13, 2012 through April 11 - Period 09

Revenue:	Acct. Code	2011/12 Budget	2011/12 Actuals
Current Funds In Contra Costa County	740/750	\$1,408,536	1,443,928.61
Retainage Account	510		
Due to Other Funds - Yr End	540		
Disbursements	830		
Current Property Taxes	9010	\$430,000	416,281.89
Property Tax Supplemental/Unitary/Secured	9011/13/30/31		(3,672.78)
SRAF State Rev Transfer	9018		
Property Taxes-Current Unsecured	9020	\$14,000	16,996.07
Property Taxes-Prior-Unsecured	9035		(752.76)
Earnings on Investment	9181		
H/O Prop Tax Relief/State Aid/In Lieu Taxes	9385/9435/9580		2,303.66
Misc Revenue & Services	9799&9975		91,411.26
Total Revenue		\$1,862,536	1,966,696.86

Expenditure: Operating Expenses	Acct. Code	2011/12 Budget	2011/12 Actuals
Office Expenses, Books, Postage	2100	(\$1,260)	(\$1,204)
Books, Periodicals & Subscriptions	2102	(\$200)	(\$168)
Postage	2103	(\$50)	\$0
Communications	2110	(\$1,766)	(\$490)
Utilities (Street Lights, Water & Garbage)	2120	(\$108,600)	(\$77,821)
Small Tools & Instruments	2130	(\$2,000)	(\$2,123)
Minor Equipment, Furniture less than \$1000	2131	(\$600)	(\$663)
Household Items	2170	(\$1,750)	(\$2,040)
Public Notices	2190	(\$300)	\$0
Memberships	2200	(\$250)	(\$427)
Rent & Lease of Equipment	2250	(\$500)	(\$15)
Computer Software	2251	\$0	\$0
Maintenance of Equipment	2270	(\$1,000)	(\$1,729)
Automotive Supplies & Repairs	2271	(\$2,000)	(\$1,305)
Gasoline	2272	(\$3,500)	\$4,117
Maintenance of Buildings	2281	(\$5,400)	(\$3,849)
Grounds Maintenance	2282	(\$212,000)	(\$137,847)
Requested Maintenance from County	2284/3620	\$0	\$0
Auto Mileage/Employee Reimbursement	2301	(\$100)	(\$550)
Other Travel Employee Expenses	2303	(\$1,500)	(\$528)
Professional Services/Specialized Services	2310	(\$8,000)	\$0
Staff Payroll	2310	(\$93,760)	(\$64,921)
Insurance	2360	(\$5,000)	(\$4,949)
Road/Construction Materials (Street Signs)	2470	(\$500)	(\$64)
Other Special Expenses	2470	(\$12,000)	(\$9,046)
Miscellaneous Services & Supplies	2490	\$0	
Taxes & Assessments	3530/3550	(\$1,000)	(\$758)
Interfund Exp.(Investment & Property Tax Adm.)	3611	(\$500)	
Reimbursement for County Adm. Costs	5011	(\$500)	
Total Operating Expenses		(\$463,825)	(\$306,369)

Expenditure: Capital/Asset	Acct. Code	2011/12 Budget	2011/12 Actuals
Various Improvements	4265	(\$7,500)	(\$806)
Structure & Walkway Repairs	4546	(\$2,000)	
Playground Equipment	4789	(\$126,000)	(\$164,094)
Landscape Master Plan	4820		(\$28,235)
Misc. Projects - DB Blvd (West)/Sand Point)		(\$12,000)	
Misc. Projects - Highway 4 (East)		(\$30,000)	
Misc. Projects - DB Blvd (East)		(\$60,000)	
Cornell Park (ADA Upgrades)	4834	(\$35,000)	(\$34,600)
Cornell Park (Tennis Court Resurfacing)		(\$20,000)	
Cornell Park (Dog Park Fencing)		(\$85,000)	
Cornell Park (Tot Lot Removal)		(\$12,500)	
Cornell Park (Horse Shoe & Bocce Court)		(\$16,000)	
Vehicle Purchase	4953/4893	(\$25,000)	(\$23,366)
Tools & Sundry Equipment	4956	(\$3,000)	
Total Capital/Asset		(\$423,000)	(\$251,420)
TOTAL EXPENSES & CAPITAL		(\$886,825)	(\$557,489)
TOTAL FUND BALANCE BEFORE RESERVES		\$966,711	\$1,403,639
RESERVES			(\$35,000)
GRAND TOTAL OF EXPENSES/CAPITAL/RESERVES			(\$592,489)
FUND BALANCE AVAILABLE			\$1,368,639

D.Bay L&L Park #9 District
 Revenue & Expenditure Budget vs. Actuals Worksheet 2011-12
 March 13, 2012 through April 11, 2012 - Period 09

Revenue:	Acct. Code	Actuals	2011/12 Budget	2011/12 Actuals
Current Funds In Contra Costa County	740/750	\$166,736	\$82,500	\$109,284
Retainage Account	510			
Disbursements	830	(\$103)		
Current Property Taxes/Street Light Assessment	9754	\$87,493	\$110,856	\$113,100
Property Tax Supplemental/Unitary/Secured	9011/13/30/31			
SRAF State Rev Transfer	9018			
Property Taxes-Current Unsecured	9020			
Property Taxes-Prior-Unsecured	9035			
Earnings on Investment	9181	\$316		
H/O Prop Tax Relief/State Aid/In Lieu Taxes	9305/9435/9580			
Misc Revenue & Services	9799&9975			
Total Revenue		\$264,442	\$193,356	\$222,384

Expenditure: Operating Expenses	Acct. Code	Actuals	2011/12 Budget	2011/12 Actuals
Office Expenses, Books, Postage	2100		(\$500)	(\$168)
Books, Periodicals & Subscriptions	2102		(\$50)	(\$24)
Postage	2103		(\$150)	
Communications	2110		(\$350)	(\$61)
Utilities (Street Lights, Water & Garbage)	2120		(\$26,325)	(\$8,250)
Small Tools & Instruments	2130		(\$750)	(\$110)
Minor Equipment, Furniture less than \$1000	2131		(\$250)	(\$53)
Household Items	2170		(\$750)	(\$486)
Public Notices	2190	(\$91)	(\$500)	
Memberships	2200		(\$50)	
Rent & Lease of Equipment	2250		\$0	
Computer Software	2251		\$0	
Maintenance of Equipment	2270		(\$200)	(\$305)
Automotive Supplies & Repairs	2271		(\$300)	
Gasoline	2272		(\$500)	(\$2,673)
Maintenance of Buildings	2281	(\$153)	\$0	
Grounds Maintenance	2282	(\$2,114)	(\$44,500)	(\$28,114)
Requested Maintenance from County	2284/3620		\$0	
Auto Mileage/Employee Reimbursement	2301		(\$50)	(\$9)
Other Travel Employee Expenses	2303		\$0	(\$307)
Professional Services/Specialized Services	2310	(\$1,900)	(\$8,200)	
Staff Payroll	2310	(\$3,862)	(\$37,952)	(\$19,331)
Insurance	2360		(\$1,500)	(\$1,797)
Road/Construction Materials (Street Signs)	2470		\$0	
Other Special Expenses	2479		(\$1,350)	(\$976)
Miscellaneous Services & Supplies	2490		\$0	
Taxes & Assessments	3530/3550	(\$423)	(\$425)	(\$1,643)
Interfund Exp.(Investment & Property Tax Adm.)	3611		\$0	
Reimbursement for County Adm. Costs	5011		\$0	
Total Operating Expenses		(\$8,543)	(\$124,652)	(\$64,296)

Expenditure: Capital/Asset	Acct. Code	Actuals	2011/12 Budget	2011/12 Actuals
Various Parking Lot Improvements	4226			
Various Improvements (Splash Pad)	4285	(\$1,269)		(13,827)
Structure & Walkway Repairs (Solar)	4546			
Playground Equipment	4789			
Tools & Sundry Equipment	4956			
Total Capital/Asset		(\$1,269)	\$0	(\$13,827)
TOTAL EXPENSES & CAPITAL			(\$124,652)	(\$78,123)
TOTAL FUND BALANCE BEFORE RESERVES			\$68,704	\$144,261

(\$9,624) RESERVES \$0

GRAND TOTAL OF EXPENSES/CAPITAL/RESERVES (\$78,123)

FUND BALANCE AVAILABLE \$144,261



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

May 16, 2012

Prepared By: Rick Howard, General Manager
Submitted By: Rick Howard, General Manager *RHW*

Agenda Title

Appointment of Board Members to District Representative Committee Positions

Recommended Action

It is recommended that the Board appoint District Representatives to Committee positions for 2012

Executive Summary

Each year, the Board of Directors makes appointments for District Representatives. These appointees serve the District on a wide variety of committees and other agencies and report back to the entire board on their findings.

It is appropriate to make the Representative appointments in a timely manner.

Fiscal Impact:

Amount Requested \$

Sufficient Budgeted Funds Available?: (If no, see attached fiscal analysis)

Prog/Fund # Category: Pers. Optg. Cap. -or- CIP# Fund#

Previous Relevant Board Actions for This Item

April 18, 2012

Attachments

District Representative Listing for 2012

AGENDA ITEM: F-1

Town of Discovery Bay CSD Board of Directors

District Representative Listing for 2012*
 Approved / Updated April 18, 2012

DISTRICT REPRESENTATIVE		
	Director Appointed	Alternate
Budget Ad-Hoc Committee	Mark Simon	Ray Tetreault
Community Center	Chris Steele	Ray Tetreault
Contra Costa County Aviation Advisory Committee	Kevin Graves	Chris Steele
Contra Costa County Code Enforcement	Mark Simon	Jim Mattison
Contra Costa Special Districts Association	Kevin Graves	Mark Simon
East Contra Costa County Fire Protection District	Kevin Graves	Mark Simon
East County Water Management Agency	Board President	Board Vice President
Investment Oversight Ad-Hoc Committee	Chris Steele	Mark Simon
LAFCO	Jim Mattison	Mark Simon
Parks/Landscaping	Mark Simon	Ray Tetreault
Police Services	Ray Tetreault	Mark Simon
Recreation Ad-Hoc Committee	Jim Mattison	Kevin Graves
School Districts	Chris Steele	Kevin Graves
Transportation	Kevin Graves	Jim Mattison
Water & Sewer Vendor	Ray Tetreault	Kevin Graves

* Adoption of this Listing constitutes approval of the Board for attendance at meetings and representation of the Town of Discovery Bay, by the designated representative (or in that representative's absence, the alternate) concerning the subject for which the appointment is made but does not address the issue of whether such attendance may be compensated or whether expenses may be paid for such attendance, as those issues are addressed by law and by separate policy of the Board.

SCOPE OF FUNCTIONS

Budget Ad-Hoc Committee: This involves working with staff in the development of the FY2012-13 Operating and Capital Improvement Program Budget. The Committee will meet on at least four (4) occasions prior to finalizing the budget for Board review and consideration.

Community Center. This involves meetings with public officials, public employees, Town staff and developers concerning issues involving the location of the Community Center.

Contra Costa County Aviation Advisory: This involves attending meetings of this committee to discuss airport operations and activities.

Contra Costa County Code Enforcement: This involves meeting with public officials, public employees and community groups covering issues of code enforcement in, or affecting, the Town.

Contra Costa Special Districts Association. This involves attending meeting of the Contra Costa Special Districts Association.

Contra Costa County Fire Protection District. This involves attending meetings of the East Contra Costa County Fire Protection District, and meeting with public officials, public employees and community groups concerning issues of fire protection in, or affecting, the Town.

East County Water Management Association. This involves attending meetings of this association, made up of representatives of local water and wastewater agencies to discuss, and exchange, information pertaining to water and wastewater operations.

Investment Oversight Ad-Hoc Committee - This involves meetings with public officials, public employees, and Town Staff that will review the District's investment portfolio through regular quarterly meetings and make recommendations that are consistent with the District's Investment Policy.

LAFCo: This involves attending meetings of LAFCO when an issue affecting the Town is before LAFCO.

Parks/Landscaping. This involves meeting with contractors, public officials, public employees, Town Staff, and community groups concerning issues involving the Town's parks and/or landscaping.

Police Services. This involves meeting with public officials, public employees and community groups covering issues of police services in, or affecting, the Town.

Recreation Ad-Hoc Committee - This involves meetings with public officials and Town Staff to begin to develop a recreation program aimed at providing additional recreational opportunities to the community.

School Districts. This involves attending meetings of the School Districts, and meeting with public officials, public employees or community groups concerning issues affecting the relationship between the Town and the Town's residents and School Districts whose area involves any portion of the Town.

Transportation. This involves attending meetings with public officials, public employees, and community groups concerning transportation issues affecting the residents of the Town.

Water and Sewer Vendor. This involves meeting with contractors, public officials, public employees, Town Staff, and Community groups concerning issues involving the Town's Water and Sewer contractor(s).



Town of Discovery Bay
"A Community Services District"
AGENDA REPORT

Meeting Date

May 16, 2012

Prepared By: Fairin Perez, Landscape Manager
Submitted By: Rick Howard, General Manager

Agenda Title

Approve and Adopt Resolution 2012-09, Direction to HERWIT Engineering to prepare 2012-2013 annual assessment report for the Ravenswood Improvement District, Discovery Bay Landscape & Lighting Zone #9

Recommended Action

Approval and Adoption of Resolution 2012-09

Executive Summary

As part of the annual assessment process the Ravenswood Improvement District – Discovery Bay Landscape and Lighting Zone #9 (DB L&L #9), the Board must approve and direct an Engineer's Assessment Report be prepared. This approval must be by resolution.

Since its inception, the DB L&L #9 Engineer's assessment reports have been drafted and prepared by HERWIT Engineering (HERWIT). Due to their in depth knowledge of the zone and access to historical data, Staff recommends approving Resolution 2012-09, which directs HERWIT to prepare the 2012-2013 annual assessment report for DB L&L #9.

Fiscal Impact:

Amount Requested: \$1200.00
Sufficient Budgeted Funds Available: Yes
Fund #2310 Category: Operating

Previous Relevant Board Actions for This Item

None.

Attachments

Resolution 2012-09

AGENDA ITEM: F-2



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

RESOLUTION NO. 2012-09

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT (CSD)
CONCERNING THE RAVENSWOOD
IMPROVEMENT DISTRICT – DB L&L ZONE # 9 - ANNUAL ASSESSMENT**

WHEREAS, the Board of Directors of the Town of Discovery Bay CSD, pursuant to a will-serve letter with the developer of that subdivision known as Ravenswood, has formed a landscaping, park, lighting and open space district, known as Ravenswood Improvement District – DB L&L Zone #9, for the purpose of providing for the operation and maintenance of landscaping, parks, street lights and open space installed in said subdivision by developer; and

WHEREAS, the Board of Directors now desires to levy the annual assessment for fiscal year 2012-2013 for such district.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Town of Discovery Bay CSD as follows:

1. The Board of Directors of the Town of Discovery Bay Community Services District, in an effort to deter crime, provide traffic safety, aid law enforcement, and provide a better neighborhood environment has formed an assessment district pursuant to California Streets & Highway Code, Division 15, Part 2, sections 22500 and following, pursuant to Resolution 2005-03.
2. The improvements, the operation and maintenance of which are intended to be funded by the assessments levied by the proposed assessment district, include all expenses associated with the maintenance and operation of non-privately owned landscaping, parks, street lights, and open space in the subdivision 8710 known as Ravenswood.
3. The assessment district consists of that property generally described as Subdivision 8710-Ravenswood being a subdivision of a portion of the Northwest quarter of Section 26, Township 1 North, Range 3 East, Mount Diablo Meridian as recorded in Book 458 of Maps, Pages 1-15, Contra Costa County Records.
4. There are proposed new improvements and change in existing improvements in said district.
5. HERWIT Engineering is hereby ordered to prepare a report for annual assessment for the assessment District in accordance with Article 4, of Chapter 1, of Part 2, of Division 15 (commencing with § 22565), of the California Streets and Highways Code, and to file it with the

Secretary of the Board of Directors of the Town of Discovery Bay
Community Services District.

6. The Board of Directors finds and declares that the formation of the assessment district, and the levy of assessments, is exempt from the requirement of the California Environmental Quality Act (CEQA), pursuant to Title 14 of the California Code of Regulations section 15273(a), in that such formation and levy is not designed to increase services, or expand a system, but is for the purpose, with respect to systems already determined to be installed pursuant to the various documents approving the Ravenswood subdivision, of meeting operating expenses, purchasing supplies, equipment and materials, meeting financial reserve needs, and obtaining funds necessary for repair and replacement to maintain such services and systems.
7. If, and when, the annual assessment is levied, the Secretary of the Board of Directors is authorized and directed to file a notice of exemption from CEQA.
8. The Board Secretary shall certify the adoption of this Resolution.

PASSED, APPROVED AND ADOPTED THIS 16th DAY OF May 2012.

V. Chris Steele
Board President

I hereby certify that the foregoing Resolution was duly adopted by the Board of Directors of the Town of Discovery Bay Community Services District at this regular meeting, held on May 16, 2012, by the following vote of the Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

Richard J. Howard
Board Secretary



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

May 16, 2011

Prepared By: Dina Breitstein, Finance Manager ✓
Submitted By: Rick Howard, General Manager ✓

Agenda Title

Consideration of the FY 2010-11 "Draft" Audit

Recommended Action

Provide comment and feedback to the Draft Audited Financial Statements Fiscal Year 2010-11

Executive Summary

Croce and Company performed the Fiscal Year ending June 30, 2011 audit.

The Draft Year-End Audit for Fiscal Year 2010-11 is presented for Board review, comment and feedback.

Staff is seeking Board input into the Audit and once received, Croce and Co will finalize the Financial Statements for Fiscal Year 2010-11. It is anticipated that the final approval will take place at the June 6, 2012 Regular Meeting of the Board.

Fiscal Impact:

Amount Requested n/a

Sufficient Budgeted Funds Available?: (If no, see attached fiscal analysis)

Prog/Fund # Category:

Previous Relevant Board Actions for This Item

January 4, 2012 Board Authorization to perform Audit for the FY 2010-11

Attachments

1. Working DRAFT Financial Statements & Independent Auditors' Report - Letter to the Board of Directors
2. Working DRAFT Financial Statements & Independent Auditors' Report

AGENDA ITEM: F-3

, 2012

Board of Directors
Town of Discovery Bay Community
Services District
1800 Willow Lake Road
Discovery Bay, California 94505

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of **Town of Discovery Bay Community Services District** for the year ended June 30, 2011, and have issued our report thereon dated May 10, 2012. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to planned scope and timing of our audit. We have communicated such information to you. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by **Town of Discovery Bay Community Services District** are described in Note A to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year ended June 30, 2011. We noted no transactions entered into by the District during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statements was:

- Management's estimate of the allowance for doubtful accounts is based on prior years' experience and management's analysis of accounts receivable. We evaluated the key factors and assumptions used to develop the allowance for doubtful accounts in determining that it is reasonable in relation to the financial statements taken as a whole.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Accordingly, the following material adjustments were identified during the audit and recorded by management:

Water and Sewer Fund

- Entry of \$225,489 to adjust fixed assets as of June 30, 2011
- Entry to record \$1,182,345 of depreciation expense as of June 30, 2011

Lighting & Landscaping Zone 8

- Entry of \$24,147 to adjust cash as of June 30, 2011
- Entry to record \$143,905 of accounts payable as of June 30, 2011

Lighting & Landscaping Zone 9

- Entry to record \$21,276 of accounts payable as of June 30, 2011

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 10, 2012.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the District's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the District's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of **Town of Discovery Bay Community Services District** and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

CROCE & COMPANY ACCOUNTANCY CORPORATION

Working Draft



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2011

NOTHING

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Independent Auditors' Report

To the Board of Directors
**Town of Discovery Bay Community
Services District**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the **Town of Discovery Bay Community Services District (District)** as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the **Town of Discovery Bay Community Services District** as of June 30, 2011, and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with the accounting principles generally accepted in the United States of America.

The Management's Discussion and Analysis on pages 2 through 10 is not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

CROCE & COMPANY
Accountancy Corporation
Stockton, California
May 10, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

Working Draft

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2011

This narrative overview and analysis of the Town of Discovery Bay Community Services District's (District) financial activities for the fiscal year ended June 30, 2011 has been provided by the management of the District. The management's discussion and analysis is intended to serve as an introduction to the District's financial statements which follow this section and is recommended to be reviewed in conjunction with them.

Financial Highlights

- The District's net assets decreased by \$749,642 over the prior year, including a \$31,750 decrease in net assets of governmental activities, and a \$717,892 decrease in net assets of business-type activities. The District's net assets are now \$42,118,180.
- Total assets of the District were \$42,960,535 with capital assets at \$34,477,648 net of accumulated depreciation. Current and other assets were \$8,482,887.
- Total liabilities were \$842,355 consisting of long-term liabilities of \$31,393 and other current liabilities of \$810,962.
- Assets of the District exceeded liabilities at the close of the most recent fiscal year by \$42,118,180 (net assets). Of this amount, \$7,640,532 (unrestricted net assets) may be used to meet the District's ongoing obligations, and \$34,477,648 is invested in capital assets, net of related debt.
- On the current financial resources basis, the District's governmental fund expenditures (including \$519,323 in capital outlay expenditures) exceeded revenues by \$473,594. The proprietary fund expenses exceeded revenues by \$717,892.
- At year-end, there was \$2,189,775 in cash and investments to fund future governmental activities, and \$5,829,745 in cash and investments to fund future business-type activities.

Overview of the Financial Statements

The District's financial statements are comprised of three components: government-wide financial statements, fund financial statements and notes to financial statements including required supplementary information.

Government-wide and fund financial statements present the results of operations for different functions of the District as follows:

1. **Government-wide financial statements** provide both long-term and short-term information about the District's overall financial position in a manner similar to private-sector business.

The **Statement of Net Assets** displays all of the District's assets and liabilities, with the difference between the two reported as net assets. The **Statement of Activities** provides all current year

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2011

Overview of the Financial Statements (Continued)

revenues and expenses on an accrual basis of accounting regardless of when cash is received or paid. These two government-wide statements report the District's net assets and how they have changed during the fiscal year. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or weakening.

The government-wide financial statements separately present the District's functions as follows:

- **Governmental activities** include services financed mainly through property taxes. The District's lighting and landscaping and community center services comprise its governmental activities.
 - **Business-type activities** include services financed, in whole or in part, by fees paid by those who directly benefit from the service. The District's business-type activities include providing water and wastewater services to the residents of the District.
2. **Fund financial statements** focus on the individual functions of the District, and report the District's operations in more detail than the government-wide statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used by state and local governments to control their resources that are legally restricted or otherwise earmarked for special purposes. The District reports its fund financial statements in the following two categories:
- **Governmental funds** are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on 1) short-term inflows and outflows of expendable resources, and 2) the resources remaining at the end of the fiscal year that are available for future use. Because the focus of governmental funds is narrower than the government-wide financial statements, a reconciliation that explains the relationship (or differences) between them is presented following each of the governmental fund statements.
 - **Proprietary funds** are used to report the same functions presented as business-type activities in the government-wide financial statements in more detail.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements.

Financial Analysis of the Government-wide Financial Statements

A review of net assets over time may serve as a useful indicator of the District's financial position. Net assets represent the difference between the District's assets and liabilities. As of June 30, 2011, the District's net assets were \$42,118,180, a decrease of \$749,642 from prior year. The following table outlines the District's net assets by function for the current and prior fiscal years.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2011

Financial Analysis of the Government-wide Financial Statements (Continued)

Town of Discovery Bay Community Services District Net Assets

As of June 30, 2011 and 2010

	Governmental Activities		Business-type Activities		Total		Variance \$
	2011	2010	2011	2010	2011	2010	
Assets							
Current and other assets	\$ 2,257,794	\$ 2,636,625	\$ 6,225,093	\$ 6,293,612	\$ 8,482,887	\$ 8,930,237	\$ (447,350)
Capital assets, net	1,569,054	1,119,103	32,908,594	33,381,288	34,477,648	34,500,391	(22,743)
Total assets	<u>3,826,848</u>	<u>3,755,728</u>	<u>39,133,687</u>	<u>39,674,900</u>	<u>42,960,535</u>	<u>43,430,628</u>	<u>(470,093)</u>
Liabilities							
Current liabilities	179,142	83,019	631,820	479,787	810,962	562,806	248,156
Non-current liabilities	6,747	-	24,646	-	31,393	-	31,393
Total liabilities	<u>185,889</u>	<u>83,019</u>	<u>656,466</u>	<u>479,787</u>	<u>842,355</u>	<u>562,806</u>	<u>279,549</u>
Net Assets							
Invested in capital assets	1,569,054	1,119,103	32,908,594	33,381,288	34,477,648	34,500,391	(22,743)
Unrestricted	2,071,905	2,553,606	5,568,627	5,813,825	7,640,532	8,367,431	(726,899)
Total net assets	<u>\$ 3,640,959</u>	<u>\$ 3,672,709</u>	<u>\$ 38,477,221</u>	<u>\$ 39,195,113</u>	<u>\$ 42,118,180</u>	<u>\$ 42,867,822</u>	<u>\$ (749,642)</u>

By far the largest portion of the District's net assets (82%) reflects its net capital assets (e.g., land, buildings and improvements, equipment, etc.). The District uses its capital assets to provide the services it is responsible for and those assets don't represent future expendable resources. The second largest portion of the District's net assets, approximately 18%, reflects its unrestricted net assets, which may be used to meet the government's ongoing obligations.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2011

Financial Analysis of the Government-wide Financial Statements (Continued)

The following table displays the change in the District's net assets for the year ended June 30, 2011.

Town of Discovery Bay Community Services District Change in Net Assets

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues						
Program revenues						
Charges for services	\$ -	\$ -	\$ 4,699,322	\$ 4,732,243	\$ 4,699,322	\$ 4,732,243
Capital grants and contributions	3,678	2,552	-	-	3,678	2,552
General revenues						
Property taxes	467,101	450,302	-	-	467,101	450,302
Assessments	83,404	82,418	-	-	83,404	82,418
Investment earnings	490	1,751	5,533	10,778	6,023	12,529
Capacity fees	-	-	-	6,172	-	6,172
Miscellaneous	13,382	-	9,207	32,075	22,589	32,075
Total revenues	<u>568,055</u>	<u>537,023</u>	<u>4,714,062</u>	<u>4,781,268</u>	<u>5,282,117</u>	<u>5,318,291</u>
Expenses						
Community center	4,791	7,894	-	-	4,791	7,894
Lighting and landscaping Zone 8	493,040	455,996	-	-	493,040	455,996
Lighting and landscaping Zone 9	107,168	53,533	-	-	107,168	53,533
Water and sewer	-	-	5,426,760	5,051,168	5,426,760	5,051,168
Total expenses	<u>604,999</u>	<u>517,423</u>	<u>5,426,760</u>	<u>5,051,168</u>	<u>6,031,759</u>	<u>5,568,591</u>
Transfers	<u>5,194</u>	<u>-</u>	<u>(5,194)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in net assets	(31,750)	19,600	(717,892)	(269,900)	(749,642)	(250,300)
Contributed capital	-	100,222	-	538,500	-	638,722
Net assets, beginning of year	<u>3,672,709</u>	<u>3,552,887</u>	<u>39,195,113</u>	<u>38,926,513</u>	<u>42,867,822</u>	<u>42,479,400</u>
Net assets, end of year	<u>\$ 3,640,959</u>	<u>\$ 3,672,709</u>	<u>\$38,477,221</u>	<u>\$39,195,113</u>	<u>\$42,118,180</u>	<u>\$42,867,822</u>

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2011

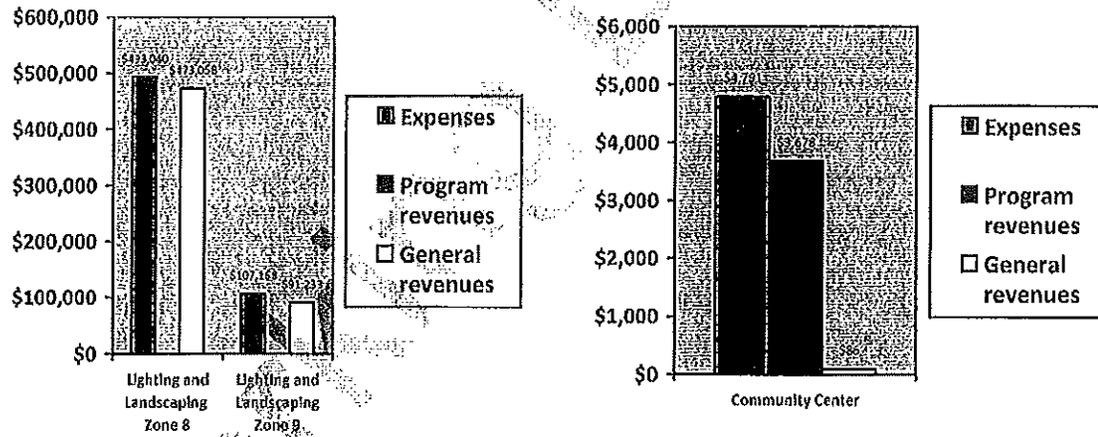
Financial Analysis of the Government-wide Financial Statements (Continued)

The \$749,642 decrease in net assets is attributed to each function as follows:

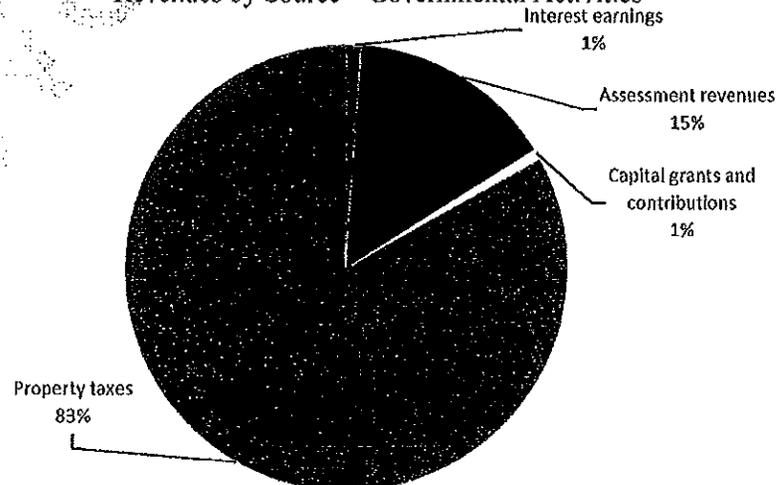
Governmental Activities

- Property tax revenue increased by \$16,799 due to an increase in current secured property taxes.
- Costs for repairs and maintenance increased \$30,910 (13%). Costs for salaries increased \$43,489 (90%).

Expenses and Revenues – Governmental Activities



Revenues by Source – Governmental Activities



(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

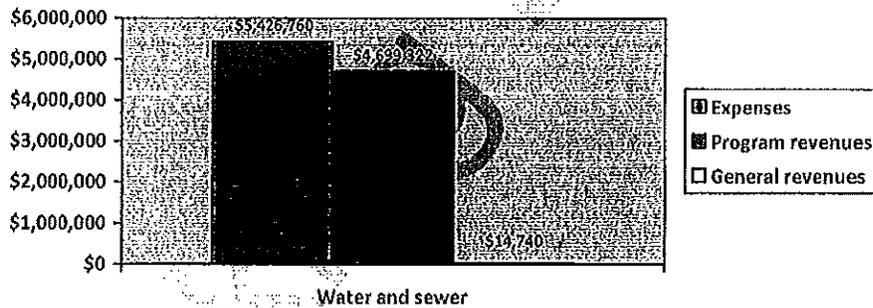
June 30, 2011

Financial Analysis of the Government-wide Financial Statements (Continued)

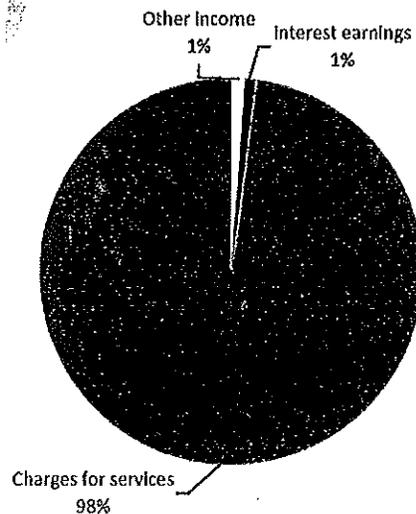
Business-type Activities

- Revenues from investment earnings decreased \$5,244 (49%) due to a decrease in interest rates during fiscal year 2011.
- Revenues from water and sewer usage charges decreased \$56,661 (1%).
- Expenses increased \$378,070 (8%) primarily due to higher depreciation, repairs and maintenance, contract services, and payroll costs.

Expenses and Revenues – Business-type Activities



Revenues by Source – Business-type Activities



TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2011

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on the short-term inflows and outflows and balances of current expendable resources. In particular, the *unassigned fund balance* presented in the balance sheet may serve as a useful measure of the District's resources available for spending at the end of its fiscal year.

As of the end of the current fiscal year, the District's combined governmental fund expenditures exceeded revenues by \$473,594 primarily due to increased expenditures. This resulted in a \$473,594 decrease in the combined ending fund balance of the District's governmental funds. The fund balance of the Lighting and landscaping Zone 8 fund decreased by \$338,922, the fund balance of the Lighting and landscaping Zone 9 fund decreased by \$138,839, and the fund balance of the community center fund increased by \$4,167. At year-end, the combined fund balance of governmental funds was \$2,034,344, consisting of unassigned funds, which is available for spending at the government's discretion.

Proprietary Funds

The District's proprietary fund statements provide the same type of information, in more detail, on the business-type activities presented in the government-wide financial statements.

The net assets of the proprietary funds decreased by \$717,892 from \$39,195,113 to \$38,477,221. The net assets included \$5,568,627 in unrestricted net assets which has decreased by \$245,198 or 5% from the previous year. The decrease in unrestricted net assets is primarily due to an increase in operating expenses.

Capital Asset and Debt Administration

Capital Assets

At the end of fiscal year 2011, the District's investment in capital assets amounted to \$34,477,648 (net of accumulated depreciation). This investment in capital assets includes land, buildings and improvements, equipment, vehicles, structures and improvements, and treatment and collection.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2011

Capital Asset and Debt Administration (Continued)

The District's total investment in capital assets before depreciation increased by \$1,228,891 from \$40,258,287 to \$41,487,178. Significant additions to capital assets included:

- Discovery Point sewer pipeline replacement (\$168,100)
- UV water purification system and bypass pipeline (\$316,453)
- Discovery Bay Boulevard/Sand Point Landscape Improvements (\$190,617)

The following table displays the changes in District's capital assets, net of accumulated depreciation.

Town of Discovery Bay Community Services District's Capital Assets
(net of depreciation, in rounded dollars)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Land	\$ 258,083	\$ 258,083	\$ 267,000	\$ 267,000	\$ 525,083	\$ 525,083
Buildings and improvements	1,636,692	1,392,409	1,180,273	258,370	2,816,965	1,650,779
Treatment and collection	-	-	28,981,928	28,684,047	28,981,928	28,684,047
Structure and Improvements	-	-	6,689,926	6,689,926	6,689,926	6,689,926
Equipment	30,342	23,342	866,177	804,070	896,519	827,412
Office furniture and equipment	4,309	4,309	-	-	4,309	4,309
Vehicles	34,079	16,586	356,928	356,928	391,007	373,514
Construction in progress	282,733	32,269	898,708	1,470,948	1,181,441	1,503,217
Total	2,246,238	1,726,998	39,240,940	38,531,289	41,487,178	40,258,287
Less accumulated depreciation	(677,184)	(607,895)	(6,332,346)	(5,150,001)	(7,009,530)	(5,757,896)
Net capital assets	\$ 1,569,054	\$ 1,119,103	\$32,908,594	\$33,381,288	\$34,477,648	\$34,500,391

Additional information on the District's capital assets can be found in Note E of the "Notes to Financial Statements" section.

Economic Factors and Next Year's Budgets and Rates

During August 2011, in accordance with Proposition 218, the District approved an increase in rates for water and wastewater service charges of 14% effective July 1, 2011. During August 2011, the District approved to increase the assessment rate by 37% for Ravenswood Improvement District (L & L #9) for the fiscal year 2011-2012.

Residential development will continue, but at a much slower pace compared with the past several years, resulting in revenues from water and wastewater capacity fees that are lower than recent years.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Management's Discussion and Analysis

June 30, 2011

Contacting the District's Financial Management

This financial report is designed to provide a general overview of the District's finances and to demonstrate the District's financial accountability and compliance with applicable laws for all those with an interest in the District's finances. Questions concerning any of the information provided in this report, or requests for additional financial information can be addressed to Town of Discovery Bay Community Services District, Attention: General Manager, 1800 Willow Lake Road, Discovery Bay, California 94505.

Working Draft

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Statement of Net Assets

June 30, 2011

	<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Total</u>
Assets			
Cash and investments	\$ 2,189,775	\$ 5,829,745	\$ 8,019,520
Accounts receivable, net of allowance for doubtful accounts	5,034	334,042	339,076
Note receivable	45,668	-	45,668
Advances on taxes	894	832	1,726
Due from other funds	3,184	60,474	63,658
Inventory	13,239	-	13,239
Capital assets, net of accumulated depreciation	<u>1,569,054</u>	<u>32,908,594</u>	<u>34,477,648</u>
Total assets	<u>3,826,848</u>	<u>39,133,687</u>	<u>42,960,535</u>
Liabilities			
Accounts payable	166,541	592,831	759,372
Accrued payroll	5,583	22,973	28,556
Deferred revenue	-	15,933	15,933
Due to other funds	7,018	83	7,101
Long-term liabilities			
Compensated absences	<u>6,747</u>	<u>24,646</u>	<u>31,393</u>
Total liabilities	<u>185,889</u>	<u>656,466</u>	<u>842,355</u>
Net Assets			
Invested in capital assets, net of related debt	1,569,054	32,908,594	34,477,648
Unrestricted	<u>2,071,905</u>	<u>5,568,627</u>	<u>7,640,532</u>
Total net assets	<u>\$ 3,640,959</u>	<u>\$ 38,477,221</u>	<u>\$ 42,118,180</u>

The accompanying notes are an integral part of this financial statement.

STATEMENT OF ACTIVITIES

Working Draft

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Statement of Activities

For the year ended June 30, 2011

	<u>Expenses</u>	<u>Program revenues</u>	
		<u>Charges for services</u>	<u>Operating grants and contributions</u> <u>Capital grants and contributions</u>
Governmental activities			
General government	\$ -	\$ -	\$ -
Community center	4,791	-	3,678
Lighting and landscaping Zone 8	493,040	-	-
Lighting and landscaping Zone 9	107,168	-	-
Total governmental activities	<u>604,999</u>	<u>-</u>	<u>3,678</u>
Business-type activities			
Water and sewer	<u>5,426,760</u>	<u>4,699,322</u>	<u>-</u>
Total business-type activities	<u>5,426,760</u>	<u>4,699,322</u>	<u>-</u>
Total government	<u>\$ 6,031,759</u>	<u>\$ 4,699,322</u>	<u>\$ 3,678</u>

General revenues

Taxes

 Property taxes

 Homeowners property tax relief

 Other

Assessments

Investment income

Other income

Transfers

Total general revenues and transfers

Change in net assets

Net assets, beginning of year

Net assets, end of year

Net (expense) revenue and changes in net assets

<u>Governmental activities</u>	<u>Business-type activities</u>	<u>Totals</u>
\$ -	\$ -	\$ -
(1,113)	-	(1,113)
(493,040)	-	(493,040)
<u>(107,168)</u>	<u>-</u>	<u>(107,168)</u>
<u>(601,321)</u>	<u>-</u>	<u>(601,321)</u>
-	<u>(727,438)</u>	<u>(727,438)</u>
-	<u>(727,438)</u>	<u>(727,438)</u>
<u>(601,321)</u>	<u>(727,438)</u>	<u>(1,328,759)</u>
462,110	-	462,110
4,967	-	4,967
24	-	24
83,404	-	83,404
490	5,533	6,023
13,382	9,207	22,589
<u>5,194</u>	<u>(5,194)</u>	<u>-</u>
<u>569,571</u>	<u>9,546</u>	<u>579,117</u>
(31,750)	(717,892)	(749,642)
<u>3,672,709</u>	<u>39,195,113</u>	<u>42,867,822</u>
<u>\$ 3,640,959</u>	<u>\$ 38,477,221</u>	<u>\$ 42,118,180</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Balance Sheet
Governmental Funds**

June 30, 2011

	Special revenue funds				Total governmental funds
	General fund	Community center	Lighting and landscaping Zone 8	Lighting and landscaping Zone 9	
Assets					
Cash and investments	\$ -	\$ 535,349	\$ 1,526,007	\$ 128,419	\$ 2,189,775
Accounts receivable	-	-	-	5,034	5,034
Advances on taxes	-	-	894	-	894
Inventory	-	13,239	-	-	13,239
Due from other funds	-	-	3,184	-	3,184
Total assets	\$ -	\$ 548,588	\$ 1,530,085	\$ 133,453	\$ 2,212,126
Liabilities and Fund Balance					
Liabilities					
Accounts payable	\$ -	\$ -	\$ 143,905	\$ 21,276	\$ 165,181
Accrued payroll	-	-	5,583	-	5,583
Due to other funds	-	-	7,018	-	7,018
Total liabilities	\$ -	\$ -	\$ 156,506	\$ 21,276	\$ 177,782
Fund balances					
Committed to:					
Community center	-	548,588	-	-	548,588
Lighting and landscaping Zone 8	-	-	1,373,579	-	1,373,579
Lighting and landscaping Zone 9	-	-	-	112,177	112,177
Total fund balances	\$ -	\$ 548,588	\$ 1,373,579	\$ 112,177	\$ 2,034,344
Total liabilities and fund balances	\$ -	\$ 548,588	\$ 1,530,085	\$ 133,453	\$ 2,212,126
Reconciliation to statement of net assets					
Total governmental fund balances					2,034,344
Amounts reported for governmental activities in the statement of net assets are different because:					
Notes receivable in governmental funds are not available to pay for current period expenditures					45,668
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds					1,569,054
Long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the balance sheet of governmental funds					(6,747)
Accounts payable that are not due and payable in the current period, and, therefore, is not reported in the governmental funds balance sheet					(1,360)
Net assets of governmental activities					\$ 3,640,959

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds**

For the year ended June 30, 2011

	<u>Special revenue funds</u>				Total governmental funds
	<u>General fund</u>	<u>Community center</u>	<u>Lighting and landscaping Zone 8</u>	<u>Lighting and landscaping Zone 9</u>	
Revenues					
Property taxes	\$ -	\$ -	\$ 460,268	\$ -	\$ 460,268
Assessment income	-	-	-	83,404	83,404
Investment income	-	86	404	-	490
Homeowners property tax relief	-	-	4,967	-	4,967
Other	-	-	7,419	7,829	15,248
Contributions	-	3,678	-	-	3,678
Total revenues	<u>-</u>	<u>3,764</u>	<u>473,058</u>	<u>91,233</u>	<u>568,055</u>
Expenditures					
Repairs and maintenance	-	-	219,287	49,412	268,699
Utilities	-	-	97,794	13,196	110,990
Payroll	-	-	68,241	23,345	91,586
Other	-	4,662	19,277	8,429	32,368
Insurance	-	-	6,921	490	7,411
Professional fees	-	129	9,438	6,899	16,466
Capital outlay	-	-	391,022	128,301	519,323
Total expenditures	<u>-</u>	<u>4,791</u>	<u>811,980</u>	<u>230,072</u>	<u>1,046,843</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>(1,027)</u>	<u>(338,922)</u>	<u>(138,839)</u>	<u>(478,788)</u>
Other financing sources					
Operating transfers in	-	5,194	-	-	5,194
Total other financing sources	<u>-</u>	<u>5,194</u>	<u>-</u>	<u>-</u>	<u>5,194</u>
Net change in fund balances	-	4,167	(338,922)	(138,839)	(473,594)
Fund balances, beginning of year	<u>-</u>	<u>544,421</u>	<u>1,712,501</u>	<u>251,016</u>	<u>2,507,938</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 548,588</u>	<u>\$ 1,373,579</u>	<u>\$ 112,177</u>	<u>\$ 2,034,344</u>

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds (Continued)

For the year ended June 30, 2011

Reconciliation to statement of activities

Net change in fund balances – governmental funds	\$ (473,594)
Amounts reported for governmental activities in the statement of net assets are different because of the following:	
Depreciation expense related to capital assets is recognized in the statement of activities, but is not reported in the funds	(69,372)
Governmental funds report capital outlays as expenditures while governmental activities record depreciation expense to allocate those expenditures over the life of the assets	519,323
Change in accrued vacation is recorded as an expense in the statement of activities	(6,747)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds	<u>(1,360)</u>
Change in net assets of governmental activities	<u>\$ (31,750)</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Net Assets
Proprietary Fund**

June 30, 2011

Assets		<u>Water and sewer fund</u>
Current assets		
Cash and investments		\$ 5,829,745
Accounts receivable, net of allowance for doubtful accounts of \$36,905		334,042
Advances on taxes		832
Due from other funds		<u>60,474</u>
Total current assets		<u>6,225,093</u>
Capital assets, net of accumulated depreciation		<u>32,908,594</u>
Total assets		<u>39,133,687</u>
Liabilities and Net Assets		
Current liabilities (payable from current assets)		
Accounts payable		592,831
Accrued payroll		22,973
Due to other funds		83
Deferred revenue		<u>15,933</u>
Total current liabilities		656,466
Noncurrent liabilities		
Compensated absences		<u>24,646</u>
Total liabilities		<u>631,820</u>
Net Assets		
Invested in capital assets, net of related debt		32,908,594
Unrestricted		
Board designated		3,000,000
Undesignated		<u>2,568,627</u>
Total net assets		<u>\$ 38,477,221</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Revenues, Expenses and Change in Net Assets
Proprietary Fund**

June 30, 2011

	<u>Water and sewer fund</u>
Operating revenues	
Charges for services	\$ 4,582,170
Reimbursements	116,102
Other	9,207
Connection fees	<u>1,050</u>
Total operating revenues	<u>4,708,529</u>
Operating expenses	
Contract services	1,649,903
Depreciation	1,182,345
Repairs and maintenance	834,362
Utilities	642,705
Payroll	606,412
Professional fees	127,106
Chemicals	101,406
Employee benefits	60,199
Insurance	57,636
Permits and fees	54,676
Miscellaneous	28,123
Directors' expenses	26,336
Telephone and communications	21,451
Supplies	20,140
Memberships	6,123
Public communication	4,190
Staff training	<u>3,647</u>
Total operating expenses	<u>5,426,760</u>
Operating loss	<u>(718,231)</u>
Nonoperating revenues (expenses)	
Interest income	<u>5,533</u>
Total nonoperating revenues (expenses)	<u>5,533</u>
Net loss before transfers	(712,698)
Transfers out	<u>(5,194)</u>
Change in net assets	(717,892)
Net assets, beginning of year	<u>39,195,113</u>
Net assets, end of year	<u>\$ 38,477,221</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

**Statement of Cash Flows
Proprietary Fund**

June 30, 2011

	<u>Water and sewer fund</u>
Cash flows from operating activities	
Receipts from customers	\$ 4,618,120
Payments to suppliers for goods and services	(3,408,375)
Payments to employees and directors	(610,699)
Payments to other funds for services	<u>(8,778)</u>
Net cash provided by operating activities	<u>590,268</u>
Cash flows from noncapital financing activities	
Transfer to other funds	<u>(5,194)</u>
Net cash used in noncapital financing activities	<u>(5,194)</u>
Cash flows from capital and related financing activities	
Acquisition of capital assets	<u>(709,651)</u>
Net cash used in capital and related financing activities	<u>(709,651)</u>
Cash flows from investing activities	
Interest income	<u>5,533</u>
Net cash provided by investing activities	<u>5,533</u>
Net decrease in cash and cash equivalents	(119,044)
Cash and cash equivalents, beginning of year	<u>5,948,789</u>
Cash and cash equivalents, end of year	<u>\$ 5,829,745</u>
Reconciliation of operating loss to net cash provided by operating activities	
Operating loss	\$ (718,231)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Depreciation	1,182,345
Change in assets and liabilities	
Accounts receivable	(89,290)
Prepaid expenses	47,626
Due from other funds	(8,861)
Accounts payable	155,666
Accrued payroll	(2,597)
Compensated absences	24,646
Deferred revenue	(1,119)
Due to other funds	<u>83</u>
Net cash provided by operating activities	<u>\$ 590,268</u>

The accompanying notes are an integral part of this financial statement.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note A – Summary of Significant Accounting Policies

This summary of significant accounting policies of the Town of Discovery Bay Community Services District (the District) is presented to assist in understanding the District's financial statements.

Description of the reporting entity

The Town of Discovery Bay Community Services District, formerly known as Discovery Bay Community Services District was formed by the residents of Discovery Bay under the authority of the Cortese-Knox Act (Gov. C. Sec. 56000). This newly formed special district was formed as a result of a petition of residents to provide services to the residents of Discovery Bay. Effective July 1, 1998, the District assumed the responsibilities, funding, and assets previously held by the dissolved Sanitation District #19. During November 1998, the residents of Discovery Bay voted to activate the latent powers of the District to include recreation; specifically, to acquire, fund, and operate a Community Center.

Effective August 13, 2003, the Local Agency Formation Commission (LAFCO) of Contra Costa County dissolved County Service Area M-8 and annexed the territory to the Town of Discovery Bay Community Services District. The District is responsible for maintaining the lighting, landscaping, and parks within Service Area M-8 of the Town of Discovery Bay.

The Town of Discovery Bay Community Services District formed an assessment district known as Ravenswood Improvement District – Discovery Bay Lighting and landscaping Zone 9 for the purpose of providing for the operation and maintenance of landscaping, parks and open space in the subdivision known as Ravenswood.

The purpose of the Town of Discovery Bay Community Services District, a multipurpose independent district, is to represent the residents of Discovery Bay in any matters covered under the California Government Code relating to a Community Services District. In addition to the purposes listed in the Government Code, the District has been ordered by LAFCO and the Board of Supervisors to perform an advisory role for the residents of Discovery Bay. This role includes, but is not limited to, advising the County in matters of land use planning, zoning, compliance, roads and streets, lighting, landscaping, parks and public safety services. The District also provides water and sewer services to the Town of Discovery Bay.

Government-wide financial statements

The Statement of Net Assets and Statement of Activities display information about the reporting government as a whole. These statements include the financial activities of the overall District government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between governmental and business-type activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note A – Summary of Significant Accounting Policies (Continued)

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) charges paid by the recipients of goods or services offered by the programs, (b) grants and contributions that are restricted to meeting the operational needs of a particular program, and (c) fees, grants, and contributions that are restricted to financing the acquisition or construction of capital assets. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund financial statements

Fund financial statements of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, revenues, and expenditures/expenses. Funds are organized into two major categories: governmental and proprietary. The District presently has no fiduciary funds. An emphasis is placed on major funds within the governmental and proprietary categories. A fund is considered major if it is the primary operating fund of the District or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type, and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The funds of the financial reporting entity are described below:

Governmental Funds

The General Fund is the primary operating fund of the District and is always classified as a major fund. It is used to account for all activities except those legally or administratively required to be accounted for in other funds.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note A – Summary of Significant Accounting Policies (Continued)

Special Revenue Funds are used to account for the proceeds of the specific revenue sources that are either legally restricted to expenditures for specified purposes or designated to finance particular functions or activities of the District. The reporting entity includes the following special revenue funds, all of which are reported as major funds:

<u>Fund</u>	<u>Brief description</u>
Community Center	Accounts for revenues and expenditures of acquiring, funding, and operating a community center.
Lighting and landscaping Zone 8	Accounts for revenues and expenditures related to maintenance of community lighting and landscape features in Zone 8.
Lighting and landscaping Zone 9	Accounts for revenues and expenditures related to operation and maintenance of landscaping, parks and open space in the subdivision known as Ravenswood.

Proprietary Funds

Enterprise Funds are used to account for business-like activities provided to the general public. These activities are financed primarily by user charges, and the measurement of financial activity focuses on net income measurement similar to the private sector. The reporting entity includes the following enterprise funds, all of which are reported as major funds:

<u>Fund</u>	<u>Brief description</u>
Water and Sewer Fund	Accounts for the activities of providing water and wastewater services to the residents of the District. All activities necessary to provide such services are accounted for in this fund, including administration, operations, capital improvements, maintenance, financing and related debt service, and billing and collection.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The District's operating revenues include all revenues derived from water and sewage services. Operating expenses include all costs related to water and sewage services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses, except for capital contributions, which represent capital contributions collected for the acquisition or construction of capital assets.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note A – Summary of Significant Accounting Policies (Continued)

Measurement focus

In the government-wide Statement of Net Assets and the Statement of Activities, both governmental and business-like activities are presented using the economic resources measurement focus as defined in item b below.

In the fund financial statements, the “current financial resources” measurement focus or the “economic resources” measurement focus is used as appropriate.

- a. All governmental funds utilize a “current financial resources” measurement focus. Only current financial assets and liabilities are generally included on their balance sheets. Their operating statements present sources and uses of available spendable financial resources during a given period. These funds use fund balance as their measure of available spendable financial resources at the end of the period.
- b. The proprietary fund utilizes an “economic resources” measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. All assets and liabilities (whether current or noncurrent) associated with their activities are reported. Proprietary fund equity is classified as net assets.

Basis of accounting

In the government-wide Statement of Net Assets and Statement of Activities both governmental and business-like activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

In the fund financial statements, governmental funds are presented on the modified accrual basis of accounting. Under this modified accrual basis of accounting, revenues are recognized when “measurable and available.”

Measurable means knowing or being able to reasonably estimate the amount. Available means collectible within the current period or within sixty days after year-end. Expenditures (including capital outlay) are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent that they have matured.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note A – Summary of Significant Accounting Policies (Continued)

All proprietary funds utilize the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used.

Cash, cash equivalents and investments

For the purpose of financial reporting "cash and cash equivalents" includes all demand and savings accounts and certificates of deposit or short-term investments with an original maturity of three months or less. This also includes short term commercial paper and U.S. Agency bonds.

Investments are stated at cost, which approximates fair value.

Accounts receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The District provides for losses on accounts receivable using the allowance method. The allowance is based on historical experience and management's evaluation of outstanding accounts receivable.

Inventory

Inventory held in the special revenue fund is carried at cost using the first-in/first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Capital assets

All capital assets are valued at historical cost or estimated historical cost. The District's policy is to capitalize all assets with costs exceeding certain minimum thresholds and with useful lives exceeding two years.

Depreciation has been provided on capital assets and is charged as an expense against operations each year. The total amount of depreciation taken over the years is reported on the balance sheet as a reduction in the book value of capital assets.

Depreciation is provided using the straight line method which means the cost of the asset is divided by its expected useful life in years and the result is charged to expense each year until the asset is fully depreciated. The District has assigned the useful lives listed below to capital assets.

Structures and improvements	5-50 years
Equipment	5-25 years
Vehicles	5 years

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note A – Summary of Significant Accounting Policies (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Compensated absences

Compensated absences are accrued as earned by employees, and consist of accruals for vacation time. The District's liability for compensated absences is reported in the Statement of Net Assets for governmental activities in the government-wide financial statements.

Net assets

Equity in the government-wide statements is classified as net assets and displayed in three components as follows:

- a. Invested in capital assets, net of related debt – Consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Governmental fund equity in the fund financial statements is classified as fund balance. Proprietary fund equity is classified the same as in the government-wide statement.

Fund balance

In the fund financial statements, fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: nonspendable, restricted, committed, assigned and unassigned.

Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note A – Summary of Significant Accounting Policies (Continued)

Restricted – includes amounts that have constraints placed on them either externally by third-parties (creditors, grantors, contributors, or laws or regulations of other governments) or by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the District to assess, levy, charge or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement (compelled by external parties) that those resources be used only for the specific purposes stipulated in the legislation.

Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the District's highest level of decision making authority which includes the District charter, ordinances and resolutions. Those committed amounts cannot be used for any other purpose unless the District removes or changes the specified use by taking the same type of action (District charter, ordinance and resolution) it employed previously to commit those amounts.

Assigned – includes amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. The authority for assigning fund balance is expressed by the Board of Trustees, District manager or their designee as established in the District's Fund Balance Policy.

Unassigned – includes amounts that have not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. Other governmental funds besides the general fund can only report a negative unassigned fund balance amount.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources (committed, assigned and unassigned) as they are needed. When unrestricted resources (committed, assigned and unassigned) are available for use it is the District's policy to use committed resources first, then assigned, and then unassigned as they are needed.

Internal and Interfund Balances and Activities

In the process of aggregating the financial information for the government-wide Statement of Net Assets and Statement of Activities, some amounts reported as interfund activity and balances in the fund financial statements have been eliminated or reclassified.

Interfund activity, if any, within and among the governmental and proprietary fund categories is reported as follows in the fund financial statements:

1. Interfund loans – Amounts provided with a requirement for repayment are reported as interfund receivables and payables.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note A – Summary of Significant Accounting Policies (Continued)

2. Interfund services – Sales or purchases of goods and services between funds are reported as revenues and expenditures/expenses.
3. Interfund reimbursements – Repayments from funds responsible for certain expenditures/expenses to the funds that initially paid for them are not reported as reimbursements but as adjustments to expenditures/expenses in the respective funds.
4. Interfund transfers – Flow of assets from one fund to another where repayment is not expected are reported as transfers in and out.

Interfund activity and balances, if any, are eliminated or reclassified in the government-wide financial statements as follows:

1. Internal balances – Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the governmental and business-type activities columns of the Statement of Net Assets, except for the net residual amounts due between governmental and business-type activities, which are reported as Internal Balances.
2. Internal activities – Amounts reported as interfund transfers in the fund financial statements are eliminated in the government-wide Statement of Activities except for the net amount of transfers between governmental and business-type activities, which are reported as Transfers – Internal Activities. The effects of interfund services between funds, if any, are not eliminated in the Statement of Activities.

Property taxes

Property taxes and property assessments were levied January 1, 2010, assessed July 1, 2010 and were payable in two installments on December 10, 2010 and April 10, 2011. The County of Contra Costa bills and collects property taxes on behalf of the District.

Contributed capital

Effective August 13, 2003, the District recorded contributed capital to transfer funds from County Service M-8 to Lighting and landscaping Zone 8. The Lighting and landscaping Zone 8 district became the responsibility of the District on August 13, 2003. The contributed capital represents all capital assets and assets transferred to the District.

The District has received \$18,757,813 of noncash capital contributions from developers consisting of water and sewer infrastructure.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note A – Summary of Significant Accounting Policies (Continued)

Estimates

The preparation of the basic financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

Budgetary accounting

The District does not adopt appropriated budgets. However, the District does adopt non-appropriated budgets annually, which are approved by the Board of Directors.

Long-lived assets

Long-lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the related carrying amount may not be recoverable. When required, impairment losses on assets to be held and used are recognized based on the fair value of the asset. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less costs to sell.

New accounting pronouncements

The District implemented Government Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, for the year ended June 30, 2011. This Statement did not have a material impact on the financial statements.

Note B – Cash and Investments

Cash and Investments as of June 30, 2011 are classified in the accompanying financial statements as follows:

Statement of net assets:

Cash and investments	\$ 8,019,520
Total cash and investments	\$ 8,019,520

Cash and investments as of June 30, 2011 consist of the following:

Deposits with financial institutions	\$ 668,811
Contra Costa County Treasurer	4,093,060
Investments	3,257,649
	\$ 8,019,520

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note B – Cash and Investments (Continued)

<u>Investment Type</u>	<u>Carrying value</u>	<u>Fair value</u>
U.S. Agencies – Bonds	\$ 3,251,000	\$ 3,251,000
Certificate of Deposit	<u>6,649</u>	<u>6,649</u>
	<u>\$ 3,257,649</u>	<u>\$ 3,257,649</u>

The District maintains a cash and investment pool that is available for use by all funds except for the Lighting and landscaping fund whose investments were directed by Contra Costa County. Each fund type's portion of this pool is displayed on the statement of net assets and balance sheet as "cash and investments". Cash balances from all participating funds are combined and invested to the extent possible, pursuant to the Board of Directors approved Investment Policy and guidelines, and the California Government Code Section 53600.

The Government Code and the District's Investment Policy allow investments in the following instruments:

<u>Investment Type</u>	<u>Maximum Maturity</u>	<u>Authorized Limit%</u>	<u>Required Rating</u>
Local Agency Bonds	N/A	None	None
U.S. Treasury Bills, Notes or Bonds	N/A	None	None
State Registered Warrants, Notes, or Bonds	N/A	None	None
Notes and bonds of other Local California Agencies including pooled investment accounts	N/A	None	None
U.S. Agencies	N/A	None	None
Bankers' Acceptances	270 days	40%	None
Prime Commercial Paper	180 days	15% or 30%	A1/P1
Negotiable Certificates of Deposit	N/A	30%	None
Repurchase and Reverse Repurchase Agreements	N/A	None/20%	None
Medium Term Corporate Notes	5 years	30%	A
Money Market Mutual Funds	N/A	15%	2-AAA
Collateralized Bank Deposits	N/A	None	None
Mortgage Pass-Through Securities	5 years	30%	AA
Funds held under the Terms of a Trust Indenture or other contract	*	*	*

*Such funds may be invested according to the provisions of those indentures or agreements.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note B – Cash and Investments (Continued)

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer term investments and by timing cash flows from maturities as necessary to provide the cash flow and liquidity needed for operations.

Information about the sensitivity of the fair values of the District's investments (including investments held by bond trustee) to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity:

<u>Investment Type</u>	<u>Totals</u>	<u>12 months or less</u>	<u>13 – 24 months</u>	<u>25-36 months</u>	<u>37 – 48 months</u>	<u>49 – 60 months</u>	<u>More than 60 months</u>
U.S. Agencies – Bonds	\$ 3,251,000	\$ 3,251,000	\$ -	\$ -	\$ -	\$ -	\$ -
Certificate of Deposit	6,649	-	6,649	-	-	-	-
Total	\$ 3,257,649	\$ 3,251,000	\$ 6,649	\$ -	\$ -	\$ -	\$ -

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Presented below is the minimum rating required by (where applicable) the California Government Code, the District's investment policy, or debt agreements, and the actual rating as of fiscal year end for each investment type.

<u>Investment Type</u>	<u>Amount</u>	<u>Minimum Legal Rating</u>	<u>Exempt From Disclosure</u>	<u>Rating as of Fiscal Year End</u>				<u>As of Investment</u>
				<u>AAA</u>	<u>AA</u>	<u>A</u>	<u>Not Rated</u>	
U.S. Agencies – Bonds	\$3,251,000	N/A	\$ -	\$3,251,000	\$ -	\$ -	\$ -	99%
Certificate of Deposit	6,649	N/A	-	-	-	-	6,649	1%
Total	\$3,257,649	N/A	\$ -	\$3,251,000	\$ -	\$ -	\$ 6,649	100%

Concentration of Credit Risk

The investment policy of the District contains limitations on the amount that can be invested in certain types of investments.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note B – Cash and Investments (Continued)

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposit or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g. broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the government unit). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Deposits with financial institutions and Contra Costa County Treasurer

Cash on deposit in commercial accounts is insured by the FDIC. Cash held by the Contra-Costa County Treasury is pooled with other County deposits for investment purposes by the County Treasurer in accordance with the investment policy of the County Treasurer (see County Treasurer's investment policy at <http://www.co.contra-costa.ca.us/>). The Pool has established a treasury oversight committee to monitor and review the management of public funds maintained in the Pool.

Participants' equity in the investment pool is determined by the dollar amount of the participant deposits, adjusted for withdrawals and distributed investment income. Investment income is prorated to individual funds based on their average daily cash balances. The value of the District shares in the Pool, which may be withdrawn, is determined on an amortized cost basis, which is different than the fair value of the District's position in the Pool. The District's investment in the Pool is unrated, stated at cost which approximates fair value, available upon demand and considered cash equivalents.

Note C – Note Receivable

Under the provisions of Proposition 1A and as part of the 2009-10 budget package passed by the California state legislature on July 28, 2009, the State of California borrowed 8% of the amount of property tax revenue, including those property taxes associated with the in-lieu motor vehicle license fee, the triple flip in lieu sales tax, and supplemental property tax, apportioned to cities, counties and special districts (excluding redevelopment agencies). The state is required to repay this borrowing plus interest by June 30, 2013. After repayment of this initial borrowing, the California legislature may consider only one additional borrowing within a ten-year period. The amount of this borrowing pertaining to Town of Discovery Bay Community Services District was \$45,668.

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note C – Note Receivable (Continued)

This borrowing by the State of California was recognized as a receivable in the accompanying financial statements. Under the modified accrual basis of accounting, the borrowed tax revenues are not permitted to be recognized as revenue in the governmental fund financial statements until the tax revenues are received from the State of California (expected to be fiscal year 2012-2013). In the government-wide financial statements, the tax revenues were recognized in the fiscal year for which they were levied (fiscal year 2009-10).

Note D – Interfund Transactions

Interfund transactions consist of the following:

Transfers between funds

Resources may be transferred from one District fund to another with approval. The purpose of the majority of transfers is to reimburse a fund which has made an expenditure on behalf of another fund. Less often, a transfer may be made to open or close a fund.

Transfers between funds during the year ended June 30, 2011 were as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major Governmental Funds		
Community Center	\$ -	\$ -
Lighting and landscaping Zone 8 Fund	7,018	3,184
Lighting and landscaping Zone 9 Fund	-	-
Major Proprietary Fund		
Water and Sewer Fund	83	60,474
Total interfund transfers	<u>\$ 7,101</u>	<u>\$ 63,658</u>

In general, the District uses interfund transfers to:

- Transfer unrestricted revenues collected in the water and sewer fund to help finance various programs and capital projects accounted for in other funds
- Fund operations (move revenues from the funds that collect them to the funds that statute or budget requires to expend them)
- Fund interdepartmental cost reimbursement
- Fund capital projects

The effect of the interfund activity has not been eliminated from the government-wide financial statements as the amounts relate to transfers between governmental and business-type activities. The transfers have resulted from deposits made by Contra Costa County into the Sewer and Water Fund for revenues of the Community Center Special Revenue Fund.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note E – Capital Assets

Capital asset activity for the year ended June 30, 2011, is as follows:

	Balance June 30, 2010	Additions	Deletions	Transfers	Balance June 30, 2011
Governmental activities					
Nondepreciable capital assets					
Land	\$ 258,083	\$ -	\$ -	\$ -	\$ 258,083
Construction in progress	<u>32,269</u>	<u>274,529</u>	<u>-</u>	<u>(24,065)</u>	<u>282,733</u>
Total nondepreciable capital assets	<u>290,352</u>	<u>274,529</u>	<u>-</u>	<u>(24,065)</u>	<u>540,816</u>
Depreciable capital assets					
Equipment	23,842	7,000	-	-	30,342
Buildings and improvements	1,392,409	220,302	(84)	24,065	1,636,692
Office furniture and equipment	4,309	-	-	-	4,309
Vehicles	<u>16,586</u>	<u>17,493</u>	<u>-</u>	<u>-</u>	<u>34,079</u>
Total depreciable capital assets	<u>1,436,646</u>	<u>244,795</u>	<u>(84)</u>	<u>24,065</u>	<u>1,705,422</u>
Less accumulated depreciation	<u>(607,895)</u>	<u>(69,373)</u>	<u>84</u>	<u>-</u>	<u>(677,184)</u>
Net depreciable capital assets	<u>828,751</u>	<u>175,422</u>	<u>-</u>	<u>24,065</u>	<u>1,028,238</u>
Net capital assets	<u>\$ 1,119,103</u>	<u>\$ 449,951</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,569,054</u>
Business-type activities					
Nondepreciable capital assets					
Land	\$ 267,000	\$ -	\$ -	\$ -	\$ 267,000
Construction in progress	<u>1,470,948</u>	<u>18,584</u>	<u>-</u>	<u>(590,824)</u>	<u>898,708</u>
Total nondepreciable capital assets	<u>1,737,948</u>	<u>18,584</u>	<u>-</u>	<u>(590,824)</u>	<u>1,165,708</u>

(Continued)

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note E – Capital Assets (Continued)

	Balance June 30, 2010	Additions	Deletions	Transfers	Balance June 30, 2011
Business-type activities (Continued)					
Depreciable capital assets					
Buildings and improvements	258,370	331,079	-	590,824	1,180,273
Treatment and collection	28,684,047	297,881	-	-	28,981,928
Structures and improvements	6,689,926	-	-	-	6,689,926
Equipment	804,070	62,107	-	-	866,177
Vehicles	356,928	-	-	-	356,928
Total depreciable capital assets	36,793,341	691,067	-	590,824	38,075,232
Less accumulated depreciation	(5,150,001)	(1,182,345)	-	-	(6,332,346)
Net depreciable capital assets	31,643,340	(491,278)	-	590,824	31,742,886
Net capital assets	\$ 33,381,288	\$ (472,697)	\$ -	\$ -	\$ 32,908,594

Depreciation expense was charged to function and programs based on their usage of the related assets. The amounts allocated to each function or program were as follows:

Governmental activities:	
Lighting and landscaping Zone 8	\$ 65,336
Lighting and landscaping Zone 9	4,037
Total depreciation expense – Governmental activities	<u>\$ 69,373</u>
Business-type activities:	
Water and sewer	\$ 1,182,345
Total depreciation expense – Business-type activities	<u>\$ 1,182,345</u>

Note F – Deferred Compensation Plan

Employees of the District may participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The deferred compensation plan is available to all full-time employees of the District. Under the plan, employees may elect to defer a portion of their salaries and avoid paying taxes on the deferred portion until the withdrawal date. The deferred compensation amount is not available for withdrawal by employees until termination, retirement, death or unforeseeable emergency. Total employee contributions to the plan during the year ended June 30, 2011 were \$11,937.

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note G – Compensated Absences

Employees accrue vacation leave based on length of service. Accumulated vacation leave is subject to maximum accruals for all employees. As of June 30, 2011, the District's accrued liability for accumulated unused vacation leave is \$31,393. Employees are paid for their accumulated unused vacation leave upon separation from service. The liability is expected to be liquidated with future resources and not with expendable available financial resources.

Note H – Joint Venture (Joint Powers Agreement)

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; risk of loss to employees; and natural disasters.

In order to insure for risks of loss, the District participates in a joint venture under a joint powers agreement with the Special Districts Risk Management Authority (SDRMA). The relationship between the District and the SDRMA is such that the SDRMA is not a component unit of the District for financial reporting purposes.

The SDRMA arranges for and provides property, liability and worker's compensation coverage for its member districts. The Town of Discovery Bay Community Services District participates in all programs.

Each member district pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionate to their participation in the SDRMA. The District's share of surpluses and deficits cannot be determined, although District management does not expect such amounts, if any, to be material in relation to the financial statements.

The District is covered by the following types of insurance through the SDRMA as of June 30, 2011:

<u>Coverage</u>	<u>Limits of liability</u>
General liability	\$ 5,000,000
Public officials and employees errors	5,000,000
Personal liability coverage for board members	500,000
Employment practices liability	5,000,000
Employee benefits liability	5,000,000
Employee dishonesty coverage	400,000
Auto liability	5,000,000
Uninsured/underinsured motorists	750,000
Property coverage	1,000,000,000
Boiler and machinery	100,000,000
Statutory workers' compensation	Statutory

TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT

Notes to Financial Statements

June 30, 2011

Note I – Governing Board

The powers of the District are exercised by a Board of Directors consisting of five directors each elected for a term of four years by the qualified electors within the District.

As of June 30, 2011, the members of the District's Board of Directors were as follows:

<u>Director</u>	<u>Term expires</u>
Kevin Graves	December 2014
Mark Simon	December 2012
Brian Dawson	December 2014
Chris Steele	December 2014
Ray Tetreault	December 2012

Note J – Contingencies and Commitments

The District is involved in litigation arising in the ordinary course of operations that, in the opinion of management, will not have a material effect on the financial condition of the District. In addition, the District has entered into construction and service contracts with various companies. Many of the contracts are considered fixed fee arrangements. However, work under these contracts could be discontinued at the direction of the District. Therefore, it is the opinion of management that a fixed commitment does not exist.



Town of Discovery Bay
"A Community Services District"
AGENDA REPORT

Meeting Date

May 16, 2012

Prepared By: Rick Howard, General Manager
 Submitted By: Rick Howard, General Manager

Agenda Title

Authorize payment to the California Regional Water Quality Control Board (CRWQCB) pursuant to an Administrative Civil Liability imposed by the State in the amount of \$241,000.00

Recommended Action

Authorize staff to pay a total of \$241,000.00 to the CRWQCB pursuant to Administrative Civil Liability Order R5-2012-0526 and Waste Discharge Requirements Orders R5-2003-0067 and R5-2008-0179 issued April 20, 2012

Executive Summary

A Sanitary System Overflow (SSO) took place in July 2008 at the Lakeshore Community. The SSO resulted in approximately 100,000 gallons of raw sewage that overflowed into the lake within the Lakeshore Community.

Southwest Water Company (SWWC) was under contract to the District to provide water and wastewater operations at that time. The CRWQCB was notified per protocol, and they conducted an extensive investigation in the root cause of the spill. Subsequently, the CRWQCB imposed an Administrative Civil Liability (ACL) in the amount of \$231,000.00 for the July 2008 Lakeshore SSO. A final order was issued on April 20, 2012, and included as a settlement of all violations between 2008 – 2010 for a total ACL in the amount of \$241,000.00.

In late 2009 the District and SWWC, as a result of a Termination Agreement of SWWC, deposited into an escrow account \$231,000.00 for the purposes of satisfying this penalty. District legal counsel is in discussions with SWWC to release the funds in the Escrow Account to satisfy this matter. However, it is not anticipated that the matter will be resolved by the May 31, 2012 deadline to pay the ACL to the State.

Staff recommends that the District pay the CRWQCB pursuant to the direction in their letter dated April 20, 2012 (Attached) from Reserve Funds. Once the matter between SWWC and the District is resolved it is anticipated that the proceeds of the escrow account will be utilized to reimburse the Reserve Fund.

Fiscal Impact:

Amount Requested \$241,000.00

Sufficient Budgeted Funds Available?: Utilize Reserve Funds

Prog/Fund # Category: Pers. Optg. Cap. -or- CIP# Fund#

Previous Relevant Board Actions for This Item

N/A

Attachments

- 1) April 20, 2012 letter from the CRWQCB to the District
- 2) Administrative Civil Liability Order R5-2012-0526

AGENDA ITEM: F-4



Central Valley Regional Water Quality Control Board

20 April 2012

Richard Howard, General Manager
Town of Discovery Bay CSD
1800 Willow Lake Road
Discovery Bay, CA 94505

CERTIFIED MAIL
7008 1140 0002 8806 0241

TRANSMITTAL OF ADMINISTRATIVE CIVIL LIABILITY ORDER R5-2012-0526, TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT, WASTEWATER TREATMENT PLANT, CONTRA COSTA COUNTY

Enclosed is Administrative Civil Liability Order R5-2012-0526, issued pursuant to California Water Code sections 13350, 13385 and 13268. The Order charges the Town of Discovery Bay (Discharger) with civil liability in the amount of **two hundred forty-one thousand dollars (\$241,000)** for violations of the State Water Resources Control Board's Order 2006-0003-DWQ, and the Central Valley Regional Water Quality Control Board's WDRs Orders R5-2003-0067 and R5-2008-0179. The violations are associated sanitary sewer overflows that occurred in 2008, 2009, and 2010.

On 14 March 2012, Central Valley Water Board's Prosecution Team issued a tentative Administrative Liability Order for a 30-day public comment period. No comments were received within the 30-day period.

As required by the ACLO, the Discharger shall submit two checks by **31 May 2012**. One check shall be in the amount of \$220,000 and shall be made payable to the *Cleanup and Abatement Account*. A second check shall be in the amount of \$21,000 and shall be made payable to the *Waste Discharge Permit Fund*. Both checks shall be sent to the Central Valley Water Board at the address at the bottom of this letter and shall reference this ACL Order.

In order to conserve resources, this letter transmits paper copies of the documents to the Discharger only. Interested persons may download the documents from the Central Valley Water Board's Internet website at:

http://www.waterboards.ca.gov/centralvalley/board_decisions/adopted_orders/

Copies of these documents can also be obtained by contacting or visiting the Central Valley Water Board's office weekdays between 8:00 AM and 5:00 PM.

KARL E. LONGLEY SCD, P.E., CHAIR | PAMELA C. GREEDON P.E., BCPE, EXECUTIVE OFFICER

11020 Sun Center Drive #200, Rancho Cordova, CA 95670 | www.waterboards.ca.gov/centralvalley



If you have any questions or comments regarding the Administrative Civil Liability Order, please contact Mike Flscher at (916) 464-4663 or mflscher@waterboards.ca.gov.

Wendy Wyels

WENDY S. WYELS, Supervisor
Compliance and Enforcement Section

Enclosure: ACLO R5-2012-0526

cc w/o encl: Kenneth Greenberg, USEPA, Region 9, San Francisco
Carol Oz, Department of Fish and Game, Region 2, Rancho Cordova
Betty Graham, CA Department of Public Health, Drinking Water Program
District Office, Richmond
Kenneth Landau, Central Valley Water Board, Rancho Cordova
Patrick Pulupa, Office of Chief Counsel, SWRCB, Sacramento
David Coupe, Office of Chief Counsel, SWRCB, Sacramento
Sherman Quinlan, Contra Costa Environmental Health Department, Concord
Christina Satholm, Contra Costa Environmental Health Department, Concord
Bill Jennings, California Sportfishing Protection Alliance, Stockton
Rod Attebery, Neumiller & Beardslee, Stockton

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD
CENTRAL VALLEY REGION

ADMINISTRATIVE CIVIL LIABILITY ORDER R5-2012-0526
IN THE MATTER OF
TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT
DISCOVERY BAY WASTEWATER TREATMENT PLANT
CONTRA COSTA COUNTY

This Administrative Civil Liability Order is issued to the Town of Discovery Bay Community Services District (hereafter "Discharger") pursuant to Water Code sections 13350, 13385, and 13268, which authorize the imposition of Administrative Civil Liability, and Water Code section 7, which authorizes the delegation of the Executive Officer's authority to a deputy, in this case the Assistant Executive Officer.

This Order is based on a settlement of claims presented in Administrative Civil Liability (ACL) Complaint R5-2008-0627, issued by the Executive Officer on 3 December 2008, which alleged that the Discharger violated provisions of State Water Resources Control Board (State Water Board) Order 2006-0003-DWQ, General Waste Discharge Requirements (WDRs) for Sanitary Sewer Systems and WDRs Order R5-2003-0067 (NPDES No. CA0078590). As part of the settlement, this Order also includes additional violations of Order 2006-003-DWQ, WDRs Order R5-2003-0067, and WDRs Order R5-2008-0179.

The Assistant Executive Officer of the Central Valley Regional Water Quality Control Board (Central Valley Water Board) finds the following:

Background

1. The Discharger owns a wastewater collection, treatment, and disposal system, and provides sewerage service to the Town of Discovery Bay. The treatment facility was operated under contract by Southwest Water Company (formerly ECO Resources, Inc.) until 31 December 2008. Thereafter, the facility has been operated under contract by Veolia Water.
2. On 25 April 2003, the Central Valley Water Board issued WDRs Order R5-2003-0067 to regulate the collection, treatment, and disposal of waste from the Discovery Bay wastewater treatment plant. WDRs Order R5-2003-0067 contains, among other items, prohibitions, effluent limitations, and monitoring and reporting requirements with which the Discharger must comply.
3. On 2 May 2006, the State Water Board issued Order 2006-0003-DWQ, Statewide General WDRs for Sanitary Sewer Systems (the "Sanitary Sewer General Order"). The Sanitary Sewer General Order contains, among other items, sanitary sewer overflow requirements including monitoring and reporting requirements, Sewer System Management Plan requirements, and an implementation time schedule.

4. On 4 December 2008, the Central Valley Water Board issued WDRs Order R5-2008-0179, which rescinded and replaced WDRs Order R5-2003-0067, except for the purpose of enforcement. WDRs Order R5-2008-0179 contains, among other items, prohibitions, effluent limitations, and monitoring and reporting requirements with which the Discharger must comply.
5. The sewage collection system conveys a dry weather design flow of 1.8 million gallons of wastewater per day through approximately 60 miles of gravity lines and four miles of force mains. The sewer system services a population of approximately 14,000 with 5,600 lateral connections. This collection system is relatively new, with 50% built from 1980 through 1999, and 45% built since 2000, according to the Collection System Questionnaire submitted by the Discharger.
6. The Discharger is required to operate and maintain its sewage collection system to prevent sanitary sewer overflows and spills in compliance with requirements of the Sanitary Sewer General Order and WDR Orders R5-2003-0067 and R5-2008-0179. The Discharger was required to comply with the Sanitary Sewer General Order as of the date of issuance (2 May 2006), and to file documents to obtain coverage as of 2 November 2006.
7. The Discharger owns two parallel wastewater treatment plants (WWTPs). All influent flows to WWTP No. 1 and is split evenly to both plants for treatment at an influent pump station located at WWTP No. 1. WWTP No. 1 and WWTP No. 2 share a common ultra violet (UV) disinfection system located at WWTP No. 2. Effluent is pumped via an export pump station from WWTP No. 2 to Old River.

Lakeshore Sanitary Sewer Overflow

8. On 17 July 2008, a power failure caused a power interruption to the Discharger's Newport pump station. After power was restored, three of the four pumps did not restart, and one pump ran at a reduced flow capacity due to a partially closed discharge valve. The inflow at the Newport pump station wet wells was larger than the flow rate of the single working pump, raising the wastewater level in the wet wells and surcharging the system. The Discharger's SCADA system generated "high level" and "high-high level" alarms that were dismissed by plant personnel without confirming whether the Newport pump station was operating properly.
9. Due to the surcharge generated at the Newport pump station, the Discharger's collection system experienced a sanitary sewer overflow (SSO) at a sewer cleanout within the residential community of Lakeshore. The SSO had a duration of approximately 11 hours and 20 minutes. The Discharger calculated the volume of raw sewage spilled over 17/18 July 2008 to be between 77,000 and 111,000 gallons. The raw sewage entered a storm drain that discharges to a 37 million gallon manmade lake at the Lakeshore community. Because the discharge was located next to a storm inlet that led directly to the lake, it is assumed that all the raw sewage reached the lake.

10. On 14 August 2008, the Central Valley Water Board conducted an inspection of the 17/18 July 2008 Lakeshore spill and subsequently provided the Discharger with an inspection report dated 28 August 2008 (found as Attachment A to the ACL Complaint). The inspection report included a Water Code section 13267 Order for Information requiring the Discharger to submit technical reports by 10 September 2008, which were needed by Board staff to complete the SSO investigation.
11. On 10 September 2008, the Central Valley Water Board received the Discharger's response to the Water Code section 13267 Order. However, the Discharger did not submit all of the information required by the 13267 Order. After reviewing the Discharger's incomplete response and other documents, Board staff determined that the Discharger failed to comply with several provisions of WDRs Order R5-2003-0067 and General Order 2006-0003-DWQ before, during, and after the 17/18 July 2008 Lakeshore SSO.
12. On 9 October 2008, the Central Valley Water Board issued a Notice of Violation (NOV) to the Discharger for the 17/18 July 2008 Lakeshore SSO, as well as for response and reporting deficiencies before, during, and after the event. A memorandum with a detailed description of the violations was provided to the Discharger. The NOV required the Discharger to submit the missing information required in the 28 August 2008 Water Code section 13267 Order. The Discharger submitted a report on 21 October 2008. That submittal has been considered in this Order.
13. On 3 December 2008, the Executive Officer, acting as head of the Prosecution Team, issued ACL Complaint R5-2008-0627 to the Discharger. The ACL proposed a penalty of \$231,000 to address the violations that took place during the Lakeshore SSO and for failure to submit a complete technical report pursuant to Water Code section 13267.
14. On 26 February 2009, Board staff met with the Discharger to discuss penalties associated with ACL Complaint R5-2008-0627. The Discharger requested that the Board amend the ACL to include three additional SSOs that occurred in 2008, and agreed to pay an additional \$10,000. The ACL has also been amended to include three more SSOs that occurred in 2009 and 2010.

Additional Sanitary Sewer Overflows

15. On 19 April 2008, a power failure caused WWTP No. 2 to shut down. All equipment was brought back online early morning of 20 April 2008 with the exception of the effluent export pump station, which was brought online on the morning of 21 April 2008. Due to the export pump station not being operational, the treated effluent was re-directed and discharged to Reclamation District 800 drainage ditch¹. The total discharge to the drainage ditch was first estimated by Southwest Water to be 1.05 million gallons.

¹ Prior to June 2004, treated effluent was discharged to this location. After June 2004, the discharge point was moved to Old River.

However, this value is less than the average daily flow at the WWTPs and the Discharger later revised the total volume discharged to the drainage ditch to 1.67 million gallons.

16. On 10 November 2008, Southwest Water staff filled up both of the Newport lift station wet wells with potable water. Southwest Water staff then loaded the force main by using all four pumps at the lift station, each rated at 2,300 gallons per minute (gpm). The flow ruptured a glued joint on a cleanout on the force main and caused a spill of approximately 20,000 gallons of raw sewage to the ground. The Discharger estimates that less than 1,000 gallons entered a storm drain that goes into a series of private storm water ponds that drain to the Delta.
17. On 17 December 2008, staff of the State Water Resources Control Board and Central Valley Water Board conducted a joint inspection of the Discharger's WWTPs. During the inspection, the Chief Plant Operator was asked to turn the power off at WWTP No. 1 to simulate a power failure and test the plant's generator. After turning off the power to the plant, the generator started within approximately 10 seconds. Immediately after the generator started powering the plant, the inspectors noticed the SCADA system reporting several alarms indicating pump failures at the influent pumps station. Several of these alarms were acknowledged by the Chief Operator, but no action was taken. From SCADA reports submitted on 4 February 2009, it is apparent that a fault at the influent pump station was reported repeatedly by the SCADA system and the alarms were repeatedly acknowledged and cleared by Southwest Water operators without restoring proper operation of the pump station. The resulting spill was estimated by the Discharger at 1,000 gallons and was caused by operator inattention. Raw sewage entered the Reclamation District 800 drainage ditch, which is hydraulically connected to Old River.
18. On 6 August 2009, a blockage in the gravity main caused a discharge of approximately 1,500 gallons of raw sewage to the ground at 1700 Willow Lake Road. The Discharger estimates that approximately 1,000 gallons was recovered and returned to the sanitary sewer system and that approximately 500 gallons entered a storm drain which enters a private lake which is hydraulically connected to the Delta.
19. On 15 August 2009, an air relief valve was broken off of a force main under a bridge located at the corner of Newport Drive and Capstan Place, causing an estimated 4,500 gallons of raw sewage to be spilled. The Discharger estimates that 2,000 gallons of sewage reached the private lake which is hydraulically connected to the Delta. According to the initial report to the California Emergency Management Agency, the Discharger stated that vandalism was suspected as the cause of the spill.
20. Between late evening of 22 June 2010 and the morning of 23 June 2010, approximately 16,450 gallons of untreated sewage overflowed from a faulty air relief valve on a force main at Clipper Dive near Newport Drive. All 16,450 gallons of untreated sewage flowed into a storm drain and reached surface waters of Discovery Bay which are hydraulically connected to the Delta.

Regulatory Considerations

21. The *Water Quality Control Plan Central Valley Region—Sacramento River and San Joaquin River Basins, Fourth Edition* (hereafter Basin Plan), designates beneficial uses, establishes water quality objectives, and contains implementation plans and policies for all waters of the Basin. The beneficial uses of the Sacramento-San Joaquin Delta are municipal and domestic supply, agricultural supply, industrial supply, contact and non-contact water recreation, freshwater habitat, migration habitat, wildlife habitat, and navigation.
22. Issuance of this Order is exempt from the provisions of the California Environmental Quality Act (Pub. Resources Code, § 21000 et seq.), in accordance with California Code of Regulations, title 14, section 15321(a)(2).
23. On 17 November 2009, the State Water Resources Control Board adopted a new Water Quality Enforcement Policy. However, at the time ACL Complaint R5-2008-0627 was issued, and at the time substantive settlement negotiations were conducted, this policy had not yet been adopted. Therefore, the Board considers the Water Quality Enforcement Policy adopted on 19 February 2002 as the controlling policy for the purposes of resolving ACL Complaint R5-2008-0627.

Violations under Water Code section 13350

24. Water Code section 13350(a) states, in relevant part:

(a) Any person who ... in violation of any waste discharge requirement ... or other order or prohibition issued, reissued, or amended by a regional board or the state board, discharges waste, or causes or permits waste to be deposited where it is discharged, into the waters of the state... shall be liable civilly, and remedies may be proposed, in accordance with subdivision (d) or (e).

Administrative civil liability may be imposed for violations of the Sanitary Sewer General Order pursuant to Water Code section 13350.

25. Water Code section 13350(e) states, in relevant part,

(e) The state board or a regional board may impose civil liability administratively ... either on a daily basis or on a per gallon basis, but not both.

(1) The civil liability on a daily basis may not exceed five thousand dollars (\$5,000) for each day the violation occurs.

...

(2) The civil liability on a per gallon basis may not exceed ten dollars (\$10) for each gallon of waste discharged.

Administrative civil liability may be assessed on a per-gallon basis pursuant to Water Code section 13350 or section 13385. However, this Order only imposes per-gallon assessments for wastewater that discharged to surface waters; the violations of the Sanitary Sewer General Order (the violations addressed in this section) are being

assessed as daily violations. Violations subject to Water Code section 13350 are being charged as daily violations.

26. The Sanitary Sewer General Order, section C.2, states:

Any SSO that results in a discharge of untreated or partially treated wastewater that creates a nuisance as defined in California Water Code Section 13050(m) is prohibited.

27. Water Code section 13050(m) states:

"Nuisance" means anything which meets all of the following requirements: (1) Is injurious to health, or is indecent or offensive to the senses, or an obstruction to the free use of property, so as to interfere with the comfortable enjoyment of life or property. (2) Affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of annoyance or damage inflicted upon individuals may be unequal. (3) Occurs during, or as a result of, the treatment or disposal of wastes.

The 17/18 July 2008, 10 November 2008, 17 December 2008, 6 August 2009, 15 August 2009, and 22/23 June 2010 SSOs created a nuisance because they interfered with the comfortable enjoyment of Lakeshore Lake, Old River, the Delta and the surrounding facilities, affected the entire community or neighborhoods in varying degrees, and occurred due to a prohibited discharge of raw sewage. These SSOs are therefore considered a violation of Section C.2 of the Sanitary Sewer General Order.

28. The Sanitary Sewer General Order, provision D.5 states:

All SSOs must be reported in accordance with Section G of the General WDRs.

The Sanitary Sewer General Order, provision G.2 states, in part:

The Enrollee shall comply with the attached Monitoring and Reporting Program 2006-0003...

The Sanitary Sewer General Order, Monitoring and Reporting Program section A.4., states:

Category 1 SSOs – All SSOs that meet the above criteria for Category 1 SSOs must be reported as soon as: (1) the Enrollee has knowledge of the discharge, (2) reporting is possible, and (3) reporting can be provided without substantially impeding cleanup or other emergency measures. Initial reporting of Category 1 SSOs must be reported to the Online SSO System as soon as possible but no later than 3 business days after the Enrollee is made aware of the SSO. Minimum information that must be contained in the 3-day report must include all information identified in section 9 below, except for item 9.K. A final certified report must be completed through the Online SSO System, within 15 calendar days of the conclusion of SSO response and remediation. Additional information may be added to the certified report, in the form of an attachment, at any time.

The above reporting requirements do not preclude other emergency notification requirements and timeframes mandated by other regulatory agencies (local County Health Officers, local Director of Environmental Health, Regional Water Boards, or Office of Emergency Services (OES)) or State law.

The Discharger did not report the 17/18 July 2008 Lakeshore SSO in accordance with the Sanitary Sewer General Order's Monitoring and Reporting Program Provision A.4. The Discharger was aware of the SSO on 18 July 2008 at 9:17 hours, and therefore, the deadline for reporting was 23 July 2008 at 9:17 hours. The Discharger entered the initial draft into the electronic reporting database on 11 August 2008, 13 days late. A final, certified report is required 15 calendar days after the conclusion of SSO response and remediation. The Discharger certified that the response was complete on 18 July 2008 at 13:30 hours; however, it did not enter the final report until 10 September 2008, nearly 39 days late.

29. The Sanitary Sewer General Order, provision D.7 states:

When a sanitary sewer overflow occurs, the Enrollee shall take all feasible steps and necessary remedial actions to 1) control or limit the volume of untreated or partially treated wastewater discharged, 2) terminate the discharge, and 3) recover as much of the wastewater discharged as possible for proper disposal, including any wash down water. The Enrollee shall ... [provide] (vi) Adequate public notification to protect the public from exposure to the SSO.

The Discharger did not properly clean up wastewater debris collected at the overflow site of the 17/18 July 2008 SSO until requested by Central Valley Water Board staff on 14 August 2008. The Discharger also failed to provide adequate public notification by not posting signs where the spill originated and failing to report the SSO in CIWQS within the required timeframe. These actions are violations of Provision D.7. of the Sanitary Sewer General Order.

30. The Sanitary Sewer General Order, section G.3 states:

...Additionally, within 30 days of receiving an account and prior to recording spills into the SSO Database, all Enrollees must complete the "Collection System Questionnaire", which collects pertinent information regarding a Enrollee's collection system. The "Collection System Questionnaire" must be updated at least every 12 months.

The Discharger enrolled in the SSO Database in 2006. However, the Discharger did not complete or update the "Collection System Questionnaire" until 10 September 2008. This is a violation of Section G.3 of the Sanitary Sewer General Order.

31. Findings 27 through 30 describe 47 distinct daily violations, which are individually listed on Attachment A of this Order. Pursuant to Water Code section 13350, up to \$5,000 may be assessed per day, per violation. Therefore, the maximum penalty for these violations under Water Code section 13350 is **two hundred thirty-five thousand dollars (\$235,000)**.

Violations under Water Code section 13268

32. Water Code section 13267(b)(1) states, in relevant part:

... the regional board may require that any person who has discharged, discharges, or is suspected of having discharged or discharging, or who proposes to discharge waste within its

region ... shall furnish, under penalty of perjury, technical or monitoring program reports which the regional board requires.

The 28 August 2008 Water Code section 13267 Order required the Discharger to submit a number of technical reports. On 9 September 2008, the Discharger submitted an incomplete response to Item No. 1 of the 13267 Order because it did not address the cause, remedy, or prevention of non-compliance due to inadequate reporting. The Discharger did not submit a report to address Item No. 2 of the 13267 Order, which required an analysis of the frequency, duration, and impact of power failures experienced over the past five years. The Discharger did not submit a report to address Item No. 3 of the 13267 Order, which required a description of the preventive (failsafe) and contingency (cleanup) plans for controlling accidental discharges, and for minimizing the effect of such events.

33. Water Code section 13268(a)(1) states, in part:

Any person failing or refusing to furnish technical...reports as required by subdivision (b) of Section 13267,...is guilty of misdemeanor and may be liable civilly in accordance with subdivision (b).

34. Water Code section 13268(b)(1) states, in part:

Civil liability may be administratively imposed by a regional board... for a violation of subdivision (a) in an amount which shall not exceed one thousand dollars (\$1,000) for each day in which the violation occurs.

35. The Discharger did not submit all the requested reports by the required due date of 10 September 2008. The reports were submitted on 22 October 2008, which was 42 days late. The maximum liability for the late submittal of reports required by the Water Code section 13267 Order is **forty-two thousand dollars (\$42,000)**. A table listing each violation and the associated penalty is included as **Attachment A** to this Order.

Violations under Water Code section 13385

36. Both 33 U.S.C. § 1311(a)(referred to as Clean Water Act section 301) and Water Code section 13376 prohibit discharge of pollutants to surface waters except in compliance with a National Pollutant Discharge Elimination System (NPDES) permit.

37. Water Code section 13376 states, in relevant part:

Any person discharging pollutants or proposing to discharge pollutants to the navigable waters of the United States ... shall file a report of the discharge in compliance with the procedures set forth in Section 13260... The discharge of pollutants...except as authorized by waste discharge requirements [NPDES permit]...is prohibited.

38. Clean Water Act section 301 states that,

Except as in compliance with this section and sections ... 1342, and 1344 of this title, the discharge of any pollutant by any person shall be unlawful.

The federal Clean Water Act defines the "discharge of a pollutant" as the "any addition of any pollutant to navigable waters from any point source." (33 U.S.C. § 1362(12)(A).) The federal Clean Water Act defines a "point source" as, "any discernible, confined and discrete conveyance ... from which pollutants are or may be discharged." (33 U.S.C. § 1362(14).) Section 1342 is the statutory provision pertaining to NPDES permits, which are required for certain discharges. The spills described in Findings Nos. 9 and 15-20 are considered discharges that violate 33 U.S.C. § 1311(a), as these discharges were not made in compliance with the NPDES permits issued to the Discharger.

39. Water Code section 13385(a) states, in relevant part:

(a) Any person who violates any of the following shall be liable civilly in accordance with subdivisions (b), (c), (d), (e), and (f):

(1) Section 13375 or 13376

...

(5) Any requirements of Section 301, 302, 306, 307, 308, 318, 401, or 405 of the Clean Water Act, as amended.

40. Water Code section 13385(c) states, in relevant part:

(c) Civil liability may be imposed administratively by the state board or a regional board pursuant to Article 2.5 (commencing with Section 13323) of Chapter 5 in an amount not to exceed the sum of both the following:

(1) Ten thousand dollars (\$10,000) for each day in which the violation occurs.

(2) Where there is a discharge, any portion of which is not susceptible to cleanup or is not cleaned up, and the volume discharged but not cleaned up exceeds 1,000 gallons, an additional liability not to exceed ten dollars (\$10) times the number of gallons by which the volume discharged but not cleaned up exceeds 1,000 gallons.

41. Order R5-2003-0067, Prohibition A.1 states: "*Discharge of wastewater at a location or in a manner different from that described in Finding No. 2 is prohibited.*" The 17/18 July 2008, 10 November 2008, and 17 December 2008 SSOs were not treated, as required by the WDRs, nor were they discharged at locations authorized by the WDRs. Therefore, these discharges were in violation of Prohibition A.1.

42. Order R5-2003-0067, Prohibition A.2 states: "*Discharge to the Reclamation District No. 800 drainage ditch (discharge points 002 and 003) is prohibited after 1 June 2004.*" The 19-21 April 2008 spill was treated but discharged at Reclamation District No. 800 drainage ditch, an unauthorized waste discharge location, in violation of Prohibition A.2.

43. Order R5-2003-0067, Prohibition A.3 states: "*The bypass or overflow of untreated or partially treated wastes to surface waters is prohibited...*" The 17/18 July 2008 SSO discharged into a private lake that is hydraulically connected to the Delta, a water of the United States. The 17 December 2008 SSO discharged into a reclamation ditch that drains to Old River, a water of the United States. The 10 November 2008 SSO discharged into a storm drain that is hydraulically connected to the Sacramento-San

Joaquin River Delta, a water of the United States. These three discharges violated Prohibition A.3.

44. Order R5-2003-0067, Prohibition A.4 states: *"Neither the discharge nor its treatment shall create a nuisance as defined in Section 13050 of the California Water Code."* As described in Finding 26, the 17/18 July 2008, 10 November 2008, and 17 December 2008 SSOs created a nuisance as defined in Water Code section 13050. Therefore, these discharges violated Prohibition A.4.
45. Order R5-2008-0179, Prohibition III.A states: *"Discharge of wastewater at a location or in a manner different from that described in the Findings is prohibited."* The 6 August 2009, 15 August 2009, and 22/23 June 2010 SSOs were not treated as required by the WDRs, nor were they discharged at locations authorized by the WDRs. Therefore, these discharges were in violation of Prohibition III.A.
46. Order R5-2008-0179, Prohibition III.B states: *"The by-pass or overflow of wastes to surface waters is prohibited..."* The 6 August 2009 and 15 August 2009 SSOs discharged into a private lake that is hydraulically connected to the Sacramento-San Joaquin River Delta, a water of the United States. The 22/23 June 2010 SSO discharged into a storm drain that is hydraulically connected to the Sacramento-San Joaquin River Delta. These discharges violated Prohibition III.B.
47. Order R5-2008-0179, Prohibition III.C states: *"Neither the discharge nor its treatment shall create a nuisance as defined in Section 13050 of the California Water Code."* As described in Finding 26, the 6 August 2009, 15 August 2009, and 22/23 June 2010 SSOs created a nuisance as defined in Water Code section 13050. Therefore, these discharges violated Prohibition III.C.
48. Order R5-2003-0067 Standard Provisions B.1 states:

In the event the Discharger does not comply or will be unable to comply for any reason, with any prohibition, daily maximum effluent limitation, or receiving water limitation of this Order, the Discharger shall notify the Board by telephone ... within 24 hours of having knowledge of such noncompliance, and shall confirm this notification in writing within five days, unless the Regional Board waives confirmation. The written notification shall state the nature, time, duration, and cause of noncompliance, and shall describe the measures being taken to remedy the current noncompliance and, prevent recurrence including, where applicable, a schedule of implementation. Other noncompliance requires written notification as above at the time of the normal monitoring report.

The Discharger did not comply with the requirement to submit a written report within five days of the 17/18 July 2008 spill. This is a violation of WDRs Standard Provision B.1. The report was not submitted until after Central Valley Regional Water Board staff required its submittal pursuant to the Water Code section 13267 Order dated 28 August 2008. The 13267 Order gave the Discharger a conditional reprieve from administrative civil liability, but in the 36 days between the 5-day report due date (23 July 2008) and the issuance of the 13267 Order (28 August 2008), the Discharger accrued violations of Standard Provision B.1.

49. Order 2006-0003-DWQ, Prohibition C.1 states: *"Any SSO that results in a discharge of untreated or partially treated wastewater to waters of the United States is prohibited."* The 17/18 July 2008, 6 August 2009, and 15 August 2009 SSOs discharged into a private lake that is hydraulically connected to the Sacramento-San Joaquin River Delta, a water of the United States. The 17 December 2008 SSO reached a reclamation ditch that drains to Old River, a water of the United States. The 10 November 2008 and 22/23 June 2010 SSOs discharged into storm drains that are hydraulically connected to the Sacramento-San Joaquin River Delta, a water of the United States. All of these discharges violated Prohibition C.1.

50. Order R5-2003-0067 Standard Provisions B.2.b. states:

Upon written request by the Board the Discharger shall submit a written description of safeguards. Such safeguards may include alternate power sources, standby generators, retention capacity, operating procedures, or other means. A description of the safeguards provided shall include an analysis of the frequency, duration, and impact of power failures experienced over the past five years on effluent quality and on the capability of the Discharger to comply with the terms and conditions of the Order. The adequacy of the safeguards is subject to the approval of the Board.

The Water Code section 13267 Order required that the Discharger submit the above information by 10 September 2008. The Discharger did not submit the information until after a second request from staff. The information was received 42 days late, on 22 October 2008, in violation of Water Code section 13267 and WDRs Standard Provisions B.2.b. The penalty that may be assessed for this violation has been addressed in Finding 35.

51. Water Code section 13385(e) states:

In determining the amount of any liability imposed under this section, the regional board, the state board, or the superior court, as the case may be, shall take into account the nature, circumstances, extent, and gravity of the violation or violations, whether the discharge is susceptible to cleanup or abatement, the degree of toxicity of the discharge, and, with respect to the violator, the ability to pay, the effect on its ability to continue its business, any voluntary cleanup efforts undertaken, any prior history of violations, the degree of culpability, economic benefit or savings, if any, resulting from the violation, and other matters that justice may require. At a minimum, liability shall be assessed at a level that recovers the economic benefits, if any, derived from the acts that constitute the violation.

52. Pursuant to Water Code section 13385(e), at minimum, administrative civil liability charged under this section must be equivalent to the economic benefit accrued by the Discharger for not implementing management and physical improvements necessary to prevent the discharge. The severity of the discharges could have been prevented through adequate training of the wastewater treatment plant staff, appropriate redundant safeguards at the lift station and WWTPs, and having an overflow emergency response plan in place. Central Valley Water Board staff is unable to precisely calculate the economic benefit, but it is estimated to be at least \$25,000.

53. Findings 41 through 49 describe 61 violations (36 of which are described in Finding 48) of Order R5-2003-0067. At a maximum of \$10,000 per violation, these violations add up to \$610,000.

54. Pursuant to Water Code section 13385, the Board may assess additional administrative civil liability of \$10 for each unauthorized gallon discharged to surface water in excess of 1,000 gallons. The additional administrative civil liability that may be assessed pursuant to Water Code section 13385 for the unauthorized discharges to surface waters is as follows:

- The Discharger estimates that on 19-21 April 2008, 1.67 million gallons were discharged at an unauthorized location to surface water. Under Water Code section 13385, the maximum additional per-gallon civil liability assessment is \$16,690,000 (\$10 per gallon for every gallon over 1,000).
- The Discharger estimates that on 17/18 July 2008, approximately 94,000 gallons of raw sewage was discharged to surface water. Under Water Code section 13385, the maximum additional per-gallon civil liability assessment is \$930,000 (\$10 per gallon for every gallon over 1,000).
- The Discharger estimates that on 10 November 2008, approximately 20,000 gallons of raw sewage spilled, of which less than 1,000 gallons entered a storm drain. As the portion of the spill that reached surface waters was less than 1,000 gallons, no additional assessment under Water Code section 13385 will be imposed.
- The Discharger estimates that on 17 December 2008, approximately 1,000 gallons of raw sewage entered surface waters. As the portion of the spill that reached surface waters was approximately 1,000 gallons, no additional assessment under Water Code section 13385 will be imposed.
- The Discharger estimates that on 6 August 2009, approximately 1,500 gallons of raw sewage spilled, of which less than 500 gallons entered surface water. As the portion of the spill that reached surface waters was less than 1,000 gallons, no additional assessment under Water Code section 13385 will be imposed.
- The Discharger estimates that during the 15 August 2009 SSO, 4,500 gallons of raw sewage spilled, of which 2,000 gallons was not recovered and entered surface water. Under Water Code section 13385, the maximum additional per-gallon civil liability assessment is \$10,000 (\$10 per gallon for every gallon over 1,000).
- The Discharger estimates that during the 22/23 June 2010 SSO, 16,450 gallons were not recovered and entered surface water. Under Water Code section 13385, the maximum additional per-gallon civil liability assessment is \$154,500 (\$10 per gallon for every gallon over 1,000).

Adding the amounts above to the per-violation, per-day maximum assessment described in Finding No. 53, the total amount of civil liability that may be assessed pursuant to Water Code section 13385 is **eighteen million three hundred ninety-four thousand five hundred dollars (\$18,394,500)**. A table listing each violation and the associated penalty is included as Attachment A to this Order.

Total Civil Liability

55. Adding together the total maximum penalties that could be assessed under Water Code sections 13268, 13350 and 13385 (described in Findings 31, 35, and 54), the maximum penalty for the discharge and reporting violations is **eighteen million six hundred seventy-one thousand five hundred dollars (\$18,671,500)**. A table listing each violation and the associated penalty is included as Attachment A to this Order.
56. Water Code sections 13327 and 13385(e) contain substantially similar requirements regarding the considerations that the Board must make in arriving upon a final civil liability amount.² The Board hereby finds the following, with respect to the violations described above:

Nature of the Violations: The Discharger spilled approximately 94,000 gallons of raw sewage to surface waters from 17 July 2008 to 18 July 2008. For this incident the Discharger failed to: (a) properly implement remedial actions, (b) properly report the overflow, (c) comply with SSO reporting requirements of General Order 2006-0003-DWQ, and (d) fully comply with the requirements of the 13267 Order issued to the Discharger on 28 August 2008. In addition, since adoption of General Order 2006-0003-DWQ on 2 November 2006 and continuing through 9 September 2008, the Discharger failed to comply with CIWQS reporting requirements to complete a collection system questionnaire, did not report and certify any spills from its collection system, and failed to submit a monthly no-spill certification to CIWQS. On 10 September 2008, the Discharger completed the collection system questionnaire and started reporting and certifying SSOs.

From 19 April 2008 to 21 April 2008, the Discharger spilled approximately 1.67 million gallons of treated effluent to Reclamation District 800 drainage ditch in violation of Order R5-2003-0067 Discharge Prohibition A.2. The spill was attributed to operator inattention.

On 10 November 2008, the Discharger spilled approximately 20,000 gallons of sewage to the ground. An estimated 1,000 gallons reached a private lake hydraulically connected to the Delta.

² Water Code section 13385(e) contains the additional requirement that the civil liability be at least greater than the economic benefit of the violations. This amount is discussed in Finding No. 52.

On 17 December 2008, the Discharger's actions caused approximately 1,000 gallons of raw sewage to spill from the collection system and flow into Reclamation District 800 drainage ditch, which is hydraulically connected to Old River.

On 6 August 2009, a blockage in a force main caused a discharge of approximately 1,500 gallons of raw sewage and an estimated 500 gallons reached a storm drain which enters a private lake, which is hydraulically connected to the Delta.

On 15 August 2009, an air relief valve was broken off of a force main under a bridge causing an estimated 4,500 gallons of raw sewage to be spilled, of which approximately 2,000 gallons reached a private lake which is hydraulically connected to the Delta.

On 22/23 June 2010, approximately 16,450 gallons of untreated sewage overflowed from a faulty air relief valve on a force main. All 16,450 gallons of untreated sewage flowed into a storm drain and reached surface waters of Discovery Bay, which are hydraulically connected to the Delta.

Circumstances Surrounding the Violations: The 17/18 July 2008 Lakeshore Lake spill was a result of a power outage and pump station failure. The Discharger failed to recognize the pump station failure in a timely manner, which caused the SSO to continue for approximately 11 hours and 20 minutes, discharging approximately 94,000 gallons of raw sewage to a man-made lake adjacent and hydraulically connected to the Delta. After discovering the violation, the Discharger did not properly contain the spill, implement adequate remedial actions, or properly report the overflow. The Discharger failed to provide safeguards to prevent overflows of raw sewage, including safeguards for the collection system in case it experiences a reduction, loss, or failure of electric power.

The 19/20/21 April 2008 spill was a result of a power outage at the WWTP No. 2 effluent pump station. An unsupervised Southwest Water operator-in-training responded to the power outage at the plant and failed to properly restart the effluent pump station, allowing a discharge of approximately 1.67 million gallons of treated effluent to Reclamation District 800 drainage ditch, which is hydraulically connected to Old River.

The 10 November 2008 spill was a result of a sewer force main cleanout joint failure, allowing the sewage release. On the day of the spill, Southwest Water staff filled up both of the Newport lift station wet wells with potable water from a nearby fire hydrant. Southwest Water staff then loaded the force main by using all four pumps at the lift station, each rated at 2,300 gallons per minute (gpm). The flow ruptured a cleanout glued joint on the force main. The Discharger estimates that 1,000 gallons reached surface waters.

The 17 December 2008 spill was a result of a controlled power supply interruption during a compliance inspection. During the inspection, the Chief Plant Operator was

asked to cut the power off at WWTP No. 1 to simulate a power failure and test the plant's generator. After cutting the power to the plant, the generator started within approximately 10 seconds. Immediately after the generator started powering the plant, the inspectors noticed the SCADA system reporting several alarms. Several of these alarms were acknowledged by the Chief Operator while the inspectors were still at the plant. From SCADA reports, it is apparent that a fault at the influent pump station was reported repeatedly and it was repeatedly acknowledged by Southwest Water operators. The spill was estimated by the Discharger at 1,000 gallons and was caused by operator inattention. Raw sewage reached storm drains which drain to Reclamation District 800 drainage ditch. The drainage ditch is hydraulically connected to Old River by a pump station.

The 6 August 2009 spill was the result of a blockage in a gravity main which caused approximately 1,500 gallons of raw sewage to discharge to the ground. The Discharger was able to recover and return approximately 1,000 gallons to the collection system. The Discharger estimates that approximately 500 gallons was not recovered and reached surface waters.

The 15 August 2009 spill was the result of an air relief valve that was broken off of a force main which caused approximately 4,500 gallons of raw sewage to be spilled. According to the Discharger, vandalism was suspected as the cause of this spill. The Discharger estimates that approximately 2,000 gallons reached surface waters.

The 22/23 June 2010 spill was the result of a faulty air relief valve on a force main causing an estimated 16,450 gallons of raw sewage to be spilled. Inadequate inspection and maintenance of the collection system may have contributed to this spill. The Discharger estimates that all 16,450 gallons reached surface waters.

Extent of the Violations: Between April 2008 and June 2010, the Discharger had ten sanitary sewer overflows from its collection system releasing approximately 151,150 gallons of raw sewage. In addition, approximately 1,670,000 gallons of secondary treated wastewater was discharged at an unauthorized location in violation of WDRs Order R5-2003-0067. The Discharger also had several reporting violations of both WDRs Order R5-2003-0067 and the Sanitary Sewer General Order associated with these spills.

Gravity of the Violations: The Sacramento-San Joaquin River Delta is designated as suitable for numerous beneficial uses, including domestic water supply and contact recreation. Potential health risks from exposure to bacteria and viruses from raw sewage are a serious concern for humans. Ammonia in sewage is toxic to aquatic life, and sewage depletes dissolved oxygen in receiving waters. Due to the proximity of homes, and the possible human exposure to raw sewage in surface waters, the 17/18 July 2008 overflow created a nuisance as defined in Section 13050 of the Water Code.

The Discharger failed to fully contain the 17/18 July 2008 spill by allowing the lake fountains which sprayed mist into the air to continue to operate while elevated levels of fecal coliform were present in lake water.

The Discharger has reported at least one previous SSO, estimated at 8,600 gallons, from pipelines located near Lakeshore Lake. However, for the 17/18 July 2008 SSO, the Discharger failed to submit the initial report and final certification for all SSOs, from 2 November 2006 to 9 September 2008, to CIWQS as required by General Order 2006-0003-DWQ. Between 2 November 2006 and 9 September 2008, the Discharger failed to submit SSO reports to CIWQS as required by General Order 2006-0003-DWQ. The Discharger also failed to submit the five-day non-compliance report required by WDRs R5-2003-0067 on time. The report was submitted on 9 September 2008. Failure to properly report SSOs prevents regulatory agencies and the public from being aware of the incidents in a timely manner, such that public exposure may be prevented, and regulatory agencies can investigate the incident in a timely manner.

The 19/20/21 April 2008 discharge consisted of 1.67 million gallons of secondary treated effluent. However, it was discharged to Reclamation District 800 drainage ditch, a location prohibited in the Order.

The 10 November 2008, 6 August 2009, 15 August 2009, and 22/23 July 2010 spills allowed approximately 19,950 gallons to reach surface waters, with potential risks to human health, aquatic life, and surface waters quality.

The 17 November 2008 spill caused by operator inattention resulted in approximately 1,000 gallons of raw sewage reaching the Reclamation District 800 drainage ditch, which is hydraulically connected to Old River.

Whether the Discharge is Susceptible to Cleanup or Abatement: Due to the circumstances of the 17/18 July 2008 spill, once the sewage entered lake waters, there was no practical way to clean up to avoid water quality impacts or impacts to beneficial uses. The Discharger did not attempt to remove any sewage that entered the Lakeshore Lake and failed to fully contain the spill by allowing the lake fountains to continue to operate.

During a SSO follow-up inspection by Board staff on 14 August 2008, it was observed that the Discharger had failed to properly clean up the area where the spill originated. Rags and debris were visible on the ground and there were no warning signs posted. The Discharger should have provided more cleanup of the area immediately following the incident.

Due to the circumstances of the 19/20/21 April 2008 spill, it may have been feasible to cleanup the ditch where treated effluent was discharged since the wastewater had to be pumped from the drainage ditch to Old River. However, the illegal discharge was found more than twenty four hours after it had started.

During the 10 November 2008 incident, once the sewage reached surface waters, there was no practical way to clean up the spill.

Due to the circumstances of the 17 December 2008 spill, the 1,000 gallons of raw sewage spilled were not recovered and cleanup efforts were limited to the area where the spill originated.

Following the 6 August 2009 spill, approximately 1,000 gallons of raw sewage were recovered and the area of the spill was cleaned-up. For the 500 gallons that reached surface waters, there was no practical way to clean up the spill.

Due to the circumstances of the 15 August 2009 spill, none of the 4,500 gallons that spilled were recovered, and an estimated 2,000 gallons reaching surface waters. The remainder of the spill soaked into the ground, and cleanup efforts were limited to mitigating the effects of the spill on the ground surface in the area where the spill originated.

Due to the circumstances of the 22/23 August 2010 spill, none of the spill was recovered with an estimated 16,450 gallons reaching surface waters. Once the spill reached surface waters, there was no practical way to clean up the spill.

The Degree of Toxicity of the Discharges: The degree of toxicity from the spills is unknown. However, sewage discharges can be toxic to human beings and aquatic life. There were no reported fish kills subsequent to any of the spills to surface waters. A resident living next to Lakeshore Lake reported that they experienced illness following the 17/18 July 2008 incident, and suggested that sewage mist from the fountain operation was the cause. This has not been verified or validated by the Contra Costa Environmental Health Department.

The Effect of the Civil Liability upon the Discharger's Ability to Stay in Business: The median family household income for the Discovery Bay, as reported in the 2000 census, was approximately \$90,272.

Voluntary Cleanup Efforts Undertaken: The Discharger has improved its reporting of SSOs and now correctly reports spills in compliance with its current WDRs and the Sanitary Sewer General Order. The Discharger has also implemented a preventative maintenance program on its collection system to reduce the number of SSOs. This has resulted in a decrease in SSOs with only two occurring between 1 July 2010 and 31 December 2011, with a total volume of 120 gallons spilled.

Prior History of Violations: At least one previous spill, estimated at 8,600 gallons, occurred in the Lakeshore community and reached the lake. Implementation of an inspection and maintenance program would prevent impacts to surface waters from pipeline failures.

Degree of Culpability: The Discharger was required to be aware of the prohibitions against discharges to surface waters included in General Order 2006-0003-DWQ, WDRs Order R5-2003-0067, and WDRs Order R5-2008-0179. The Discharger did not maintain its collection system in a manner that would prevent discharges of untreated sewage. The Discharger did not train the operators to properly respond to sewage spills.

The Central Valley Water Board finds that, after considering the above factors, that a civil liability assessment of **two hundred forty-one thousand dollars (\$241,000)** is appropriate for the violations.

57. Funds generated by civil liability assessments made pursuant to Water Code sections 13268 and 13350 are to be deposited into the Waste Discharge Permit Fund. Funds generated by civil liability assessments made pursuant to Water Code section 13385 are to be deposited into the State Water Pollution Cleanup and Abatement Account. The Board finds, in light of the above considerations, that it is reasonable that \$21,000 be directed to the Waste Discharge Permit Fund and the remainder be directed to the State Water Pollution Cleanup and Abatement Account.

THE TOWN OF DISCOVERY BAY CSD IS HEREBY GIVEN NOTICE THAT:

1. The Discharger shall be assessed an Administrative Civil Liability in the amount of **two hundred forty-one thousand dollars (\$241,000)**.
2. By **31 May 2012**, the Town of Discovery Bay Community Services District shall pay **two hundred twenty thousand dollars (\$220,000)** to the State Water Board's Cleanup and Abatement Account. Payment shall be in the form of a check made payable to the *Cleanup and Abatement Account* and shall reference this ACL Order.

By **31 May 2012**, the Town of Discovery Bay Community Services District shall also pay **twenty-one thousand dollars (\$21,000)** to the Waste Discharge Permit Fund. Payment shall be in the form of a check made payable to the *Waste Discharge Permit Fund* and shall reference this ACL Order.

The checks shall be mailed to the Central Valley Regional Board located at 11020 Sun Center Drive, Suite 200, Rancho Cordova, California.

3. Payment of the \$241,000 shall resolve the violations charged in ACL Complaint R5-2008-0627 and the other violations charged in this Order.
4. If the Discharger fails to make the payment, the Assistant Executive Officer may refer the matter to the State Attorney General for enforcement of the terms of this Order.
5. The payment of administrative civil liability in accordance with the terms of this Order is not a substitute for compliance with applicable laws, and continuing violations of the type alleged herein may subject the Discharger to further enforcement, including but not limited to additional administrative civil liability.

6. This Order is final, and shall be effective immediately upon signature.

Any person aggrieved by this action of the Central Valley Water Board may petition the State Water Board to review the action in accordance with Water Code section 13320 and California Code of Regulations, title 23, sections 2050 and following. The State Water Board must receive the petition by 5:00 p.m., 30 days after the date of this Order, except that if the thirtieth day following the date of this Order falls on a Saturday, Sunday, or state holiday, the petition must be received by the State Water Board by 5:00 p.m. on the next business day. Copies of the law and regulations applicable to filing petitions may be found on the Internet at:

http://www.waterboards.ca.gov/public_notices/petitions/water_quality
or will be provided upon request.

Original Signed by Richard Loncarovich for

Kenneth D. Landau, Assistant Executive Officer

20 April 2012

DATE

Attachment A: Violation List and Total Maximum Penalty Summary

Attachment A - Violation List and Total Maximum Penalty Summary

Section	Spill Date	Order and Provision Violated	Finding # in ACLO	# of Violations or Gallons	\$/Violation	Total Maximum Penalty	
13350	17/18 July 2008	Order 2006-0003-DWQ C.2 Nuisance	27	1	\$5,000	\$5,000	
	10-Nov-08	Order 2006-0003-DWQ C.2 Nuisance	27	1	\$5,000	\$5,000	
	17-Dec-08	Order 2006-0003-DWQ C.2 Nuisance	27	1	\$5,000	\$5,000	
	6-Aug-09	Order 2006-0003-DWQ C.2 Nuisance	27	1	\$5,000	\$5,000	
	15-Aug-09	Order 2006-0003-DWQ C.2 Nuisance	27	1	\$5,000	\$5,000	
	22/23 June 2010	Order 2006-0003-DWQ C.2 Nuisance	27	1	\$5,000	\$5,000	
	17/18 July 2008	Order 2006-0003-DWQ D.5 Reporting (reporting 39 days late)	28	39	\$5,000	\$1,950,000	
	17/18 July 2008	Order 2006-0003-DWQ D.7 Proper Cleanup	29	1	\$5,000	\$5,000	
		Order 2006-0003-DWQ G.3 CWQS Collection System Questionnaire	30	1	\$5,000	\$5,000	
	13268		CWC 13267 Order - Deficient response and 42 days late	35	42	\$1,000	\$42,000
	13385	19-21 April 2008	Order R5-2003-0067 A.2 Unauthorized Spill Violation penalty	42	1	\$10,000	\$10,000
		17/18 July 2008	Order R5-2003-0067 A.1 Unauthorized Spill Violation penalty	41	1	\$10,000	\$10,000
		10-Nov-08	Order R5-2003-0067 A.1 Unauthorized Spill Violation penalty	41	1	\$10,000	\$10,000
		17-Dec-08	Order R5-2003-0067 A.1 Unauthorized Spill Violation penalty	41	1	\$10,000	\$10,000
		6-Aug-09	Order R5-2008-0179 III.A. Unauthorized Spill Violation penalty	45	1	\$10,000	\$10,000
15-Aug-09		Order R5-2008-0179 III.A. Unauthorized Spill Violation penalty	45	1	\$10,000	\$10,000	
22/23 June 2010		Order R5-2008-0179 III.A. Unauthorized Spill Violation penalty	45	1	\$10,000	\$10,000	
19-21 April 2008		Order R5-2003-0067 A.2 Unauthorized spill (1,670,000 gal) volume penalty	54	1,670,000	\$10/gal over 1,000 gallons	\$16,690,000	
17/18 July 2008		Order R5-2003-0067 A.1 Unauthorized spill (94,000 gal) volume penalty	54	94,000	\$10/gal over 1,000 gallons	\$930,000	
15-Aug-09		Order R5-2008-0179 III.A. Unauthorized spill (2,000) volume penalty	54	2,000	\$10/gal over 1,000 gallons	\$15,000	
22/23 June 2010		Order R5-2008-0179 III.A. Unauthorized spill (16,450 gal) volume penalty	54	16,450	\$10/gal over 1,000 gallons	\$154,500	
17/18 July 2008		Order R5-2003-0067 A.4 Nuisance Violation Penalty	44	1	\$10,000	\$10,000	
10-Nov-08		Order R5-2003-0067 A.4 Nuisance Violation Penalty	44	1	\$10,000	\$10,000	
17-Dec-08		Order R5-2003-0067 A.4 Nuisance Violation Penalty	44	1	\$10,000	\$10,000	
6-Aug-09		Order R5-2008-0179 III.C Nuisance Violation Penalty	47	1	\$10,000	\$10,000	
15-Aug-09		Order R5-2008-0179 III.C Nuisance Violation Penalty	47	1	\$10,000	\$10,000	
22/23 June 2010		Order R5-2008-0179 III.C Nuisance Violation Penalty	47	1	\$10,000	\$10,000	
17/18 July 2008		Order R5-2003-0067 A.3 Partially Treated or Untreated Water Spill Violation Penalty	43	1	\$10,000	\$10,000	
10-Nov-08		Order R5-2003-0067 A.3 Partially Treated or Untreated Water Spill Violation Penalty	43	1	\$10,000	\$10,000	
17-Dec-08		Order R5-2003-0067 A.3 Partially Treated or Untreated Water Spill Violation Penalty	43	1	\$10,000	\$10,000	
6-Aug-09		Order R5-2008-0179 III.B. Partially Treated or Untreated Water Spill Violation Penalty	46	1	\$10,000	\$10,000	
15-Aug-09		Order R5-2008-0179 III.B. Partially Treated or Untreated Water Spill Violation Penalty	46	1	\$10,000	\$10,000	
22/23 June 2010		Order R5-2008-0179 III.B. Partially Treated or Untreated Water Spill Violation Penalty	46	1	\$10,000	\$10,000	
17/18 July 2008		Order 2006-0003-DWQ C.1 Partially Treated or Untreated Water Spill Violation Penalty	49	1	\$10,000	\$10,000	
6-Aug-09		Order 2006-0003-DWQ C.1 Partially Treated or Untreated Water Spill Violation Penalty	49	1	\$10,000	\$10,000	
15-Aug-08	Order 2006-0003-DWQ C.1 Partially Treated or Untreated Water Spill Violation Penalty	49	1	\$10,000	\$10,000		
17-Dec-08	Order 2006-0003-DWQ C.1 Partially Treated or Untreated Water Spill Violation Penalty	49	1	\$10,000	\$10,000		
10-Nov-08	Order 2006-0003-DWQ C.1 Partially Treated or Untreated Water Spill Violation Penalty	49	1	\$10,000	\$10,000		
22/23 June 2010	Order 2006-0003-DWQ C.1 Partially Treated or Untreated Water Spill Violation Penalty	49	1	\$10,000	\$10,000		
17/18 July 2008	Order R5-2003-0067 B.1 Notification Penalty	48	36	\$10,000	\$360,000		

13350 Total Maximum Penalty	\$235,000
13268 Total Maximum Penalty	\$42,000
13385 Total Maximum Penalty	\$18,394,500
Total Maximum Penalty	\$18,671,500



Him and him MONTHLY OPERATIONS REPORT

April 2012

Town of Discovery Bay, CA

946 Days of Safe Operations

39640 worked hours since last recordable incident

TRAINING:

Safety, Operations, & Equipment

Safety	Attended	Hours
Overexertion – sprains & stains Excavation – Trenching & Shoring	All Staff Members	3.0
Operation		
Webinar – Laboratory Safety	All Staff Members	0.5

WATER SERVICE

- Replacement seal Jockey #1 Pump WLWTP
- Inspection on Filter B WLWTP
- Trouble shoot Jockey Pump #1 WLWTP
- Trouble shoot PLC issues at Water Plants
- Replace Valve on reclaim tank at NPWTP
- Trouble shoot communication cable Well 4
- Level transmitter issues at Well 6

Customer Inquiries:

2 Brown water calls

# of Active Wells	Gallons of Water Produced	Chemical Usage/Delivered	Fire Hydrant Flushing
5	76.0 MG	2080 gals	0



Bacteriological Test Results:

Routine Bacteria Samples Collected	No. Total Coliform Positives	No. Fecal/E. coli Positives
16	0	0

WASTEWATER SERVICE

- Minor repairs on Lagoon Dredger
- Repaired Chain on Solids Dump Truck
- Repaired Bank A7 on UV 3000+
- Started major repairs on UV 3000 system
- Adjusted belts on Rotor 1 Plant 1
- Adjusted belts on Rotor 3 Plant 3
- Trouble shoot level Transmitter on Clarifier #1
- Work on Steering Cylinder for Mole

Customer Inquiries:

0

# of Active Lift Stations	# of Inactive Lift Stations	Chemical Usage Polymer-gals	SSO	Wastewater Received (MG)
15	0		1	41.27

Collections:

- Flushed **13,286 ft** of sanitary sewer. YTD **66,496 ft. 100%** completed
- Inspected **30** manholes & covers. YTD **158**
- Work on Hot Stop areas (Willow Lake, Drakes & Marlin)



Wastewater Laboratory Analysis

<i>WW Effluent Parameter</i>	<i>Permit Limits</i>	<i>April Lab Data</i>	<i>May Lab Data</i>
Flow, MG Effluent, monthly total		50.24	54.04
Flow, Daily Discharge Flow, avg.	2.1 mgd	1.62 mgd	1.80 mgd
Effluent BOD ₅ , lbs/d, monthly avg.	350	47	67
Effluent TSS, lbs/d, monthly avg.	525	106	190
Effluent BOD ₅ , mg/L, monthly avg.	20	4.0	4.0
Effluent TSS, mg/L, monthly avg.	30	13	12
Total Coli form 7 day Median Max	23	7	8
Total Coli form Daily Maximum	240	8	30
% Removal BOD ₅ , monthly avg.	85 min.	98	98
% Removal, TSS, monthly avg.	85 min.	97	96
Electrical Conductivity, umhos/cm annual avg.	2100	2175(YTD)	2082 (YTD)

Red – new parameter added

Maintenance:

Preventive and Corrective

Total # of WO's Completed	Total Hours
207.0	150.25

Call & Emergency Responses

Call Outs	Emergencies
18	1

Personnel Hours & Overtime:

Regular Hours	Overtime
1374.25	96.25

NO BACK UP
DOCUMENTATION
FOR THIS AGENDA
ITEM # H

NO BACK UP
DOCUMENTATION
FOR THIS AGENDA
ITEM # I

NO BACK UP
DOCUMENTATION
FOR THIS AGENDA
ITEM # J



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

President - Chris Steele • Vice-President - Kevin Graves • Director - Jim Mattison • Director - Mark Simon • Director - Ray Tetreault

MINUTES OF THE REGULAR MEETING OF
THE FY 2012-13 BUDGET REVIEW COMMITTEE
OF THE TOWN OF DISCOVERY BAY CSD
Wednesday April 25, 2012
REGULAR MEETING 3:00 P.M.
1800 Willow Lake Road, Discovery Bay, California
Website address: www.todb.ca.gov

Budget Committee Members

Mark Simon, Chair; Ray Tetreault, Vice Chair, Robert Graham, Judy Smith, Rose Ann Solberg

REGULAR MEETING 3:00 P.M.

A. ROLL CALL

Call business meeting to order – 3:00 p.m. by Chair Simon
Roll Call – All Present

B. PUBLIC COMMENTS (Individual Public Comments will be limited to a 3-minute time limit)

There was one (1) Public Comment Speaker. Mr. Bill Pease inquired about the tax disadvantage Discovery Bay residents pay to the County and the services received for that benefit.

C. BROWN ACT REVIEW AND REQUIREMENT OF COMMITTEE MEMBERS

General Manager Howard – Provided the Committee with a review of the Brown Act and its application to the Committee and its members.

D. REVIEW AND ESTABLISH BUDGET CALENDAR

Finance Manager Breitstein – Reviewed the Budget Calendar with the Committee. It was noted that there was a correction and the June 13, 2012 meeting will be a Board Workshop at 6:30 p.m.

E. REVIEW OF CURRENT YEAR ACCOMPLISHMENTS

General Manager Howard – Presented a Power Point Presentation to the Committee outlining the accomplishments of the past year.

F. REVIEW CURRENT FY 2011-12 OPERATING, CAPITAL IMPROVEMENT PROGRAM AND REVENUE BUDGETS

Finance Manager Breitstein – Reviewed the FY 2011-12 Fiscal Year Revenues, Operating and Capital Improvement Program Budgets for the Committee's review. There was an extensive discussion on the current year budget between the committee and staff.

G. FUTURE AGENDA ITEMS

H. ADJOURNMENT

The meeting adjourned at 4:35 p.m. to the next FY 2012-13 Budget Review Committee meeting on May 9, 2012 at 3:00 p.m. at 1800 Willow Lake Road.

RH/cm – 05.04.12

FINAL

**CONTRA COSTA COUNTY
AVIATION ADVISORY COMMITTEE
MINUTES OF MEETING
March 8, 2012**



MEETING CALLED: The meeting was called to order by Chair Tom Weber at 12:02 p.m. at the Director of Airport's Office.

PRESENT: **Mike Bruno**, CCC Airports Business Association
Geoffrey Logan, Vice Chairperson, District III
Keith McMahon, City of Concord
David Pfeiffer, District V
Rudi Raab, District I
Rich Spatz, Secretary, At Large 2
Russell Roe, District II
Tom Weber, Chair, District IV
Ed Young, At-Large 1

ABSENT: **Janet Kaiser**, Diablo Valley College
Derek Mims, City of Pleasant Hill

STAFF: Keith Freitas, Director of Airports
Beth Lee, Assistant Airports Director

**OPENING COMMENTS
BY CHAIR:** Tom Weber welcomed Ed Young as the new At-Large member.

**PUBLIC COMMENT
PERIOD:** Mike Bruno expressed concern over the trees at the approach end of Runway 01L/R as they are fairly high. Mike questioned if something was being done about them. Airport staff commented that this was in the Caltrans inspection and that they had to be surveyed; which was completed. The Golf Course is now in the process of having the trees topped.

Rich Spatz commented that the rehabbed Airport sign on John Glenn Drive looks good.

**APPROVAL OF
MINUTES:** Moved by Geoff Logan; seconded by Mike Bruno. Approved unanimously.

APPROVAL OF

CONSENT ITEMS: Moved by Rudi Raab; seconded by Rich Spatz. Approved unanimously.

PRESENTATION/SPECIAL REPORTS:

- a. None

DISCUSSION/ACTION ITEMS:

a. Items Pulled from Consent

N/A

b. Tenant Issues

Duane Allen stated that there are people that sing and play in the hangar, that have a band and are really bad and are driving him nuts. Duane further thanked Airport staff for taking care of the person who was living in one of the hangars.

c. Buchanan Field Security Project Update and Access Card Issuance

- o Construction is complete.
- o Currently there are about 650 keys to be issued; about 300 have been issued.
- o Currently the old system and new systems are working.
- o As of April 2, 2012 the old key card system will be deactivated.
- o Airport staff checked on how close a vehicle has to get to access. Airport staff used a very large vehicle to do the check and it was still about 4 feet away from the gate.
- o Duane Allen commented that the proximity card has to be held very close to the reader and due to his car size he has to swing into the parking lot to get into the East Ramp gate. This should be resolved when the second gate is open for use.

d. Buchanan Field Airport Runway 01L/19R Overlay and Reconstruction Project

- o Meeting with Ghilotti Brothers is next week to discuss the schedule.
- o Project will require 30 working days of construction and nine (9) days of closure of the main runways 01L/19R and 14L/32R.
- o Best start date for the project is around June 11; Airport staff will work with Airport tenants to make sure the timing will work.
- o Airport staff will be working with the Contractor and tenants to better define the best nine (9) day period to close the long runways 01L/19R and 14L/32R.
- o No lighted runways during the nine (9) day closure.

e. Airport Draft Minimum Standards Document summary of Changes

- o There is still opportunity to see if there are additional public comments on draft document.
- o There is nothing really new in the policies or requirements; it's a compilation of what already exists through various regulators.
- o Mike Bruno stated his attorney reviewed the document and there were no problems.
- o Mike further stated that Concord Jet's attorney also reviewed the document but he does not know if there were any comments.

- Mike also stated that the only issue he has heard is the enforcement of the document and unequal application. Might be helpful to have a policy of how it's enforced or have an oversight committee for involvement. Airport staff commented that typically, airport staff investigates complaints that are brought to our attention. Airport staff then needs proof of non-allowed activity to enforce such as publically noticing of place of business or money exchanging hands. The new minimum standards has a process built in for problems/complaints.
 - Russ Roe commented that there needs to be more cooperation and agreement on the field in general
 - Time to adopt the document will be determined internally and depends on input received. Most likely it will be between June and September.
- f. **Airport Fiscal Year 2011/2012, 50% Budget Update**
- The 50% budget was provided in the packet.
 - Revenues are higher than projected; some are skewed as we bill a month in advance.
 - Budget changes have been made to lower costs and are on track for now.
 - Airport staff continues to build the reserve fund as requested by the Airport Committee.
 - Federal Aviation Administration passed a multiple year funding cycle but is now has a local match of 10% (was 5%).
 - Geoff Logan asked about the Mariposa Energy Community Fund. Airport staff stated that they are working with the Supervisors to determine process and projects for use of these funds.
 - Russ Roe asked if security upgrade was only for Buchanan Field. Airport staff responded that the security upgrades were only for Buchanan Field but is now looking at improvements at Byron Airport and may be looking at the Mariposa Energy Community Fund as a potential funding source.
 - Duane Allen asked about increasing fence heights. Airport staff responded that they are trying to balance aesthetics without looking like a prison. The new fence, which is the standard 7 feet with black fabric and can have a 3-strand barbed wire topper.
- g. **Requests for Rent Reduction/CPI Waivers**
- A small portion of tenants asked for a waiver of the CPI increase this year in consideration of the bad economy.
 - There are two primary issues:
 - i. Not everyone is subject to them (disparate application/consideration)
 - ii. CPI helps fees keep closer to market so there is not a big sticker shock when rent is revalued less frequently (five (5) or 10 years).

UPDATES/ANNOUNCEMENTS

- a. **Airport Committee Update**
- Next meeting is March 26
 - Now looking to meet quarterly.

b. What is happening at Buchanan Field & Byron Airports/Other Airports

- Veterans Event - March 31 for memorial.
- Cirrus Pilot Proficiency – April 20
- Beechcraft Pilot Proficiency Program (BPPP); usually brings in 50 to 80 aircraft - April 27 – 28.
- Annual Tenant Appreciation BBQ - May 3
- Collings Foundation - June 8 – 10
- Mustang National Rally - June 21 – 24
- Byron Airport Hangar Inspections - June 20 and 27

c. Update from Airport Business Association

Mike Bruno reported there were no updates. Tried to generate interest in minimum standards but there was no interest from members.

d. City of Concord Zoning Update

- The Airports property on north side within the City of Concord were being amended with the land use designations
- Original proposal was West Concord Mixed Use and is now changing to Business Park.
- The City is opposed to outdoor storage at those locations since Solano Avenue is a gateway to the city.
- Barry Miller of the City of Concord will be coming to the AAC in April.
- Issues on use considerations are safety and compatibility.

e. AAC Announcements

- Derek Mims has been reappointed by City of Pleasant Hill; waiting for authorization to be revised to reflect a 3-year term.
- The other two (2) positions are in a 60-day hold over period.
- Tom asked for member interest in Officer Positions; Mims, Pfeifer, and Bruno expressed interest.
- Airport Land Use Commission (ALUC) meeting was canceled in March.
- David Pfeifer questioned whether the Airports have looked at tie-in to upcoming America's cup. No discussions as yet.

f. Airport Staff Announcements

- Airport's new employee Raj Singh was introduced to the AAC; replacing Sue Hill who retired.

FUTURE AGENDA ITEMS

- Byron Airport Community Benefit Fund
- Update on Instrument Approach at Buchanan Field (WAAS)
- Flight Track Update – at some point
- City of Concord Land Use

ADJOURNMENT: The meeting was adjourned by the Chair at 1:05 p.m.

MAY 04 2012



EAST CONTRA COSTA FIRE PROTECTION DISTRICT

Meeting Minutes Board of Directors Regular Meeting

Monday April 2, 2012 – 6:30 P.M.
Meeting Location: 3231 Main Street, Oakley

BOARD OF DIRECTORS		
Pat Anderson	Kevin Romick - President	Robert Kenny
Steve Barr	Joel R. Bryant- Vice President	Cheryl Morgan
Robert A. Brockman	Jim Frazier	Erick Stonebarger

Preceded by a Special Closed Session Meeting at 6:00 P.M., 3231 Main Street, Oakley

6:00 P.M. – Call to Order and Adjourn to Closed Session on the following matters: - (6:00 P.M.)

1. CONFERENCE WITH LABOR NEGOTIATOR
pursuant to Government Code Section 54957.6
Agency designated representative: Board President and Vice President
Employee Organizations: International Association of Fire Fighters, Local 1230,
AFSCME Local 2700, East County Fire Fighters Association (Reserves),
Unrepresented Management.
2. Public Employee Performance Evaluation; Title: Fire Chief
pursuant to Government Code 54957.1(a)(5).

RECONVENE TO OPEN SESSION – 3231 Main Street, Oakley

President Romick reported that there was nothing to report for items 1 & 2

CALL TO ORDER - (6:30 P.M.)

PLEDGE OF ALLEGIANCE - (6:30 P.M.)

ROLL CALL- (6:31 P.M) Directors Present: Barr, Bryant, Frazier, Kenny, Morgan, Romick,
Stonebarger
Directors Absent: Anderson, Brockman,

PUBLIC COMMENTS - (6:31 P.M)

There were no Public Speakers

CONSENT CALENDAR- (6:31 P.M)

C.1 Approve minutes from March 5, 2012 Regular Board of Directors Meeting.

Motion by: Director Stonebarger to approve Consent Calendar Item C.1;

Second by: Director Kenny

Vote: Motion carried 7:0

C.2 Approving a One Year Extension of the Contract with International Association of Fire Fighters, Local 1230.

Motion by: Director Stonebarger to approve Consent Calendar Item C-2;

Second by: Director Kenny

Vote: Motion carried 6:1

Abstain: Director Frazier

PUBLIC HEARINGS

NONE

DISCUSSION ITEMS

D.1 Receive Update on Proposed Parcel Tax and Education Outreach- (6:33 P.M)

There were two Public Speakers – Gil Guerrero, Mark Whitlock

INFORMATIONAL STAFF REPORTS- (6:39 P.M)

1. Service calls for March 2012 – Chief Henderson provided service reports.
2. Receive Update on Balance Budget Staff Model – Chief Henderson will provide Balance Budget Staff Model at the May 7, 2012 Board Meeting

DIRECTORS' COMMENTS- (6:44P.M)

NONE

INFORMATIONAL REPORTS AND REQUESTS FOR FUTURE AGENDA ITEMS FROM BOARD MEMBERS- (6:45 P.M)

NONE

ADJOURN TO THE NEXT REGULAR BOARD MEETING SCHEDULED: May 7, 2012- (6:45 P.M)

Motion by: Director Frazier to adjourn to the next Board meeting, May 7, 2012

Second by: Director Bryant

Vote: Motion carried 7:0



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

President – Chris Steele • Vice-President – Kevin Graves • Director - Jim Mattison • Director - Mark Simon • Director - Ray Tetreault

May 3, 2012

William Nelson, Principal Planner
Contra Costa County Department of Conservation and Development
Community Development Division.
30 Muir Road
Martinez, CA 94553

RE: Carvalho Property, Community Center Condition of Approval (C.O.A.)

Dear Mr. Nelson:

The Town of Discovery Bay Community Services District Board of Directors heard testimony and took under consideration the above referenced matter at their regular meeting of May 2, 2012.

The Board's motion stated that the development of the residential or structures proposing does not preclude or constitute an obstruction to the development of the Community Center.

The Board had no negative comments.

Sincerely,

Rick Howard by ca

Rick Howard, General Manager
Town of Discovery Bay CSD

RH/ca

Cc: Board of Directors

David Lennon, Hofmann Land Development Co.



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

President – Chris Steele • Vice-President – Kevin Graves • Director - Jim Mattison • Director - Mark Simon • Director - Ray Tetreault

May 3, 2012

Will Nelson
Contra Costa County Department of Conservation and Development
Community Development Division
30 Muir Road
Martinez, CA 94553

**RE: County File Number DP12-3009 (Hofmann Land Development Co./Modify Lot Line Configuration –
Discovery Bay West – Lakes Unit 10, Tract 8828)**

Dear Mr. Nelson:

The Town of Discovery Bay Community Services District Board of Directors heard testimony and took under consideration the above referenced matter at their regular meeting of May 2, 2012.

The Board had no negative comments.

Sincerely,

Rick Howard, General Manager
Town of Discovery Bay CSD

RH/ca
Cc: Board of Directors



TOWN OF DISCOVERY BAY

A COMMUNITY SERVICES DISTRICT

President – Chris Steele • Vice-President – Kevin Graves • Director - Jim Mattison • Director - Mark Simon • Director - Ray Tetreault

May 3, 2012

Gary Kupp
Contra Costa County Department of Conservation and Development
Community Development Division
30 Muir Road
Martinez, CA 94553

RE: County File Number LP12-2034 (Vernon & Vera Thomas/AT&T Wireless)

Dear Mr. Kupp:

The Town of Discovery Bay Community Services District Board of Directors heard testimony and took under consideration the above referenced matter at their regular meeting of May 2, 2012.

The Board had no negative comments.

Sincerely,

Rick Howard, General Manager
Town of Discovery Bay CSD

RH/ca
Cc: Board of Directors

MAY 08 2012

TRANSPLAN COMMITTEE
Antioch - Brentwood - Pittsburg - Oakley and Contra Costa County

MINUTES

April 12, 2012

The meeting of the TRANSPLAN Committee was called to order in the Tri Delta Transit Board Room, 801 Wilbur Avenue, Antioch, California by Chair Jim Frazier at 6:30 P.M.

ROLL CALL

PRESENT: Nancy Parent, Alternate for Salvatore Evola (Pittsburg), Larry Wirik, Alternate for Bruce Ohlson (Pittsburg), Mary N. Piepho (Contra Costa County Board of Supervisors), Kevin Romick (Oakley), Duane Steele (Contra Costa County Planning Commission), Robert Taylor (Brentwood), Joe Weber (Brentwood), and Chair Jim Frazier (Oakley)

ABSENT: Gil Azevedo (Antioch), and Brian Kalinowski (Antioch)

STAFF: John Cunningham, TRANSPLAN Staff
David Schmidt, Legal Counsel

PUBLIC COMMENT FOR ITEMS NOT LISTED ON THE AGENDA

There were no comments from the public.

CONSENT ITEMS

Chair Frazier removed Item 5 from Consent.

On motion by Mary Piepho, seconded by Kevin Romick, TRANSPLAN Committee members unanimously adopted the Consent Calendar, as follows, with abstentions from Nancy Parent and Larry Wirik on Item 3 only.

3. Adopted Minutes from March 8, 2012 TRANSPLAN meeting.
4. Accepted Correspondence.
5. Accept Status Report on Major Projects [REMOVED FOR DISCUSSION]

ACCEPT STATUS REPORT ON MAJOR PROJECTS

The Item was continued to *Receive Update on East Contra Costa County Measure J Projects* on the agenda to allow a more detailed update on specific projects.

RECEIVE 511 CONTRA COSTA ACTIVITY REPORTS

John Cunningham, TRANSPLAN staff, advised that 511 Contra Costa conducted transportation demand management (TDM) activities for TRANSPLAN/TRANSPAC, and would provide a report on Safe Routes to School funds, particularly on funds granted six months ago to projects in the City of Brentwood with the remainder to 511 Contra Costa.

Lynn Overcashier, Program Manager of 511 Contra Costa, introduced the 511 Contra Costa staff in the audience including the new Safe Routes to School Supervisor, and presented an overview of the program with respect to Measure J and Transportation Fund for Clean Air (TFCA) funds. She reported on the electric plug-in vehicle charging stations at County locations and those in the cities of Pittsburg and Pleasant Hill which were made available to other jurisdictions as well at request, and explained that the demand for additional stations was increasing. She noted that TFCA funds through the Bay Area Air Quality Management District (BAAQMD) could not currently be used for electric charging station infrastructure so Measure J funds were currently being used. 511 Contra Costa also implemented the Countywide Carpool and Countywide Incentive Programs, the largest of which was the SchoolPool Program. She also reported, when asked, that 3,000 passes for the SchoolPool Program were provided each year; one pass per student, the equivalent of two weeks worth of free passes that had no time limit, and all had been used.

With respect to the Safe Routes to School Program, Ms. Overcashier explained that funding had been approved last year, environmental clearance from Caltrans had been received, and the process was being pursued. She distributed a handout for the pilot Middle School Bicycle/Pedestrian Safety Program and reported that such favorable input had been received from those participating that it was the basis for the development of the elementary, middle, and high school ongoing programs. Since the middle of February, meetings had been held or were ongoing with school superintendents who all wanted some level of customization of the program. The middle school program consisted primarily of assemblies teaching the rules of the road with respect to pedestrian and bike safety. The Street Smarts name was being utilized as the brand along with the universal logo. A Request for Proposal (RFP) was now being developed for a website so that County School Administrators and parents could be apprised of ongoing programs.

In response to the Chair, Ms. Overcashier advised that some funds would be used to develop a website page to offer additional information and that Twitter was used and the standard media picked up on that.

Ms. Overcashier stated that 511 was making the most of the Safe Routes to School funding where infrastructure needs could be addressed. The high school element would not begin for another 18 months and a video would be developed to train students the rules of the road, to be distributed within the high schools and to other high schools over a period of six semesters to focus the efforts. 511 Contra Costa was now determining how to allocate the resources and potentially use part-time staff to help in that regard.

Chair Frazier requested that a draft letter to the BAAQMD be brought back to the Board to lift constraints from 511 so that the correct funding sources could be used.

Mr. Cunningham stated that he would work with 511 Contra Costa staff and submit a letter to the Board next month for consideration.

EAST BAY REGIONAL PARK DISTRICT REQUEST FOR APPROVAL OF MEASURE J: PEDESTRIAN, BICYCLE AND TRAIL FACILITIES FUNDING

Mr. Cunningham explained that the East Bay Regional Park District (EBRPD) received less than one half of one percent of Measure J funds under the Pedestrians, Bicycle and Trails Program, and in order to spend the funds the projects needed to be approved by the Regional Transportation Planning Committee (RTPC). He reported that Mr. Townsend had met with the TRANSPLAN Technical Advisory Committee (TAC), had identified the proposal for how to spend the funds for East County, and the TAC had approved that request.

Jim Townsend, Trails Development Program Manager for EBRPD, affirmed that Measure J had allocated 1.5 percent of its receipts to pedestrian programs and of that amount one third was allocated to the EBRPD for new construction and rehabilitation of the regional trail. The measure required a demonstration of effort and required that the spending plan for the funds be approved by the RTPC for the Contra Costa Transportation Authority (CCTA). The funding would come as part of the pay-as-you-go program for Measure J and the CCTA had calculated that over the next three fiscal years approximately \$2 million would be available to the EBRPD. In order to take advantage of the economy of scale, the EBRPD had worked with the CCTA to come up with a strategy to allocate a quarter of next year's funds to one RTPC to be able to do enough projects within that area to make a difference. This year the money would be spent in East Contra Costa County, and four specific projects had been identified; Delta DeAnza Trail-Willow Pass Road, Delta DeAnza Trail-James Donlon Boulevard to Lone Tree Way, Delta DeAnza Trail-Somersville to Gentrytown, and Marsh Creek Trail-Brentwood Boulevard to Sand Creek Road.

Mary Piepho noted that the EBRPD had been instrumental in the development of the East County Master Plan and she verified with Mr. Townsend that the projects were on that plan. It was also noted that some of the gaps would be filled in for the extension of the Big Break Trail.

Nancy Parent expressed her understanding that the EBRPD would meet with City of Pittsburg staff with respect to a portion of the trail behind Los Medanos College.

Mr. Townsend added that the specific projects had considered the trail in the worst condition, and the EBRPD was very clear about geographic equity and worked to achieve that.

In response to Bob Taylor with respect to the \$183,000 cost for the Brentwood project, Mr. Townsend explained that the EBRPD planned to complete many of the projects in-house which would allow projects to be completed at a significantly lower cost, and if there were remaining funds from the projects those funds would be used to do additional work in East County.

Chair Frazier noted that he had met with Mr. Townsend this date to discuss the Oakley portion of the trail.

When asked, Mr. Townsend explained with respect to Round Valley that the EBRPD had to get through Cowell Ranch and across Marsh Creek Road, and had been able to include language for Round Valley to allow work with local partners to hopefully be able to move forward with some planning on Round Valley in the near future.

On motion by Bob Taylor, seconded by Mary Piepho, TRANSPLAN Committee members unanimously approved the East Bay Regional Park District's request for Measure J expenditures in East County under the Pedestrian, Bicycle and Trail Facilities Program in Measure J.

RECEIVE REPORT ON WATER EMERGENCY TRANSPORTATION AUTHORITY

Mr. Cunningham referred to the handouts and the draft letter to the Water Emergency Transportation Authority (WETA) that responded to the direction provided by the TRANSPLAN Committee at its last meeting, copies of which had also been provided to the public. When asked by the Chair, he read the draft letter into the record at this time and described other related activities in that the County Board of Supervisors on May 8 would hear a recommendation from the Transportation Subcommittee of the Board to allow the Board to take a position of support and seek amendment of Assembly Bill 2433 to request that some measure of geographic representation be included.

At that May 8 meeting, the Board of Supervisors would also hear a recommendation that the CCTA get involved to encourage and guide rapid ferry service to Eastern Contra Costa County. Mr. Cunningham added that TRANSPAC might also want to be involved in the development of the joint committee which was the subject of the letter in that the City of Martinez also had an interest in the committee.

Mary Piepho explained that the legislative committee of the Board of Supervisors, which had approved the position, would request support from the full Board. She suggested that the proposal was broader than she had originally envisioned but requested that the letter also be copied to Supervisor Glover who had indicated at a recent meeting his interest in learning more about WETA and its impact on the water ferry.

Mr. Cunningham stated that he would provide minutes of the meetings when WETA had been discussed to Supervisor Glover. He also explained that staff had gone back and forth on the intent of the letter but would modify the letter at the direction of the TRANSPLAN Committee.

Bob Taylor suggested that the agencies across the Bay that already had ferry service should also receive the letter, not necessarily to get them involved, but to keep them apprised of the discussions given the collective interest.

Chair Frazier wanted to send the letter to identify the TRANSPLAN Committee's interest and intent and noted that if there was more strength in numbers from other jurisdictions there might be strength with parallel support. The first intent was to get the message out. He asked what, if anything, Measure J included for public transit that could be used for the WETA process and asked if anything could be done to start a line item for Measure J.

Ross Chittenden, Deputy Executive Director, Projects, CCTA, stated that he would have to look at that. There was a line item for West County although he was not aware of something for East County.

Kevin Romick supported something more focused on East County although he agreed there might be opportunities to leapfrog to other communities as part of the process. He did not want to get into a process that might create problems with local advocates.

Mary Piepho asked about any funding associated with West County planning whether that would provide fluidity with a committee environment. She suggested there might be a West County representative or an East County representative and some capital available to assist in that regard.

On motion by Mary Piepho, seconded by Joe Weber, TRANSPLAN Committee members unanimously approved the letter to the San Francisco Bay Area Water Emergency Transportation Authority, as drafted and as amended with a copy to Supervisor Federal Glover

RECEIVE UPDATE ON EAST CONTRA COSTA COUNTY MEASURE J PROJECTS

The item removed from Consent for *Accept Status Report on Major Projects* was included with the discussion of the update on East Contra Costa County Measure J projects.

Mr. Chittenden offered a narrative overview of East County's Measure J projects and explained that the CCTA was initiating a process to improve the report to offer a better view of schedule, budget, and status. He referred to handouts distributed to the Committee to identify East County's Measure J projects and to provide an update and the status of project funding identifying the major commitments for SR4 Widening-Loveridge to Somersville, SR4 Widening-Somersville to SR160, and eBART, and new funding and potential new funding for SR4 Widening/Sand Creek Interchange, and SR4/SR160 Connector Ramps projects. He identified the funding available and possible, the project status, and explained that any contingency left over would be returned to TRANSPLAN for use in other projects

Mr. Chittenden referred to the letter to the California Transportation Commission (CTC) from the CCTA requesting funding from Corridor Mobility Improvement Account (CMIA) savings for ready-to-go projects in Contra Costa County and referred to a "5 for 1" combination of projects that could utilize that funding with SR-4 East Widening-Segment 3B; Vasco Road Safety Improvements-Phase 2; I-680/SR4 Interchange-Phase 3; I-80 San Pablo Dam Road Interchange; and I-680 Auxiliary Lanes: Sycamore Valley Road to Crow Canyon Road. He spoke to the Metropolitan Transportation Commission's (MTC's) interest in the Pittsburg Railroad Avenue BART Station and suggested there could be a "6 for 1" combination of projects. He added that there might be some flexibility in funding already current to exchange with some of the East Contra Costa Regional Fee and Financing Authority (ECCRFFA) cash flow to address near term needs such as landscaping.

Mary Piepho verified with respect to the State Route 4-Loveridge to Somersville Road project that any remaining funds would be utilized by the TRANSPLAN Committee and if there was any cost savings on the eBART project the TRANSPLAN Committee might be able to utilize those funds for the SR160 Connector project.

Mr. Chittenden could not answer for BART but explained that whatever was left over elsewhere would be money controlled by East County.

Nancy Parent noted that BART ridership was key, governed by the combination of federal grant requirements and MTC's expansion policy and smart growth; a combination of planning with General Plans and ridership to weigh in and determine what monies would be dedicated to the Pittsburg eBART Station now.

Chair Frazier thanked Mr. Chittenden for the comprehensive report and asked that a job count for projects be included in future updates.

On motion by Mary Piepho, seconded by Joe Weber, TRANSPLAN Committee members unanimously accepted the report.

RECEIVE REPORT ON STATE ROUTE 160 CONNECTOR PROJECT OPTIONS

Interim Program Manager Steve Kowalewski for the SR4 Bypass Authority and ECCRFFA explained that several options had been discussed at the last meeting to accommodate BART in the SR4/SR160 Connector Project, at which time the ECCRFFA Board of Directors had directed staff to talk to MTC about additional funding and to return with ECCRFFA revenue projections. He referred to the packet and distributed handouts noting the updated costs associated with each option. He explained that Option 1 included the bridge widening over the railroad corridor that would accommodate an interim alignment and future alignment once BART came in; there would be additional soundwall work with that section and some retaining walls. Option 2 would fully accommodate eBART, the bridge, and soundwalls at the ultimate location.

Mr. Kowalewski also referred to the ECCRFFA revenue projections and described them as a conservative economic outlook. He had gotten information from all the cities and had guesstimated revenues. He delineated the report and identified what had been included in the report for the various scenarios for the SR4/SR160 connector ramp Options 1 and 2, along with other projects and commitments for funds to provide an expenditure plan for upcoming years. He noted that the plan did not push out the completion of the commitments beyond 2016 or 2017. It would delay by one fiscal year some of the commitments for reimbursement, which totals might shift to one future fiscal year, the major impact the tables identified.

Mr. Kowalewski also presented a table to identify the costs to accommodate a future eBART project to show a baseline or no action project versus Option 1 or Option 2. He explained that if doing nothing to the interchange now, BART would have to pay an additional \$5.1 million to accommodate eBART in the median. Noting some "throw away" costs, he noted that there would be some life out of the improvements before the improvements were no longer necessary.

For Option 1, the construction cost would be the bridge widening of \$1.2 million which would reduce BART costs to \$3.9 million. For Option 2, the full ramp to accommodate BART would cost \$2.6 million now for construction costs and there would have to be more substantial provisions to the Project Report and additional design costs; using 50 percent construction management costs of \$3.3 million for that option.

Mr. Kowalewski explained that Caltrans would prefer some accommodation for eBART and Caltrans had indicated its support of Option 1 even though there would be some throw away costs with the ramp and the soundwall. Based on those options and conversations with Caltrans and the CCTA, he recommended Option 1 as a favorable compromise to set the stage for BART although it could impose a financial impact on the TRANSPLAN Committee in the future.

Mary Piepho thanked staff for the report, agreed in concept that something needed to be done, was frustrated with BART which would not pay for anything particularly since it was BART's responsibility for the project, and was frustrated that local jurisdictions had to pick up the slack to get the projects moving forward. She wanted to put pressure on BART, supported Option 1 to help move the item forward, and suggested that if there was any savings in the bids or the ultimate contingency in the final project that BART be required to commit to reimburse TRANSPLAN for the costs. She appreciated the recognition from Caltrans and suggested that the request would keep BART connected to the responsibility.

Bob Taylor also supported Option 1 as the best way to proceed and verified with Mr. Chittenden that if additional cash was needed it would be needed 16 to 18 months after the completion of the designs.

Chair Frazier suggested that the project could come in under the \$50 million for the project even with the added component. He expressed his hope to be able to capture savings in the long-term, suggested that Option 1 would help and not stop the process, and expressed dismay that the issue had arisen in the first place urging consultants and project managers to communicate more effectively to avoid similar problems in the future. He supported Option 1.

On motion by Mary Piepho, seconded by Bob Taylor, the TRANSPLAN Committee unanimously approved Option 1, which is estimated to add an additional cost of \$1.4 million to the project, and advised the ECCRFFA Board to work with the CCTA to formalize the change in scope, and to communicate in writing to BART that any cost savings from the bid process on eBART construction will be returned to the TRANSPLAN Committee to reimburse the costs, or absent that to reimburse from the contingency at the end of the project.

Nancy Parent recused herself from the closed session and left the dais and the meeting at this time.

Chair Frazier adjourned into closed session at 7:55 P.M.

CLOSED SESSION

CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION (Government Code Section 54956.9(a))
Case Name: TRANSPLAN & ECCRFFA vs. City of Pittsburg; Contra Costa County Superior Court Case No. MSN11-0395

The meeting reconvened from closed session at 8:19 P.M. with nothing to report.

ADJOURNMENT

On motion by Bob Taylor, seconded by Mary Piepho and carried unanimously to adjourn the TRANSPLAN Committee meeting at 8:20 P.M., to May 10, 2012 at 6:30 P.M. or other day/time deemed appropriate by the Committee.

Respectfully submitted,

Anita L. Tucci-Smith
Minutes Clerk

Meeting Handouts:

- Addendum to Agenda Item #5: Accept Status Report on Major Projects Measure J Projects Update
- Letter Dated April 12, 2012 to the Chair of the SF Bay Area Water Emergency Transportation Authority (WETA) from Chair of the TRANSPLAN Committee
- Announcement from 511 Contra Costa Regarding Weeklong Middle School Bicycle/Pedestrian Safety Program – Event Highlights
- Announcement from Street Smarts, Diablo Region, a Traffic Safety Program, Superintendent Meetings
- For SR4/SR160 Phase II Connector Project: ECCRFFA - Revenue and Expenditure Plan
 - Fact Sheet
 - Costs to Accommodate Future eBART Project
 - ECCRFFA – Revenue and Expenditure Plan

ITEM 4

ACCEPT CORRESPONDENCE