



TVCS D Board of Director's Special Meeting Agenda
Date: Tuesday, April 25, 2017, 6:30 pm
Location: Tomales Town Hall, Tomales, California 94971

I. Call To Order

II. Open Communication Time for community members and visitors to bring up items they wish to discuss and items that do not appear on the agenda.

III. Approval of April 25, 2017 BOD Agenda **Action**

IV. Discussion and Consideration of Adopting Resolution 17-1 Setting Public Hearing Regarding Proposed Sewer Rate Increase **Action**

O'Neill ____ Clavaud ____ Bonini ____ MacLaird ____ Parrish ____

V. Adjournment

TVCS D MISSION STATEMENT: *Enhance quality of life, with commitment to the health of the community, by providing dependable wastewater collection, treatment and reuse in an environmentally friendly manner; maintaining safe and reliable recreational park facilities while providing a welcoming forum for active community participation and input.*

The agenda and supporting documents can be accessed on the TVCS D website 72 hours prior to the meeting. Anyone requesting disability related accommodations may contact the district office 72 hours prior to the meeting.

PO Box 303 ● Tomales, CA ● 94971 ● ph 707.878.2767 ● www.tomalescsd.ca.gov

Board of Directors:

Dru Fallon O'Neill, President ● Donna Clavaud, Vice President ● Bill Bonini ● Peter MacLaird ● Deborah Parrish



04/25/17

RESOLUTION NO. 17-1

RESOLUTION OF THE BOARD OF DIRECTORS OF THE TOMALES VILLAGE COMMUNITY SERVICES DISTRICT SETTING PUBLIC HEARING REGARDING PROPOSED SEWER RATE INCREASES

WHEREAS, Section 5473 of the Health and Safety Code of the State of California allows the Tomales Village Community Services District (“District”) to have the sewer service charge for Fiscal Year 2017-18 collected on the tax roll of the County of Marin, State of California, in the manner provided pursuant to Sections 5471 through 5473.11 of the Health and Safety Code of the State of California; and

WHEREAS, since its inception in 1999, the District has kept fees to a minimum with no increases in 11 years and has incurred debt to fund many upgrades and repairs to the sewer collection, treatment, and disposal facilities; and

WHEREAS, the District has prepared a 10-year Financial Plan to project future income and expenses accurately and a 10-year Capital Improvement Plan to identify capital replacement needs as equipment wears out; and

WHEREAS, the District has determined that the current sewer service charge of \$63.00 per equivalent unit is barely sufficient to fund administrative, operations, maintenance, and capital replacement costs; and

WHEREAS, the District has determined that to pay its unfunded debt liability of approximately \$297,000 over the next nine years for the aforementioned upgrades and repairs, it must use its cash balance and will likely deplete those reserves in less than five years.

NOW, THEREFORE, be it resolved that the Board of Directors of the Tomales Village Community Services District hereby makes the following findings, determinations, declarations and resolutions by regular roll call of the members of the said Board, by the following vote:

1. The Board finds that the establishment of charges pursuant to this Resolution are exempt from the California Environmental Quality Act, in that the charges are for the purpose of meeting operations expenses (Public Resources Code §21080; Cal. Code of Regs., tit.14, §15273).
2. The Board declares by adoption of this resolution that a Public Hearing is set for June 14, 2017 at 6:00 pm or shortly thereafter in the Tomales Town Hall, Tomales, CA 94971 for the purpose of setting proposed rate increases of \$9.45

effective July 1, 2017 and \$9.45 effective July 1, 2018. If approved, the sewer service rate increases from \$63.00 to \$72.45 per month per “equivalent unit” (“EU”) in FY 2017-18. A standard single-family home constitutes one EU. The second increase of \$9.45 per EU, effective July 1, 2018, increases the rate from \$72.45 to \$81.90 per month.

3. State law allows Property Owners in the District service area (map attached) to respond to proposed rate increases prior to the public hearing. Convening the Public Hearing for the proposed sewer service rate increase on June 14, 2017 complies with the requirement for a minimum 45-day response period.
4. The Board finds that a Notice (copy attached) has been mailed to all property owners informing them that the Public Hearing will be set for June 14, 2017 with extra copies left for public information at the Tomales Post Office. The attached full Notice of Public Hearing describes the Property Owner Protest Procedure.
5. The Board directs staff to post the full Notice of Public Hearing (copy attached) at the Tomales Post Office, the District office, Diekmann’s General Store, and the District website, www.tomalescsd.ca.gov. The summary of the Notice of Public Hearing (copy attached) is to be published on April 27, 2017 and May 11, 2017 in The Point Reyes Light, a newspaper of local circulation.

DIRECTORS:

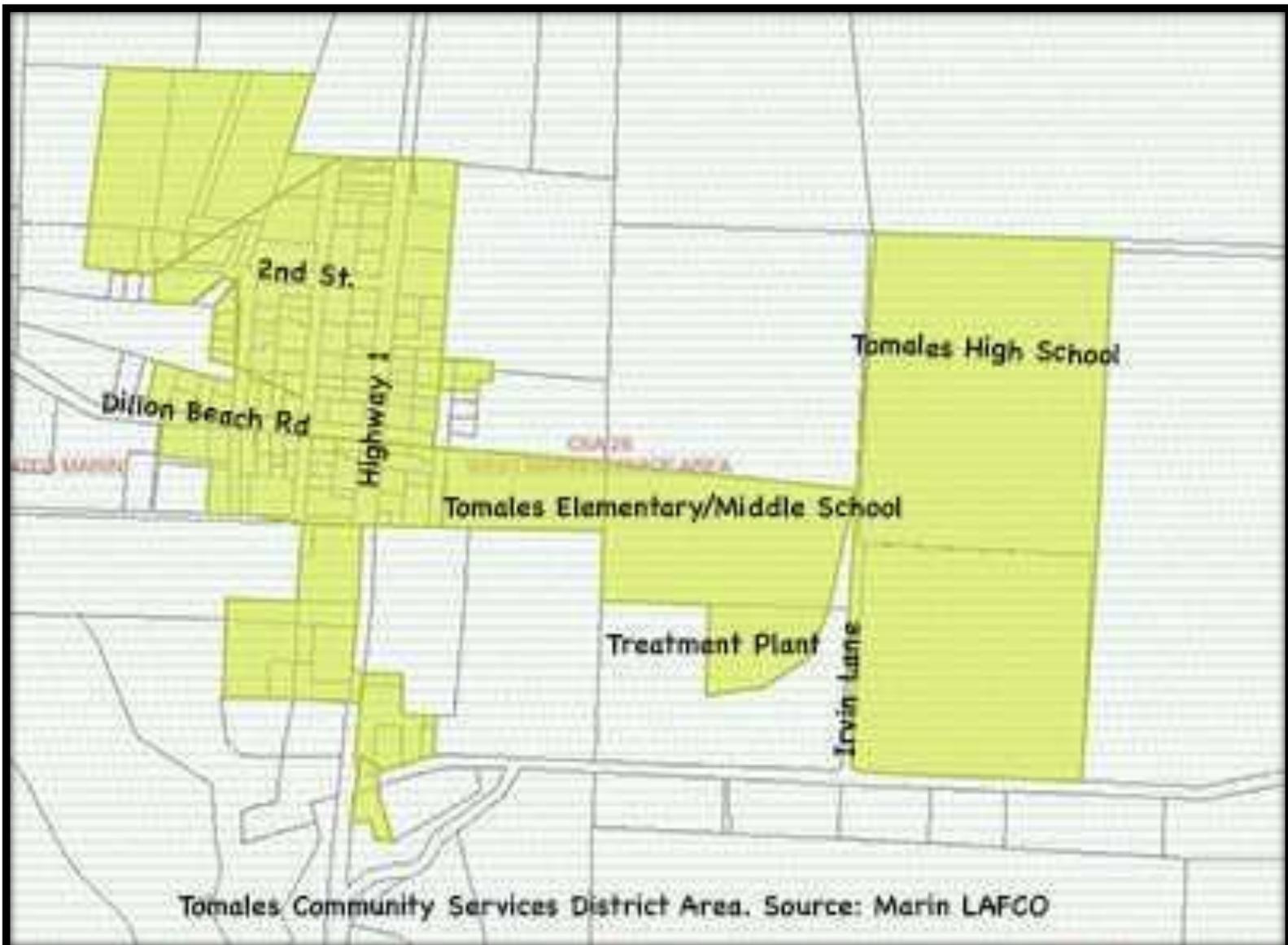
O’Neill, Clavaud, Bonini, MacLaird, Parrish.

AYES __; NOES __; ABSTAIN __; ABSENT __.

WHEREUPON, the Chair declared the above and foregoing Resolution duly adopted and SO ORDERED.

Approved: _____
Dru Fallon O’Neill
President, Board of Directors
Tomales Village Community Services District

Attest: _____
Donna Clavaud
Vice President, Board of Directors
Tomales Village Community Services District



Tomales Community Services District Area. Source: Marin LAFCO



NOTICE OF SPECIAL MEETING

Setting Public Hearing Regarding Proposed 2017-2018 Sewer Service Rate Increase

Tuesday, April 25, 2017 @ 6:30pm, at Tomales Town Hall

At this special meeting, the Tomales Village Community Services District Board of Directors will consider an action to set a public hearing for a proposed 2017-18 Sewer Service Rate Increase.

RATES UPDATE

The District is required to notify all ratepayers by mail of any proposed increases in TVCSD sewer service fees. The 2017-18 proposed budget reflects the need for a sewer rate increase, in order to enable the District to meet unfunded obligations incurred in past years to improve the sewer plant. The full impact of repaying this debt was recently quantified during budget analysis and development of a 10-year financial plan.

The proposed increase is \$9.45 monthly per Equivalent Unit (EU) this fiscal year and an additional \$9.45 monthly increase in 2018-19. It is the intent of the District to spread the needed increase over two years. If approved, the first increase would be effective July 1, 2017. The proposed increase would be reflected in each property owner's tax bill.

WHY A RATE INCREASE IS NEEDED

There has been no sewer rate increase in 11 years. The previous increases were in 2006 and in 2001. Since its inception in 1999, the District has kept fees to a minimum and has made many upgrades and repairs. In 2009, a solar system was installed to provide electricity for the treatment plant and irrigation field. A special 15-year rate increase of \$5 per month created a restricted fund to help repay bonds for the solar system.

For the past year, Board of Directors, Staff, and Committee members have worked very hard to analyze finances and have reduced operational costs considerably. For the first time, there is a 10-year Financial Plan to project future income and expenses accurately and a 10-year Capital Improvement Plan. Because of the plant upgrades, the sewer system is in good shape, and our collection system is not in need of complete replacement as previously thought. We have \$245,000 in cash reserves, which include 6-month operations reserves per industry standards.

It is important to understand this proposed rate increase is not required for District operations, maintenance, or capital improvements. It is required to pay the unfunded debt obligations. Existing cash balances have been depleted every year since the debt was incurred. Previous Administration estimates counted on development growth in Tomales to provide sewer connection fee income with which to pay the debt service. New development did not occur; there have only been four new customers since 2000. The total debt we face over the next nine years is approximately \$297,000.

OTHER DISTRICTS

The TVCSD's service fees are in the mid-range of rates for systems under 1,000 people statewide. We are in the higher range as a "post-Prop 13" special district and do not receive income from sales tax distributed by Marin County as many other Districts do. Many other regional Districts only collect waste and do not treat waste so their costs are less.

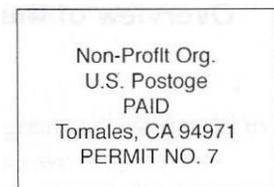
You Can Be Heard

State law allows customers to respond to proposed rate increases prior to the public hearing. The public hearing for the proposed sewer service rate increase will be set for June 14, 2017 to comply with the requirement for a minimum 45-day response period. Either prior to or at the public hearing, property owners will be allowed to submit written protests regarding the proposed rate increase. At the public hearing, the Board will consider all written protests, which have been received by the prescribed deadline. In order to be considered, the written protest must be received no later than the following deadlines:

- If submitted by mail, they must be received (NOT postmarked) no later than 5:00 pm on Wednesday, June 14, 2017, at the following mailing address:
Tomales Village Community Services District
P.O. Box 303, Tomales, CA 94971
- If hand delivered, they must be delivered no later than the close of public comments at the public hearing on Wednesday, June 14, 2017.

A valid protest must be written and contain: a description of the property address and written evidence that the signer(s) is/are the owner(s) of the property, if the signer(s) was/were not shown on the last equalized assessment roll as the owner(s) of the property.

Dru Fallon O'Neill
Board President
TVCSD



POSTAL PATRON
TOMALES CA
94971



NOTICE OF PUBLIC HEARING REGARDING PROPOSED SEWER SERVICE RATE INCREASE

Date, Time and Place of Public Hearing

On Wednesday June 14, 2017, at 6:00 p.m. or as soon thereafter as the matter may be heard, in the Tomales Town Hall in Tomales, California, the Board of Directors (the "Board") of the Tomales Village Community Services District (TVCS D) will conduct a public hearing to consider increasing the annual sewer service rate (the "rate") to be collected for sewage collection and treatment services provided by the sewer system (the "System") of TVCS D to property within TVCS D sewer service district boundaries.

Property Owner Obligation

The proposed rate will be collected on the general property tax bill administered by Marin County for each parcel that has one or more structures connected to the System. Payment of the rate is the responsibility of the owner of the parcel.

What the Rate Increase is for and how the Funds Collected Will be Used

There has been no sewer rate increase in 11 years. The previous increases were in 2006 and in 2001. Since its inception in 1999, the District has kept fees to a minimum and has made many upgrades and repairs. In 2009, a solar system was installed to provide electricity for the treatment plant and irrigation field. A special 15-year rate increase of \$5 per month created a restricted fund to help repay bonds for the solar system.

For the past year, Board of Directors, Staff, and the Financial Advisory Committee members have worked very hard to analyze finances and have reduced operational costs considerably. For the first time, there is a 10-year Financial Plan to project future income and expenses accurately and a 10-year Capital Improvement Plan. Because of the plant upgrades, the sewer system is in good shape, and our collection system is not in need of complete repair or rehabilitation as previously thought. We have \$245,000 in cash reserves, which include 6-month operations reserves per industry standards.

It is important to understand this proposed rate increase is not required for District operations, maintenance, or capital improvements. It is required to pay the unfunded debt obligations. Existing cash balances have been depleted every year since the debt was incurred. Previous Administration estimates counted on development growth in Tomales to provide sewer connection fee income with which to pay the debt service. New development did not occur; there have only been four new customers since 2000. The total debt we face over the next nine years is approximately \$297,000.

Amount of Proposed Rate Increases and Method of Calculating the Increased Rate

Effective July 1, 2017, TVCS D proposes to increase the rate from \$63.00 to \$72.45 per month per "equivalent unit" ("EU"), amounting to an increase of \$9.45 per month. A second increase of \$9.45 per EU, effective July 1, 2018, increases the rate from \$72.45 to \$81.90 per month. A standard single-family home constitutes one EU.

Parcels which have other uses (for example, restaurants and commercial buildings) will be assigned a higher number of EUs using standard equivalency factors that estimate the probable quantity and quality of sewage effluent normally generated by such uses in comparison to a single-family home. Your proposed sewer rate is calculated by dividing the annual costs of providing wastewater treatment and collection service by the number of EUs in the district.

Further Information Available Prior to the Hearing

At the hearing, the Board will consider adoption of a resolution, which establishes the proposed rate increases. Interested parties may also attend a regularly scheduled meeting of the TVCSD Board of Directors. Meetings are generally scheduled on the 2nd Monday of the month, beginning at 7:00 PM at Tomales Town Hall. Meeting information may also be viewed on our web page: www.tomalescsd.ca.org.

Please check the Tomales Post Office bulletin board, Diekmann's General Store and the TVCSD office on Dillon Beach Road three evenings prior to these meetings for details including: the date, time, location and agenda items that will be discussed.

Property Owner Protest Procedure

A notice has been mailed to owners of one or more parcels listed by the Marin County Assessor's Office as within TVCSD, which will be subject to the rate while connected to the sewer system. In the event you have sold property you may have owned within TVCSD, please send the notice to the new owner.

State law allows customers to respond to proposed rate increases prior to the public hearing. The public hearing for the proposed sewer service rate increase will be set for June 14, 2017 to comply with the requirement for a minimum 45-day response period. Either prior to or at the public hearing, property owners will be allowed to submit written protests regarding the proposed rate increase. Only one protest per parcel, regardless of the number of EUs, will be counted towards the determination of a simple majority for or against the rate increase. A non-response by any parcel will be considered as support for the rate increase. At the public hearing, the Board will consider all written protests, which have been received by the prescribed deadline. In order to be considered, the written protest must be received no later than the following deadlines:

- If submitted by mail, they must be received (NOT postmarked) no later than 5:00 pm on Wednesday, June 14, 2017, at the following mailing address:
Tomales Village Community Services District
P.O. Box 303
Tomales, CA 94971
- If hand delivered, they must be delivered no later than the close of public comments at the public hearing on Wednesday, June 14, 2017.

A valid protest must be written and contain: a description of the property address and written evidence that the signer(s) is/are the owner(s) of the property, if the signer(s) was/were not shown on the last equalized assessment roll as the owner(s) of the property.

Dru Fallon O'Neill
Board President
Tomales Village CSD

Date of this Notice: April 25, 2017

SUMMARY OF NOTICE OF PUBLIC HEARING

PROPOSED SEWER SERVICE RATE INCREASES FOR FISCAL YEARS 2017-18 AND 2018-19 FOR TOMALES VILLAGE COMMUNITY SERVICES DISTRICT

Date, Time and Place of Public Hearing

Notice is hereby given that pursuant to Health & Safety Code section 5473 and following, that on Wednesday June 14, 2017, at 6:00 p.m. (or as soon thereafter as the matter may be heard) in the Tomales Town Hall in Tomales, California, the Board of Directors (the "Board") of the Tomales Village Community Services District (TVCS D) will conduct a public hearing to consider increasing the annual sewer service rate (the "rate") to be collected for sewage collection and treatment services provided by the sewer system (the "System") of TVCS D to property within TVCS D sewer service district boundaries.

Amount of Proposed Rate Increases and Method of Calculating the Increased Rate

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Property Owner Protest Procedure

Either prior to or at the public hearing, property owners may submit written protests regarding the proposed rate increase. At the public hearing, the Board will consider all written protests, which have been received by the prescribed deadline. In order to be considered, the written protest must be received no later than the following deadline: Mail submissions must be received (NOT postmarked) no later than 5:00 PM on Wednesday, June 14, 2017, at the following mailing address: **Tomales Village Community Services District PO Box 303, Tomales, CA 94971**. If hand delivered, they must be delivered no later than the close of public comments at the public hearing on Wednesday, June 14, 2017.

A valid protest must be written and contain: a description of the property address and written evidence that the signer(s) is/are the owner(s) of the property, if the signer(s) was/were not shown on the last equalized assessment roll as the owner(s) of the property.

The full public notice is posted at the Tomales Post Office Bulletin Board, Diekmann's General Store, TVCS D office, and on the www.tomalescsd.ca.gov website. It will also be published in The Point Reyes Light on April 27, 2017 and May 11, 2017. For further information contact Jose Ortiz, General Manager, at (707)330-3542.

TVCSO 5-Year Capital Improvement Plan

PROJECT	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22
TVCSO CAPITAL PROJECTS					
Electrical Service Panels repairs for Lift Station	\$2,000				
CCTV Inspection of entire collection system		\$10,000			
CCTV Inspection of 25% of collection system					\$2,500
Replace high lift pump and motor (#1)			\$7,500		
Replace under drain sump pump and motor	\$3,000				
Replace uninterrupted power supply units (3)			\$2,000		
Replace level transmitters in treatment ponds (3)	\$5,000			\$2,500	
System integration and SCADA programming		\$2,500			
Re-rock access roads					\$10,000
Electrical Service Panels and new controllers for Irrigation Field and WWTP				\$5,000	
Irrigation guns #6, 7	\$4,000				
Irrigation Rainbird sprinklers (33)			\$2,500		
Replace irrigation pump (1)				\$6,000	
Re-roof Control Building				\$2,000	
Regrade access road					\$2,000
Repair erosion around air gap apron		\$4,000			
Replace level transmitter in storage ponds (1)			\$2,500		
TVCSO CAPITAL PROJECTS TOTAL:	\$14,000.00	\$16,500.00	\$14,500.00	\$15,500.00	\$14,500.00
CAPITAL FUND BALANCE					
Appropriation from Operations to Capital Fund	?				
Capital Fund total	?				
Less CIP - TVCSO Capital Projects	\$14,000.00	\$16,500.00	\$14,500.00	\$15,500.00	\$14,500.00

TVCS D Capital Improvement Plan Years 6-10

PROJECT	FY 22/23	FY 23/24	FY 24/25	FY 25/26	FY 26/27
TVCS D CAPITAL REPLACEMENT PROJECTS					
Electrical Service Panels and new controllers for Lift Station	\$5,000				
Slip lining collection (1,250 ft)					\$125,000
CCTV Inspection of 25% of collection system		\$2,500		\$2,500	
Rehabilitate 10 Manholes					\$25,000
Lift Station 2 pumps		\$10,000			
Replace high lift pump and motor (#2)	\$7,500				
Comminutor grinder pipe		\$3,000			
Replace uninterrupted power supply units (3)				\$2,000	
Replace level transmitters in treatment ponds (2)	\$5,000				
SCADA software, programming, and hardware			\$15,000		
Effluent flow meter					\$10,000
Electrical Service Panels and new controllers for Irrigation Field				\$5,000	
Irrigation Rainbird sprinklers (33)		\$2,500			
Replace irrigation pump (1)				\$6,000	
Regrade access road					\$2,000
Replace level transmitter in storage ponds (1)			\$2,500		
TVCS D CAPITAL PROJECTS TOTAL:	\$17,500.00	\$18,000.00	\$17,500.00	\$15,500.00	\$162,000.00
CAPITAL FUND BALANCE					
Appropriation from Operations to Capital Fund	?				
Capital Fund total	?				
Less CIP - TVCS D Capital Projects	\$17,500.00	\$18,000.00	\$17,500.00	\$15,500.00	\$162,000.00