

# Delta Diablo

(a California Special District)

## Board of Directors Meeting

**4:30 PM, Wednesday, April 10, 2024**

2500 Pittsburg-Antioch Highway, Antioch, CA 94509

**The Board of Directors Meeting will be conducted as an in-person meeting that is open to members of the public.** Persons who wish to address the Board during Public Comments or with respect to a specific Agenda item will be limited to two (2) minutes. The Board Chair may reduce the amount of time allotted per speaker for Public Comments or specific Agenda item(s) depending on the number of speakers and the business of the day.

Presentations will be available online at <https://www.deltadiablo.org/board-meetings> approximately one hour prior to the start of the Board meeting. A copy of the presentations will also be available for inspection at the meeting and at the District Administration Building located at 2500 Pittsburg-Antioch Highway, Antioch, California.

## AGENDA

### A. ROLL CALL

### B. PLEDGE OF ALLEGIANCE

### C. PUBLIC COMMENTS

### D. RECOGNITION

Congratulate Stephen Cardiel on His Promotion to Associate Engineer  
(Thanh Vo)

### E. CONSENT CALENDAR

- 1) **Approve** Minutes of Board of Directors Meeting, March 13, 2024  
(Cecelia Nichols-Fritzler)
- 2) **Receive** Notes of Board of Directors Finance Committee Meeting,  
March 27, 2024 (Cecelia Nichols-Fritzler)
- 3) **Receive** District Monthly Check Register for March 2024 (Eka Ekanem)
- 4) **Accept** Project as Complete and **Authorize** General Manager to File Notice of  
Completion, TCB Industrial Contractor, RWF Sand Pump Piping Replacement,  
Project No. 22127 (Stephen Cardiel)

The District will provide reasonable accommodations for persons with disabilities who plan to participate in Board (or committee) meetings by contacting the Secretary to the Board 24 hours prior to the scheduled meeting at (925) 756-1927. Disclosable public records related to an open session item on a regular meeting agenda and distributed by the District to a majority of members of the Board of Directors less than 72 hours prior to that meeting are available for public inspection on the District website at [www.deltadiablo.org](http://www.deltadiablo.org) and also at the District Administration Building located at 2500 Pittsburg-Antioch Highway, Antioch, CA 94509 during normal business hours.

## **F. DELIBERATION ITEMS**

**Review** Proposed Sewer Service Charge Increases for FY24/25; **Set** Public Hearing for June 12, 2024 at 5:30 pm, to Consider Protests Against Sewer Service Charge Increases for FY24/25, and to Consider Authorizing Collection of FY24/25 Sewer Service Charges on the Tax Roll; and **Authorize** Distribution of Proposition 218 Hearing Notices and Publication of Hearing Notices (Nitish Sharma)

## **G. PRESENTATIONS AND REPORTS**

**Receive** Update on Progress Toward Workforce Development Goal in District Strategic Plan (Brian Thomas)

## **H. GENERAL MANAGER COMMENTS**

## **I. BOARD MEMBER COMMENTS**

**J. CORRESPONDENCE** – None.

## **K. CLOSED SESSION**

CONFERENCE WITH LABOR NEGOTIATORS (GOV. CODE, SECTION 54957.6)

Agency Negotiators: Vince De Lange, Kelly Tuffo

Employee Organizations: Operations and Maintenance Unit, Public Employees Union, Local One; Professional & Technical Unit, Public Employees Union, Local One; Management Association

Unrepresented Employees: All unrepresented employees

## **L. ADJOURNMENT**

The next regular Board of Directors Meeting is scheduled for 4:30 pm on May 8, 2024.

April 10, 2024

## CONGRATULATE STEPHEN CARDIEL ON HIS PROMOTION TO ASSOCIATE ENGINEER

### Recommendation

Congratulate Mr. Stephen Cardiel on his recent promotion to Associate Engineer at the District.

### Background Information

Following a comprehensive and competitive recruitment and selection process to fill the vacant Associate Engineer position, Mr. Cardiel was selected as the most qualified candidate and was promoted to this position, effective April 1, 2024.

### Analysis

Mr. Cardiel began his employment with the District as an Assistant Engineer on January 23, 2023. He has over 6 years of engineering experience in the private and public sector. During his time with the City of Pittsburg, Mr. Cardiel worked as an Assistant Engineer reviewing and approving plans for utility projects, encroachment permits, single parcels, and minor and major subdivision developments, and as an Associate Engineer performing limited preliminary design duties and field exploration for public works projects with assistance from design consultants. At the District, he has managed various capital projects, including the RWF Sand Pump Piping Replacement Project, Onsite Fueling Station Replacement Project, and the PFM2401 Dresser Coupling Replacement Project. His knowledge, skills, and work experience will support his continued growth in this new position.

### Financial Impact

Sufficient funding for this position is included in the adopted FY23/24 Budget.

**Attachments** – None.

Reviewed by: 

Murat Bozkurt  
Engineering Services Director/District Engineer

cc: Mr. Stephen Cardiel, Associate Engineer  
District File No. BRD.01-ACTS

April 10, 2024

**APPROVE MINUTES OF BOARD OF DIRECTORS MEETING,  
MARCH 13, 2024****Recommendation**

Approve Minutes of Board of Directors Meeting on March 13, 2024.

**DRAFT**Board of Directors Meeting Minutes  
DELTA DIABLO  
March 13, 2024

The meeting was called to order by Chair Monica Wilson at 4:30 pm, on Wednesday, March 13, 2024. Present was Vice Chair Federal Glover. Director Juan Banales was absent. Also present were Rebecca Hooley, District Counsel; Vince De Lange, General Manager; Dean Eckerson, Resource Recovery Services Director; Nitish Sharma, Business Services Director; Murat Bozkurt, Engineering Services Director/District Engineer; Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board; Anika Lyons, Finance Manager; Amanda Roa, Environmental Programs Manager (and Management Association bargaining unit representative); Joaquin Gonzalez, Operations Manager (and Management Association bargaining unit representative); Jason Piper, Information Technology Manager; Thanh Vo, Senior Engineer; Sean Williams, Associate Engineer; and Alonso Rodriguez, Construction Inspector.

PUBLIC COMMENTS – None.

**RECOGNITION****Congratulate Alonso Rodriguez on His Promotion to Construction Inspector**

Mr. Vo recognized Mr. Rodriguez for his promotion at the District, highlighting that he was hired on September 28, 2015 as a Collection System Worker II and has over 13 years of experience in collections, maintenance, and inspection activities in the water/wastewater sector. Mr. Rodriguez thanked the Board, which congratulated Mr. Rodriguez on his promotion.

**CONSENT CALENDAR**

Vice Chair Glover moved approval of the Consent Calendar, seconded by Chair Wilson and by roll call vote (Ayes: *Glover and Wilson*; Noes: *None*; Absent: *Banales*, Abstain: *None*), the following Consent Calendar items were approved: Approve Minutes of Special Board of Directors Meeting, February 21, 2024; Receive District Monthly Check Register for February 2024; and Approve Amended Debt Management and Continuing Disclosure (Policy No. 3075).

DELIBERATION ITEMS – None.



## PRESENTATIONS AND REPORTS

### Receive Report on Major Factors Impacting 5-Year Capital Improvement Program Development and Financial Assumptions

Mr. Thomas provided an overview of three major capital projects that have significantly impacted development of the proposed 5-year capital improvement program (CIP) totaling \$192.8 million, which represents a \$53.7 million increase from the current CIP. In particular, he noted that the cost estimate for the Secondary Process Improvements Phase 1 Project has increased from \$60 million to \$110 million based on revised scope and cost assumptions to support future nutrient removal efforts. In addition, Mr. Thomas highlighted that staff is incorporating an additional \$100 million in long-term financial planning assumptions for the Secondary Process Improvements Phase 2 Project to meet future nutrient removal regulations. He noted that staff has increased the cost estimates for the Cogeneration System Improvements Project (+\$6.5 million) and Antioch Pump Station and Conveyance System Improvements Project (+\$3.5 million).

Mr. Thomas summarized the current nutrient management regulatory framework, and key drivers, costs, funding assumptions, and implementation timelines for both phases of the Secondary Process Improvements Project. In addition, he reviewed major impacts to key financial planning assumptions, including planned funding sources for the Secondary Process Improvements Phase 1 Project, use of the Water Infrastructure Finance and Innovation Act (WIFIA) loan program, and the preliminary impact on projected FY24/25 Sewer Services Charges (SSCs). In closing, Mr. Thomas reviewed the upcoming Board Meeting schedule for review and approval of the proposed 5-year CIP, and FY24/25 SSCs and Budget, including review of proposed FY24/25 SSCs at the Finance Committee Meeting on March 27, 2024.

The Board thanked Mr. Thomas for the report.

### Receive Update on Information Technology Roadmap Implementation

Mr. Piper provided an overview of the Organizational Change goal in the District's Strategic Plan, which includes multiple objectives related to use of information technology (IT). He highlighted the use of an internal IT Steering Committee to identify, prioritize, and implement key initiatives and address critical IT issues in five key IT program focus areas. In addition, Mr. Piper highlighted key achievements to date, emerging IT technologies, planned initiatives and activities, and next steps, which includes proposed addition of a Software Develop position at the District in FY24/25.

Vice Chair Glover asked a clarifying question regarding the proposed new IT position. Chair Wilson thanked Mr. Piper for the presentation.

GENERAL MANAGER COMMENTS – None.

BOARD MEMBER COMMENTS – None.

## CORRESPONDENCE

### Receive Monthly Lobbyist Report dated February 2024, Key Advocates, Inc., Western Recycled Water Coalition

The Board received and filed the correspondence.



CLOSED SESSION – None.

ADJOURNMENT

Chair Wilson adjourned the meeting at 5:16 pm and noted the next regular Board of Directors Meeting is scheduled for 4:30 pm on April 10, 2024.

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Juan Banales  
Board Secretary

(Recording Secretary: Cecelia Nichols-Fritzler)

cc: District File No. BRD.01-MINS

DRAFT



April 10, 2024

## RECEIVE NOTES OF BOARD OF DIRECTORS FINANCE COMMITTEE MEETING, MARCH 27, 2024

### Recommendation

Note receipt and file.

### Background Information

The Finance Committee met on March 27, 2024. The meeting was attended by Committee Chair Juan Banales; Vince De Lange, General Manager; Brian Thomas, Deputy General Manager; Nitish Sharma, Business Services Director; Murat Bozkurt, Engineering Services Director/District Engineer; and Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board.

The purpose of the meeting was to review and receive comments on proposed Sewer Service Charges (SSCs) for Fiscal Year 2024/2025 (FY24/25) and the draft Proposition 218 Notice for consideration at the April 10, 2024 Board of Directors Meeting.

### Analysis

Committee Chair Banales recommended the item be presented to the Board of Directors on April 10, 2024. Committee meeting notes are provided as an informational report at regular Board Meetings as part of the Consent Calendar.

### Attachments

1. Finance Committee Meeting Notes, March 27, 2024
2. Finance Committee Agenda, March 27, 2024 (without attachments)

Reviewed by:



Vince De Lange  
General Manager

cc: District File BRD.01-ACTS





# Delta Diablo

(a California Special District)

## Finance Committee Meeting

Board Member Juan Banales, Committee Chair

**4:30 PM, Wednesday, March 27, 2024**

2500 Pittsburg-Antioch Highway, Antioch, CA 94509

## MEETING NOTES

The Finance Committee meeting was called to order by Committee Chair Juan Banales on Wednesday, March 27, 2024, at 4:30 pm. Present were Vince De Lange, General Manager; Brian Thomas, Deputy General Manager; Nitish Sharma, Business Services Director; Murat Bozkurt, Engineering Services Director/District Engineer; and Cecelia Nichols-Fritzler, Office Manager/Secretary to the Board.

**Public Comments** - None.

### Review Proposed Sewer Service Charges for FY24/25 and Draft Proposition 218 Notice

Mr. Sharma provided an overview of the SSC development schedule and highlighted key drivers impacting SSCs, including a significant nutrient removal mandate that impacts cash funding and future debt issuance needs. In addition, he highlighted the District's focus on addressing aging infrastructure in the wastewater conveyance and treatment system and continued efforts to reduce operating costs. Mr. Sharma noted key outcomes relative to meeting the District's guiding principles for achieving financial sustainability, including critical review of the operating budget, ensuring effective capital improvement program (CIP) prioritization, using a long-term planning horizon to prevent sharp rate increases, maximizing CIP cash funding, reserving debt capacity for nutrient management needs, maintaining minimum reserve balances, factoring growth into SSCs, and ensuring SSCs reflect the cost of providing services to different customer classes.

In addition, Mr. Sharma reviewed key assumptions in the 5-year financial plan, including the preliminary FY24/25 operating budget (\$30.6 million) with future escalation factors, use of Wastewater O&M Fund equity (\$3.9 million) in FY24/25, the draft 5-year CIP (\$160.8 million), CIP funding sources (71% cash, 29% debt), and the planned nutrient management approach via both phases of the Secondary Process Improvements Project.

Mr. Sharma reviewed the proposed SSC revenue increase need (+6.7%) for FY24/25 and the associated SSC annual increases for residential customers (+\$24.80 or 5.5% for Antioch/Pittsburg; +\$33.16 or 5.4% for Bay Point) and non-residential customers (average of +4.3% increase). He highlighted the distribution of SSC revenue to various District funds, noting it closely matches the 64% capital/36% operating cost split included in the projected FY24/25 Budget from last year. Mr. Sharma provided a preliminary comparison of District rates, highlighting the District continues to maintain rates below the average of peer agencies in the San Francisco Bay Area. He reviewed the recommended 5-year





SSC increase projection, as well as an alternative projection. In closing, Mr. Sharma reviewed the draft Proposition 218 Notice, the upcoming SSC development schedule, and recommendations.

During the presentation, Chair Banales asked clarifying questions to which staff provided responses, including the District's current debt service coverage ratio, basis for the Wastewater O&M Fund reserve amount, and use of consistent peer agencies in the SSC comparison chart. He also requested that staff clarify the preliminary FY24/25 operating budget relative to referenced comparison baselines and add a summary of recent SSC increases. Chair Banales confirmed his support for the recommended 5-year SSC increase projection and recommended that staff submit the item for consideration at the April 10, 2024 Board Meeting.

### **Adjournment**

The meeting was adjourned by Chair Banales at 5:11 pm.

(Recording Secretary: Cecelia Nichols-Fritzler)

DRAFT



# Delta Diablo

(a California Special District)

## Board of Directors Finance Committee Meeting

**4:30 PM, Wednesday, March 27, 2024**

Plant Operations Center Conference Room  
2500 Pittsburg-Antioch Highway, Antioch, CA 94509

# AGENDA

**A. PUBLIC COMMENTS**

**B. REVIEW AND COMMENT ON PROPOSED SEWER SERVICE CHARGES FOR FY24/25 AND DRAFT PROPOSITION 218 NOTICE (Nitish Sharma)**

**C. ADJOURNMENT**

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April 10, 2024

## RECEIVE DISTRICT MONTHLY CHECK REGISTER FOR MARCH 2024

### Recommendation

Receive the District Monthly Check Register for the month ending March 31, 2024.

### Background Information


Attached is the Check Register for March 2024. The report reflects payments to the District's suppliers, consultants, service providers, and contractors. A total of \$2,277,595.18 was disbursed in March 2024, which includes 132 payments.

### Financial Impact

All payments made during March 2024 are within funding levels included in the adopted FY23/24 Budget.

### Attachment

Check Register for the month ending March 31, 2024

Reviewed by:   
Nitish Sharma  
Business Services Director

cc: District File No. BRD.01-ACTS



**CHECK REGISTER**  
**DELTA DIABLO**  
CASH DISBURSEMENTS FOR THE MONTH OF MARCH 2024

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	INVOICE AMOUNT	DESCRIPTION	CHECK AMOUNT
3/1/2024	SUN LIFE ASSURANCE COMPANY OF CANADA	64888	40215	5,088.23	P/R DENTAL INSURANCE PAYABLE	5,088.23
3/1/2024	UNIVAR USA INC	64771	40216	8,728.31	SODIUM BISULFITE	8,728.31
3/8/2024	UNIVAR USA INC	64915	40217	8,707.89	SODIUM BISULFITE	8,707.89
3/15/2024	UNIVAR USA INC	64973	40218	9,120.23	SODIUM BISULFITE	9,120.23
3/22/2024	SUN LIFE ASSURANCE COMPANY OF CANADA	65097 65098	40219	14,193.70 765.80	P/R DENTAL INSURANCE PAYABLE P/R DENTAL INSURANCE PAYABLE	14,959.50
3/22/2024	SYNAGRO WEST, LLC	64904	40220	80,105.23	BIOSOLIDS HAULING	80,105.23
3/7/2024	AFSCME DISTRICT COUNCIL 57	5627029 5627129	41859	3,511.28 1,598.20	UNION DUES O&M UNION DUES P&T	5,109.48
3/7/2024	ARCO BUSINESS SOLUTIONS	64992	41860	107.08	GAS	107.08
3/7/2024	BELLECCI & ASSOCIATES, INC.	64843	41861	11,384.50	BP COLLECTION POINT REPAIR, PN 23119	11,384.50
3/7/2024	MURAT BOZKURT	64996	41862	546.53	T&M	546.53
3/7/2024	BROWN AND CALDWELL	64865	41863	72,897.99	PROVIDE CONSULTING SERVICES FOR PN 22114	72,897.99
3/7/2024	CON-QUEST CONTRACTORS, INC	64966	41864	151,367.73	CONSTRUCTION SERVICES FOR PN 21123	151,367.73
3/7/2024	VINCENT DE LANGE	64995	41865	336.24	T&M	336.24
3/7/2024	DEPT OF GENERAL SERVICES	64937	41866	261.80	UTILITIES	261.80
3/7/2024	EAST BAY TIRE CO.	64982	41867	55.76	TIRES FOR DISTRICT VEHICLES	55.76
3/7/2024	JOHNSON LAM	64962	41868	2,150.00	SOFTWARE PURCHASE - IERS CIWQS ESMR 2.0 AND 2.5	2,150.00
3/7/2024	ENVIRONMENTAL RESOURCE ASSOCIATES, INC	64943 64971	41869	1,435.34 355.40	QC SAMPLES QC SAMPLES	1,790.74
3/7/2024	FASTENAL COMPANY	64856	41870	1,291.81	FASTENAL BLANKET PO FY-24	1,291.81
3/7/2024	FISHER SCIENTIFIC COMPANY, LLC	64855 64892 64894	41871	366.15 76.36 1,181.20	LABORATORY SUPPLIES LABORATORY SUPPLIES LABORATORY SUPPLIES	1,623.71
3/7/2024	GOLDEN STATE WATER CO.	64968	41872	1,603.19	AC# 07744100004	1,603.19
3/7/2024	GOLDEN STATE WATER CO.	64969	41873	1,021.83	AC# 32249200000	1,021.83
3/7/2024	GP CRANE & HOIST SERVICES	64859	41874	919.95	DISTRICT CRANE SERVICE/ REPAIRS	919.95
3/7/2024	HARVEST TECHNICAL SERVICES INC	64898	41875	3,645.61	O/S TEMP	3,645.61
3/7/2024	BENJAMIN HUFFMAN	65016	41876	338.33	T&M	338.33
3/7/2024	IDEXX DISTRIBUTION, INC	65015	41877	1,549.00	IDEXX LAB SUPPLIES	1,549.00

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	INVOICE AMOUNT	DESCRIPTION	CHECK AMOUNT
3/7/2024	CELIA KITCHELL		41878			18.76
		64902		18.76	T&M	
3/7/2024	MDRR-PARK (MT. DIABLO RESOURCE RECOVERY F		41879			129.68
		64832		129.68	WASTE	
3/7/2024	MISCOWATER		41880			4,239.84
		64893		4,239.84	REPLACEMENT SIGMA/ 2 REPLACEMNT PARTS	
3/7/2024	ODP BUSINESS SOLUTIONS LLC		41881			402.24
		64924		402.24	BLANKET PO FOR OFFICE SUPPLIES 7-2023 TO 6-2024	
3/7/2024	PITTSBURG UNIFIED SCHOOL DISTRICT		41882			362.26
		64960		162.78	TRAVEL & MEETINGS	
		64961		199.48	TRAVEL & MEETINGS	
3/7/2024	CITY OF PITTSBURG		41883			1,181.80
		64939		1,181.80	UTILITIES	
3/7/2024	CITY OF PITTSBURG		41884			24,056.78
		64963		24,056.78	STREET SWEEPING SERVICES FOR CITY OF PITTSBURG	
3/7/2024	PSOMAS		41885			66,965.00
		64866		6,190.00	CONSTRUCTION & COATING INSPECTION SVS	
		64884		60,775.00	PN 21118 CONSTRUCTION MANAGEMENT SERVICES PN17120	
3/7/2024	REPUBLIC SERVICES #210		41886			1,252.00
		64986		1,252.00	WASTE	
3/7/2024	TAC AMERICAS, INC.		41887			9,596.00
		64941		8,776.00	POC HVAC EMERGENCY REPAIRS	
		64942		820.00	POC HVAC EMERGENCY REPAIRS	
3/7/2024	SNAP-ON TOOLS CORPORATION		41888			339.39
		64895		339.39	HAND TOOLS	
3/7/2024	STATE OF CALIFORNIA		41889			1,040.59
		5988236		125.00	EARNINGS GARNISHMENT	
		6334012		915.59	EARNINGS GARNISHMENT	
3/7/2024	TELSTAR INSTRUMENTS INC		41890			41,819.20
		64891		41,819.20	ELECTRICAL / INSTRUMENTATION SUPPORT	
3/7/2024	UNIFIRST FIRST AID CORP		41891			350.92
		64854		350.92	FIRST AID SUPPLIES	
3/7/2024	VERIZON WIRELESS		41892			3,917.27
		64988		3,917.27	PHONE	
3/14/2024	ALHAMBRA & SIERRA SPRGS WATER		41893			632.08
		65038		632.08	BLANKET PO FOR WATER 7-2023 TO 6-2024	
3/14/2024	ALL STAR FORD		41894			1,220.02
		64970		1,220.02	DISTRICT FLEET SERVICES, FORD TRUCKS	
3/14/2024	CITY OF ANTIOCH- WATER		41895			5,702.40
		65042		94.60	AC# 004-01510	
		65043		772.86	AC# 004-01513	
		65044		4,478.38	AC# 013-00110	
		65045		94.60	AC# 013-00021	
		65046		94.60	AC# 013-00022	
		65047		94.60	AC# 013-00024	
		65048		72.76	AC# 013-00023	
3/14/2024	BATTALION ONE FIRE PROTECTION, INC		41896			630.00
		64901		630.00	FIRE ALARM AND SUPPRESSION VENDOR	
3/14/2024	CHEMTRADE CHEMICALS US LLC		41897			12,575.56
		64933		4,194.14	ALUMINUM SULFATE	
		64976		4,210.01	ALUMINUM SULFATE	
		64977		4,171.41	ALUMINUM SULFATE	
3/14/2024	CLEAN EARTH ENVIRONMENTAL SOLUTIONS, INC		41898			60,338.58
		65020		60,338.58	PROVIDE TRANS/DISPOSAL/LABOR FOR HHW & TEMP EVENTS	
3/14/2024	FISHER SCIENTIFIC COMPANY, LLC		41899			502.09
		64899		473.23	LABORATORY SUPPLIES	
		64946		28.86	LABORATORY SUPPLIES	
3/14/2024	HASA INC.		41900			27,810.67
		64974		13,890.53	SODIUM HYPOCHLORITE	
		64975		13,920.14	SODIUM HYPOCHLORITE	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	INVOICE AMOUNT	DESCRIPTION	CHECK AMOUNT
3/14/2024	HDR ENGINEERING, INC.	64905	41901	173,823.94	ENGINEERING DESIGN SERVICES FOR PN 22129	173,823.94
3/14/2024	HUNT & SONS INC	65005	41902	1,141.28	INVENTORY LUBICANTS	1,141.28
3/14/2024	KEMIRA WATER SOLUTIONS, INC.	64914	41903	8,371.96	FERROUS CHLORIDE	8,371.96
3/14/2024	KRUGER, INC	64945	41904	46,087.78	RWF ACTIFLO MATURATION MIXER SPARE HUB	46,087.78
3/14/2024	LINDE GAS & EQUIPMENT INC	64978 64979 64980 64981	41905	1,312.10 2,470.82 2,451.68 1,312.10	OXYGEN RENTAL OXYGEN RENTAL OXYGEN RENTAL OXYGEN RENTAL	7,546.70
3/14/2024	McCAULEY AGRICULTURAL & PEST SERVICES	64952 64953 64954 64955 64956 64957 64958 64959	41906	300.00 60.00 60.00 60.00 60.00 60.00 825.00 75.00	PEST CONTROL SERVICES PEST CONTROL SERVICES PEST CONTROL SERVICES PEST CONTROL SERVICES PEST CONTROL SERVICES PEST CONTROL SERVICES PEST CONTROL SERVICES PEST CONTROL SERVICES	1,500.00
3/14/2024	MDRR PITTSBURG	65006 65007	41907	1,514.15 4,016.15	AC# 10-0018920 AC# 10-0031550	5,530.30
3/14/2024	MDRR-PARK (MT. DIABLO RESOURCE RECOVERY F	65008	41908	242.26	WASTE	242.26
3/14/2024	NORTHPOINT SECURITY SERVICES, INC	64883 64985	41909	7,844.16 8,139.76	SECURITY PATROL SERVICES SECURITY PATROL SERVICES	15,983.92
3/14/2024	NWN CORPORATION	65037	41910	3,032.69	PHONE EXP	3,032.69
3/14/2024	PACIFIC GAS & ELECTRIC COMPANY	65060	41911	87,430.62	AC# 4887173962-8	87,430.62
3/14/2024	PITTSBURG AUTOMOTIVE	64355	41912	188.91	DISTRICT FLEET SERVICES	188.91
3/14/2024	POLYDYNE INC	64916 64972	41913	19,184.30 90,815.38	LIQUID POLYMER DRY POLY	109,999.68
3/14/2024	REPUBLIC SERVICES #210	64987	41914	13,435.21	WASTE	13,435.21
3/14/2024	DOUGLAS SCHREINER	65065	41915	22.00	TRAVEL & MEETINGS - OT MEAL REIMB	22.00
3/14/2024	STATE WATER RESOURCES	65064	41916	326,357.73	LOAN PAYMENT	326,357.73
3/14/2024	TCB INDUSTRIAL INC	64935	41917	92,669.84	CONSTRUCTION SERVICES FOR PN 22127	92,669.84
3/21/2024	AFLAC	65112	41918	1,324.80	INSURANCE	1,324.80
3/21/2024	ALPHA MEDIA II LLC	64983	41919	750.00	PUBLIC OUTREACH RADIO ADS	750.00
3/21/2024	ALTUS RECEIVABLES MANAGEMENT INC	65141 65142 65143 65144 65145	41920	227.76 205.51 250.00 205.51 250.00	BANK FEES SAFETY SHOES - ERIC WISE SAFETY SHOES - CODY HAIGHT SAFETY SHOES - JASON PIPER SAFETY SHOES - LOU VELARDE	1,138.78
3/21/2024	CON-QUEST CONTRACTORS, INC	65169	41921	20,314.88	CONSTRUCTION SERVICES PN 21114	20,314.88
3/21/2024	CONTRA COSTA COUNTY	65050	41922	20,566.00	LEGAL SERVICES FY23-24	20,566.00
3/21/2024	CONTRA COSTA WATER DISTRICT	65099	41923	9.04	UTILITIES	9.04

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	INVOICE AMOUNT	DESCRIPTION	CHECK AMOUNT
3/21/2024	CORELOGIC INFORMATION SOLUTIONS, INC		41924			165.00
		65100		165.00	REALQUEST PROPERTY INFORMATION	
3/21/2024	DIABLO WATER DISTRICT		41925			188.51
		65102		188.51	UTILITIES	
3/21/2024	ENVIRONMENTAL RESOURCE ASSOCIATES, INC		41926			1,852.56
		65167		417.08	PROFICIENCY TESTING SAMPLES FOR LABORATORY	
		65168		1,435.48	QC SAMPLES	
3/21/2024	FEDERAL EXPRESS		41927			76.27
		65116		76.27	POSTAGE PN 23119	
3/21/2024	FISHER SCIENTIFIC COMPANY, LLC		41928			693.35
		64950		629.36	LABORATORY SUPPLIES	
		64989		63.99	LABORATORY SUPPLIES	
3/21/2024	GRAINGER		41929			1,134.60
		64870		1,083.83	INVTY U104001	
		64951		50.77	MAINTENANCE DIVISION REPAIRS & MAINTENANCE PO	
3/21/2024	HACH COMPANY		41930			532.23
		65000		532.23	INVTY U104108	
3/21/2024	HARVEST TECHNICAL SERVICES INC		41931			6,546.42
		65026		3,273.21	O/S TEMP	
		65027		3,273.21	O/S TEMP	
3/21/2024	HASA INC.		41932			27,758.24
		65052		13,901.94	SODIUM HYPOCHLORITE	
		65053		13,856.30	SODIUM HYPOCHLORITE	
3/21/2024	HUNT & SONS INC		41933			11,311.30
		65063		11,311.30	DISTRICT FUEL SERVICES	
3/21/2024	IDEXX DISTRIBUTION, INC		41934			2,528.82
		65012		355.70	IDEXX LAB SUPPLIES	
		65013		2,173.12	IDEXX LAB SUPPLIES	
3/21/2024	IN SHAPE HEALTH CLUBS		41935			533.50
		65014		533.50	GYM	
3/21/2024	JM SQUARED & ASSOCIATES INC.		41936			78,796.88
		65078		78,796.88	10" C5445 SOLIDS HANDLING PUMP	
3/21/2024	LEE & RO, INC.		41937			3,498.50
		64990		3,498.50	DESIGN SERVICES DURING CONSTRUCTION	
3/21/2024	LINDE GAS & EQUIPMENT INC		41938			3,999.81
		65073		2,555.21	OXYGEN RENTAL	
		65075		1,444.60	OXYGEN RENTAL	
3/21/2024	LYSTEK INTERNATIONAL LIMITED		41939			12,491.04
		65002		12,491.04	BIOSOLIDS DISPOSAL	
3/21/2024	MBS ENGINEERING INC		41940			33,738.30
		64967		33,738.30	CONSTRUCTION SERVICES PN 21118	
3/21/2024	MCMASTER CARR SUPPLY CO		41941			1,782.38
		64605		1,068.14	INVTY U104096	
		64872		83.81	INVTY U104096	
		64999		630.43	INVTY U104096	
3/21/2024	SUE THOMASON		41942			500.00
		64903		500.00	INDOOR PLANTS LEASING AND WEEKLY MAINTENANCE	
3/21/2024	MSC INDUSTRIAL SUPPLY CO. INC.		41943			90.77
		64919		90.77	INVTY U104101	
3/21/2024	NEW IMAGE LANDSCAPE COMPANY		41944			2,563.00
		64964		2,563.00	LANDSCAPE SERVICES	
3/21/2024	ODP BUSINESS SOLUTIONS LLC		41945			596.10
		64993		80.06	BLANKET PO FOR OFFICE SUPPLIES 7-2023 TO 6-2024	
		64994		138.24	BLANKET PO FOR OFFICE SUPPLIES 7-2023 TO 6-2024	
		65039		41.04	BLANKET PO FOR OFFICE SUPPLIES 7-2023 TO 6-2024	
		65040		336.76	BLANKET PO FOR OFFICE SUPPLIES 7-2023 TO 6-2024	
3/21/2024	PACIFIC GAS & ELECTRIC COMPANY		41946			137,134.05
		65076		137,134.05	AC# 4835091675-4	



CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	INVOICE AMOUNT	DESCRIPTION	CHECK AMOUNT
3/21/2024	PACIFIC GAS & ELECTRIC COMPANY	65103	41947	53.70	UTILITIES	53.70
3/21/2024	PACIFIC GAS & ELECTRIC COMPANY	65104	41948	334.04	UTILITIES	334.04
3/21/2024	PILLSBURY WINTHROP SHAW PITTMAN LLP	65123	41949	3,617.50	LEGAL SERVICES	26,944.00
		65124		9,243.00	LEGAL SERVICES	
		65125		3,792.00	LEGAL SERVICES	
		65126		6,586.50	LEGAL SERVICES	
		65127		3,705.00	LEGAL SERVICES	
3/21/2024	PITTSBURG WINSUPPLY	65117	41950	3,411.33	P2402 CHOPPER PUMP INSTALL MATERIALS	12,837.22
		65119		1,645.28	P2402 CHOPPER PUMP INSTALL MATERIALS	
		65120		7,141.34	WATER HEATER	
		65122		639.27	INVTY U104103	
3/21/2024	CITY OF PITTSBURG	65147	41951	24,284.63	STREET SWEEPING SERVICES FOR CITY OF PITTSBURG	24,284.63
3/21/2024	RH TECHNOLOGY	64944	41952	2,175.04	O/S TEMP	22,829.72
		65010		2,035.20	O/S TEMP	
		65011		2,765.72	O/S TEMP	
		65061		(123.20)	O/S TEMP	
		65062		2,718.80	O/S TEMP	
		65067		2,595.60	O/S TEMP	
		65069		(98.56)	O/S TEMP	
		65110		1,475.52	O/S TEMP	
		65111		2,739.60	O/S TEMP	
		65152		2,076.48	O/S TEMP	
		65153		1,729.92	O/S TEMP	
		65154		2,739.60	O/S TEMP	
3/21/2024	SHAPE INCORPORATED	64603	41953	13,562.05	INVTY U104057	
3/21/2024	STATE OF CALIFORNIA	5988237	41954	125.00	EARNINGS GARNISHMENT	1,040.59
		6334013		915.59	EARNINGS GARNISHMENT	
3/21/2024	SWEEPING CORP OF AMERICA	65148	41955	40,374.85	FY23/24 STREET SWEEPING/ ANTIOCH & BAY POINT	40,374.85
3/21/2024	TELSTAR INSTRUMENTS INC	64997	41956	4,337.48	INVTY U104091	4,337.48
3/21/2024	TRI-VALLEY JANITORIAL SERVICE & SUPPLY INC,	65004	41957	9,611.00	NIGHTLY JANITORIAL SERVICES	9,611.00
3/21/2024	HD SUPPLY FACILITIES MAINTENANCE LTD	65001	41958	166.95	INVTY U104102	166.95
3/21/2024	WATER ONE INDUSTRIES INC	65049	41959	300.00	QUARTERLY SERVICE HOT AND COLD WATER LOOPS	300.00
3/21/2024	WORKERS.COM	64940	41960	1,846.80	O/S TEMP	5,171.04
		64948		1,477.44	O/S TEMP	
		65021		1,846.80	O/S TEMP	
3/21/2024	ZORO TOOLS, INC	64934	41961	2,864.46	INVTY U104105	2,864.46
3/28/2024	ASSOCIATED SERVICES COMPANY	65031	41962	346.25	COFFEE AND COFFEE SUPPLIES	732.74
		65032		386.49	COFFEE AND COFFEE SUPPLIES	
3/28/2024	BASIC BENEFITS, LLC	65219	41963	90.00	FSA	410.00
		65220		105.00	FSA	
		65221		105.00	FSA	
		65222		110.00	FSA	
3/28/2024	BELLECCI & ASSOCIATES, INC.	65022	41964	12,765.50	BP COLLECTION POINT REPAIR, PN 23119	12,765.50
3/28/2024	CHEMTRADE CHEMICALS US LLC	65136	41965	4,280.36	ALUMINUM SULFATE	21,100.94
		65137		4,271.71	ALUMINUM SULFATE	
		65138		4,227.69	ALUMINUM SULFATE	
		65139		4,158.78	ALUMINUM SULFATE	
		65140		4,162.40	ALUMINUM SULFATE	

CHECK DATE	VENDOR NAME	INVOICE NO.	CHECK NO.	INVOICE AMOUNT	DESCRIPTION	CHECK AMOUNT
3/28/2024	FASTENAL COMPANY		41966			227.79
		65029		227.79	FASTENAL BLANKET PO FY-24	
3/28/2024	FISHER SCIENTIFIC COMPANY, LLC		41967			1,608.76
		65023		109.75	LABORATORY SUPPLIES	
		65024		294.30	LABORATORY SUPPLIES	
		65025		697.97	LABORATORY SUPPLIES	
		65035		158.75	LABORATORY SUPPLIES	
		65068		286.56	LABORATORY SUPPLIES	
		65107		61.43	LABORATORY SUPPLIES	
3/28/2024	GRAINGER		41968			2,704.74
		65056		286.71	INVTY U104117	
		65057		49.78	INVTY U104117	
		65058		2,368.25	INVTY U104117	
3/28/2024	HACH COMPANY		41969			2,035.87
		65211		2,035.87	RWF SOLITAX PROBE REPAIR	
3/28/2024	HASA INC.		41970			27,769.35
		65135		13,886.22	SODIUM HYPOCHLORITE	
		65162		13,883.13	SODIUM HYPOCHLORITE	
3/28/2024	HAZARDOUS MATERIALS INSTITUTE		41971			16,082.40
		65157		16,082.40	CONFINED SPACE RESCUE SUPPORT FY 23/24	
3/28/2024	IB CONSULTING, LLC		41972			18,445.00
		65034		2,820.00	CFCC STUDY	
		65077		15,625.00	FY23-24 RATE STUDY	
3/28/2024	IDEXX DISTRIBUTION, INC		41973			1,625.94
		65036		1,625.94	IDEXX LAB SUPPLIES	
3/28/2024	KEMIRA WATER SOLUTIONS, INC.		41974			20,873.92
		65051		10,378.46	FERROUS CHLORIDE	
		65072		10,495.46	FERROUS CHLORIDE	
3/28/2024	LINDE GAS & EQUIPMENT INC		41975			2,863.52
		65074		2,863.52	OXYGEN RENTAL	
3/28/2024	NEW IMAGE LANDSCAPE COMPANY		41976			2,563.00
		65227		2,563.00	LANDSCAPE SERVICES	
3/28/2024	ODP BUSINESS SOLUTIONS LLC		41977			499.64
		65149		42.70	BLANKET PO FOR OFFICE SUPPLIES 7-2023 TO 6-2024	
		65150		265.22	BLANKET PO FOR OFFICE SUPPLIES 7-2023 TO 6-2024	
		65151		191.72	BLANKET PO FOR OFFICE SUPPLIES 7-2023 TO 6-2024	
3/28/2024	PITTSBURG UNIFIED SCHOOL DISTRICT		41978			237.64
		65114		237.64	TRAVEL & MEETINGS	
3/28/2024	PITTSBURG WINSUPPLY		41979			5,883.93
		65172		393.61	P2402 CHOPPER PUMP INSTALL MATERIALS	
		65217		5,490.32	SS MATERIALS/ TRICKLE TOWER MODIFICATIONS	
3/28/2024	PSOMAS		41980			51,560.00
		65070		48,140.00	CONSTRUCTION MANAGEMENT SERVICES	
		65071		3,420.00	CONSTRUCTION & COATING INSPECTION SVS PN 21118	
3/28/2024	TELSTAR INSTRUMENTS INC		41981			1,099.00
		65180		1,099.00	ELECTRICAL / INSTRUMENTATION SUPPORT	
3/28/2024	HD SUPPLY FACILITIES MAINTENANCE LTD		41982			2,404.10
		65054		2,404.10	INVTY U104120	
3/28/2024	WORKERS.COM		41983			1,846.80
		65183		1,846.80	O/S TEMP	
3/28/2024	ZORO TOOLS, INC		41984			1,769.12
		65055		1,769.12	INVTY U104116	
<b>GRAND TOTAL</b>						<b><u>2,277,595.18</u></b>

April 10, 2024

## **ACCEPT PROJECT AS COMPLETE AND AUTHORIZE GENERAL MANAGER TO FILE NOTICE OF COMPLETION, TCB INDUSTRIAL CONTRACTOR, RWF SAND PUMP PIPING REPLACEMENT, PROJECT NO. 22127**

### **Recommendations**

Accept the RWF Sand Pump Piping Replacement Project (Project) as complete and authorize the General Manager to file a Notice of Completion (NOC) with the Contra Costa County Recorder's Office.

### **Background Information**

In May 2023, the Board awarded a construction services contract to TCB Industrial Contractor (TCB) to replace the existing suction and discharge piping for the sand pumps at the District's Recycled Water Facility (RWF). Project construction was expected to commence in June 2023, but because of a change in material and procurement period, TCB did not start field activities until November 2023. All field work including additional scope was completed in January 2024.

### **Analysis**

Project work has been inspected and found to meet contract requirements. Staff recommends the Board accept the Project as complete and authorize the General Manager to file the NOC with the Contra Costa County Recorder's Office. Per California Civil Code Section 3093, filing the NOC will provide notification to subcontractors, vendors, and suppliers of the completion of work and will require that all parties submit any claims within thirty (30) days of the notice. Presently, there are no pending claims and staff is not aware of any unresolved issues that could lead to potential claims related to the Project. However, in the event claims are filed within this period, the current 5% retention is sufficient to protect the District against any contractual defaults or liens.

### **Financial Impact**

TCB's final contract amount is \$316,298, which includes the base contract amount and a 35% increase for approved change orders. Sufficient funding is available in the adopted FY23/24 Budget to fund the total project cost, including advertisement, construction, and staff labor of approximately \$400,000.

### **Attachment**

RWF Sand Pump Piping Replacement Project - Notice of Completion

Reviewed by:



Murat Bozkurt

Engineering Services Director/District Engineer

cc: District File BRD.01-ACTS

RECORDING REQUESTED BY

When Recorded, please return to:

Delta Diablo  
ATTN: Cecelia Nichols-Fritzler  
2500 Pittsburg-Antioch Highway  
Antioch, CA 94509-1373

**NOTICE OF COMPLETION**

NOTICE IS HEREBY GIVEN THAT:

1. The undersigned is an owner of an interest or estate in the hereinafter-described real property, the nature of which interest or estate is fee simple.
2. The full name and address of the undersigned owner and of any and all co-owners is: Delta Diablo, 2500 Pittsburg-Antioch Highway, Antioch, CA 94509.
3. On the 10<sup>th</sup> day of April 2024, there was completed upon the hereinafter-described real property a work of improvement as a whole known as RWF Sand Pump Piping Replacement, Project No. 22127.
4. The name of the original contractor for the work of improvement as a whole was TCB Industrial Contractor.
5. The real property herein referred to is situated in the City of Pittsburg, County of Contra Costa, State of California, and described as follows:  
Remove and replace the existing sand pump suction and discharge piping at the District's Recycled Water Facility.

DELTA DIABLO  
(Owner)

By: \_\_\_\_\_  
Vincent P. De Lange  
General Manager

VERIFICATION

I, Vincent P. De Lange, declare:

I hold the title of General Manager of Delta Diablo and am authorized to make this declaration on its behalf.

I have read the foregoing Notice of Completion and know the contents thereof. The Notice of Completion is true of my own knowledge, except as to those matters that are therein stated on information and belief, and as to those matters, I believe them to be true.

This declaration was signed on \_\_\_\_\_, in Antioch, California. I declare under penalty of perjury that the foregoing is true and correct.

\_\_\_\_\_  
Vincent P. De Lange  
General Manager

April 10, 2024

**REVIEW PROPOSED SEWER SERVICE CHARGE INCREASES FOR FY24/25; SET PUBLIC HEARING FOR JUNE 12, 2024 AT 5:30 P.M., TO CONSIDER PROTESTS AGAINST SEWER SERVICE CHARGE INCREASES FOR FY24/25, AND TO CONSIDER AUTHORIZING COLLECTION OF FY24/25 SEWER SERVICE CHARGES ON THE TAX ROLL; AND AUTHORIZE DISTRIBUTION OF PROPOSITION 218 HEARING NOTICES AND PUBLICATION OF HEARING NOTICES**

### **Recommendation**

1. Review proposed Sewer Service Charge (SSC) increases for Fiscal Year 2024/2025 (FY24/25).
2. Set public hearing for June 12, 2024 at 5:30 pm, at which the Board will do the following: receive public comments; consider all protests received; consider whether to adopt an ordinance establishing increased SSCs, effective FY24/25; and consider whether to adopt a resolution authorizing collection of the increased SSCs on the tax roll.
3. Authorize distribution of Proposition 218 Hearing Notices addressing proposed SSC increases and notifying property owners of the associated public hearing; and authorize publication of hearing notices in accordance with Health and Safety Code Section 5473.1.

### **Summary**

The wastewater sector is heavily regulated with new and emerging issues competing with aging infrastructure needs, operating budget challenges (e.g., chemical, energy, hauling costs), regulatory compliance obligations, and limited state and federal funding support. The District endeavors to meet these challenges while ensuring SSCs remain below average when compared to peer agencies in the San Francisco Bay Area. The following key actions are associated with the proposed FY24/25 SSC increases:

- **SSC Revenue Increase:** Generate an additional \$2.5 million in annual SSC revenue to meet the District's capital investment and operational financial needs, which represents a 6.7% increase in anticipated FY24/25 SSC revenue.
- **Residential Customers**
  - Implement an annual SSC increase of \$24.80 (~\$2.07 per month or 5.5%) for Antioch (District Zone 3) and Pittsburg (District Zone 2). The proposed SSC increase does not include wastewater collection services, which are provided by the respective cities.
  - Implement an annual SSC increase of \$33.16 (~\$2.76 per month or 5.4%) for Bay Point (District Zone 1). The proposed SSC increase includes wastewater collection services provided by the District.
- **Non-residential Customers:** Implement an average SSC increase of 4.3% to specific business classes (refer to Table 2 in the attached draft Prop. 218 Notice).
- **2024 Cost-of-Service (CoS) Study:** The District updated its current total number of residential and non-residential customers and influent flow to the District's Wastewater



Treatment Plant (WWTP) to ensure the proposed SSCs accurately reflect the District's cost of providing services to different customer classes.

- **Street Sweeping Charges:** No proposed changes (service level varies by community)
  - Annual single-family residential: \$4.58 for Bay Point, \$10.26 for Pittsburg, \$5.60 for Antioch
  - Annual non-residential unit: \$45.80 for Bay Point, \$51.35 for Pittsburg, \$56.00 for Antioch

## Background Information

In developing proposed SSC adjustments to meet revenue requirements each year, staff utilizes the following guiding principles to ensure long-term financial sustainability, as highlighted under the Fiscal Responsibility goal area in the District's Strategic Plan (dated August 2021):

- Critically review operating budget each year to identify budget adjustment needs and business process optimization opportunities
- Ensure effective risk-based prioritization of a capital improvement program (CIP) that addresses critical infrastructure needs
- Utilize a 5-year rate model with a 10-year planning horizon to identify SSC revenue needed to meet cost projections without sharp rate increases
- Maximize cash funding of CIP (vs. debt financing) to ensure lowest overall costs for customers
- Meet District policy to maintain a minimum reserve balance of 40% of annual budgeted operating expenses in the Wastewater Operations & Maintenance (WW O&M) Fund
- Account for changes in customer data (i.e., residential vs non-residential, growth, changes in wastewater flow) each year to ensure equitable cost allocation across customer classes
- Effectively utilize available debt capacity to address aging infrastructure renewal, capacity expansion, and nutrient management regulations
- Meet District policy requirement to meet a minimum debt service coverage ratio of 1.40
- Maintain SSCs below average relative to peer agencies
- Comply with legal requirements for revenue collection

Staff has developed a 5-year financial plan (with a 10-year planning horizon) to effectively identify the District's capital investment and operational financial needs, while meeting District fiscal policy requirements. This financial planning approach ensures the District is setting appropriate rates to recover costs of providing service in compliance with California law, including Prop. 218. Staff has determined that the proposed FY24/25 SSC increases are necessary and meet the following requirements:

- Collect sufficient revenue to meet current and long-term projected costs of operations and maintenance, fund capital investments in aging infrastructure and debt service obligations necessary to maintain effective and reliable services and maintain overall financial stability.
- Comply with state-mandated regulatory requirements.
- Meet and comply with annual debt service requirements and loan agreements.
- Avoid generating operational deficits and depleting reserves.
- Comply with California Constitution Article XIII D, Section 6, which includes the following requirements:
  - An agency cannot collect revenue beyond what is necessary to provide service.
  - No charge may be imposed for a service unless that service is actually used or immediately available to property owners.
  - Revenues derived from the charge shall not be used for any other purpose other than that for which the charge was imposed.



- The amount of the charge is proportional to the cost of the service, and the apportionment of total costs among ratepayer classes must be reasonable (e.g., avoidance of subsidization across customer classes).

Each year, the District submits required information to Contra Costa County to place SSCs on the property tax roll for most customers.

On March 27, 2024, staff presented the proposed SSC increases and associated recommendations to the Finance Committee (Committee), and the Committee recommended that these items be submitted to the Board for consideration on April 10, 2024.

## Analysis

Key assumptions in developing the updated 5-year financial plan and associated FY24/25 SSC adjustments include:

- Preliminary FY24/25 Operating Budget: \$30.6M funded by SSCs (\$34.5M total) with planned escalations in the following years to accommodate changes in operational expenses associated with materials, energy, and labor benefits.
- Preliminary 5-year CIP: \$160.8M for Wastewater (\$186.7M total). Staff highlighted major factors impacting capital investment needs at the March 2024 Board meeting, including the \$110M Secondary Process Improvements Phase 1 Project, \$22.0M Antioch Conveyance System and Pump Station Improvements Project, and \$20M Cogeneration System Improvements Project.
- Compliance with Nutrient Removal Requirements: The District has identified a planning-level cost estimate of \$100M for the Secondary Process Improvements Phase 2 Project.
- Debt Utilization: The District will pursue federal Water Infrastructure Finance and Innovation Act (WIFIA) loan funding for both phases of the Secondary Process Improvements Project (\$53.9M for Phase 1 and \$49.0M for Phase 2).
- 2024 CoS Study and Growth Projection: The study has been updated to incorporate growth within the service area (1,738 equivalent residential units [ERUs]) and the associated additional flow to the District's WWTP. The financial plan includes an additional 400 ERUs will be added to the District's service area in FY24/25, resulting in \$189,000 in additional annual SSC revenue.
- Ad Valorem Taxes: The annual Ad Valorem Tax revenue assumption of \$3.7M increased by \$0.6M from prior financial planning activities. Ad Valorem Tax revenue is assumed to increase by 2.0% per year in subsequent years.
- Advanced Treatment (AT) Fund: The 5-year financial plan allocates \$20.7M in cash to the Secondary Process Improvements Phase 1 Project, which includes foundational infrastructure improvements to meet future regulatory requirements to remove nutrients at the District's WWTP.
- Inter-fund Loans: The District forecasts a \$14.0M loan from the WW Capital Asset Replacement (WW CAR) Fund to the Wastewater Expansion Fund in FY30/31 to fund the growth-related component of the Secondary Process Improvements Phase 2 Project.

In FY23/24, the Board elected to maintain SSCs at the same level as in FY22/23 (i.e., no rate increase) and staff projected a 2.5% rate increase for FY24/25. As reported at the February 2024 and March 2024 Board Meetings, however, key changes in nutrient removal planning assumptions (i.e., issuance of specific individual agency permit limits with 10-year compliance timeline) require an additional \$120M-\$140M in capital investment needs to meet this regulatory requirement. In addition, staff that capital cost estimates for two large-scale capital improvement





projects (Cogeneration System Improvements, Antioch Pump Station and Conveyance System Improvements) have increased by a combined total of \$10.0M.

### **Public Communication and Outreach**

In compliance with Article XIII D, Section 6 of the California Constitution, and Government Code Section 53750, *et seq.*, notices on proposed rate increases are planned to be sent to all utility customer accounts by April 28, 2024 (a minimum of 45 days prior to the public hearing in June) (refer to attachment). The Notice includes the information required under Prop. 218, and outlines the process for protesting the proposed rate increases. Written protests can be mailed or hand-delivered to the District on or before the public hearing date or in person at the public hearing that is expected to be set for June 12, 2024. In addition, notices of the public hearing will be published twice in the East County Times, in accordance with Health and Safety Code Section 5473.1 to provide notice of the proposed collection of SSCs on the tax roll. At the close of the public hearing, the Secretary to the Board will announce the total number of protest responses. If written protests against the proposed SSC increases are presented by a majority of the parcel owners in the District's service area, the District cannot implement SSC increases.

### **Financial Impact**

If the Board approves the proposed SSC increases after the June 12, 2024 public hearing, an additional \$2.5 million in annual SSC revenue would be generated to meet the District's capital investment and operational financial needs.

Following implementation of the proposed SSC increases, the District's cost for providing wastewater collection, conveyance, and treatment services would remain below average when compared to peer agencies in the San Francisco Bay Area region. A comparison of District SSCs to regional peer agencies will be highlighted during the Board meeting.

### **Attachment**

Draft Prop. 218 Notice for Proposed FY24/25 SSC Increases

Prepared by:   
Nitish Sharma  
Business Services Director

cc: District File No. BRD.01-ACTS





# Notice of Proposed Sewer Service Charge Rate Increases for Fiscal Year 2024/25

Proposition 218 Notification to Property Owners of Public Hearing

**NOTICE IS HEREBY GIVEN** that the Delta Diablo Board of Directors will hold a public hearing on **Wednesday, June 12, 2024, at 5:30 p.m., in the Board Room at 2500 Pittsburg-Antioch Highway, Antioch, California**, to consider adoption of proposed rate increases for wastewater utility services. A summary of the proposed rates and associated financial needs and information, and instructions for protesting the rate increases (if desired) are provided below. In addition, related fact sheets and a "Frequently Asked Questions" document are available on the District's website at [www.deltadiablo.org](http://www.deltadiablo.org).

## WHAT IS DELTA DIABLO?

Delta Diablo ("District") provides wastewater conveyance and treatment services for over 72,617 customer accounts (residential and non-residential), representing over 218,000 residents in the cities of Antioch and Pittsburg, and the unincorporated community of Bay Point. As part of our core mission to protect public health and the environment, the District treats 14.2 million gallons of wastewater each day with a focus on exemplary regulatory compliance, innovative and sustainable approaches, and sound stewardship of the public's resources and trust.

The District has transformed its Wastewater Treatment Plant (WWTP) into a "resource recovery facility" by producing approximately 7.7 million gallons per day of recycled water, generating onsite renewable energy to meet over 50 percent of WWTP power needs, reusing residual biosolids as fertilizer via land application, providing household hazardous waste (HHW) collection services, and further protecting the Delta by providing street sweeping services to remove pollutants that would otherwise enter local stormwater systems.

## PROPOSED FISCAL YEAR 2024/2025 SEWER SERVICE CHARGES

The District collects Sewer Service Charges (SSCs) from its customers each year as the primary revenue source needed to fund capital infrastructure investments, labor, energy, chemicals, regulatory compliance obligations, plant maintenance, and Delta HHW Collection Facility operations. For Fiscal Year 2024/25 (FY24/25) (July 1, 2024 – June 30, 2025), the District is proposing SSC increases of approximately +\$24.80 per year (+5.5%) for residential customers in Antioch and Pittsburg, and approximately +\$33.16 per year (+5.4%) for residential customers in Bay Point. The District continues to maintain its rates below the average of peer agencies in the San Francisco Bay Area region.

Because the District's costs in the categories referenced above will increase in the next fiscal year, SSC increases are required to recover the District's costs, maintain effective and reliable wastewater conveyance and treatment services, meet future regulatory requirements, and ensure financial integrity and long-term sustainability. In addition, the proposed FY24/25 SSCs incorporate FY24/25 Cost-of-Service Study findings, which updated growth in the service area and the corresponding additional wastewater flow to the District's WWTP. SSCs for non-residential customers (i.e., commercial, industrial) were adjusted accordingly for FY24/25 based on customer class. Most District customers are billed on a fiscal-year basis and pay SSCs via annual property tax bills. Property tax bills also include a street sweeping service charge (no increase from FY23/24) that varies by community based on service frequency.

**Residential Customers:** The impact of the proposed SSC increase on the annual property tax bill for a single-family residential customer is shown in **Table 1**. The total annual charge for residential properties with multiple units (e.g., duplex, fourplex, apartment complex, etc.) can be calculated by multiplying the applicable per unit SSC charge in **Table 1** by the total number of units.

**Table 1 – Example Annual Residential SSC on Property Tax Bills for FY24/25**

Residential Service Customers	Proposed SSC Increase	Current FY23/24	Proposed FY24/25	Annual Change
Antioch/Pittsburg	+5.5%	\$448.75	\$473.55	<b>+\$24.80</b>
Bay Point**	+5.4%	\$615.77	\$648.93	<b>+\$33.16</b>

Notes: \* Percentage increases are approximate.

\*\* Delta Diablo provides wastewater collection services for Bay Point customers only (i.e., higher SSC), while the respective cities provide these services for Antioch and Pittsburg customers.

**Non-residential Customers:** The District is proposing SSCs increases for commercial and industrial customers based on annual potable water consumption data (i.e., the SSC rates are per one hundred cubic feet per year [HCF/y] of potable water consumption) by business class and community, as presented in **Table 2**. If annual water consumption is less than 80 HCF/y, a minimum annual charge of 80 HCF/y multiplied by the applicable rate for each business class will be applied.

**Table 2 – Non-residential Proposed User Charges: SSC (\$) per Hundred Cubic Feet per Year**

Business Class (Commercial/Industrial)	Bay Point (Zone 1)		Pittsburg (Zone 2)		Antioch (Zone 3)	
	Current FY23/24	Proposed FY24/25	Current FY23/24	Proposed FY24/25	Current FY23/24	Proposed FY24/25
Bakeries/Restaurants	\$9.43	\$9.67	\$7.66	\$7.82	\$7.66	\$7.82
Hotels/Motels	\$4.78*	\$4.97*	\$4.78	\$4.97	\$4.78	\$4.97
Institutional	\$6.18	\$6.47	\$4.41	\$4.61	\$4.41	\$4.61
Light Industrial	\$5.97	\$6.26	\$4.21	\$4.42	\$4.21	\$4.42
Marinas	\$6.31*	\$6.73*	\$6.31	\$6.73	\$6.31	\$6.73
Misc. Commercial	\$6.18	\$6.56	\$4.41	\$4.67	\$4.41	\$4.67
Mortuaries	\$6.10*	\$6.26*	\$6.10	\$6.26	\$6.10	\$6.26
Annual Minimum	varies**	varies**	varies**	varies**	varies**	varies**

Notes: \* SSC per HCF/y for FY23/24 provided, although no businesses in these classes are known in Bay Point.

\*\* Annual minimum charge is calculated by multiplying 80 HCF/y by the applicable SSC per HCF/y

## WHAT DO SEWER SERVICE CHARGES FUND?

The SSC increases are necessary to generate \$2.5 million in increased revenue to meet capital and operating costs associated with providing wastewater services. The District utilizes SSC revenue to:

- **Meet the District’s core mission of protecting public health and the environment.** Achieving this mission requires sufficient capital investment and staffing levels to properly operate and maintain the District’s complex network of sewer pipes, pump stations, and treatment processes.
- **Address aging infrastructure through prioritized capital investment.** The District continues to strategically rehabilitate and replace essential elements of the wastewater collection, conveyance, and treatment systems to maintain effective and reliable services.
- **Implement capital upgrades necessary to meet nutrient removal requirements.** The District anticipates a costly region-wide regulatory mandate to remove nutrients (e.g., ammonia) from wastewater prior to discharge to receiving waters in response to recent algal blooms in San Francisco Bay.

- **Recover increases in operating costs.** As a regulated utility that requires specialized employees, materials, and services to meet its mission, the District continues to experience progressive increases in annual operating costs due to escalations in labor, chemical, energy, materials, supplies, hauling, services, and regulatory compliance costs.
- **Prevent the need for more significant SSC increases in the future.** In developing its 5-year financial plan each year, the District works hard to balance direct economic impacts to customers and the need for sufficient revenue to cover capital investment needs and operating costs. If SSC increases are not implemented this year, more significant rate increases may need to be proposed in subsequent years.
- **Focus on cash funding versus borrowing for capital improvements.** Increasing overall SSC revenue allows the District to continue cash funding a majority of necessary capital improvements in its wastewater conveyance and treatment systems.

Detailed information on operating and capital costs is available within the District’s budget and CIP documents, which are on file at the District’s offices.



## PUBLIC HEARING AND PROTEST PROCEDURES

The Board of Directors will hold a public hearing on the proposed SSC increases on Wednesday, June 12, 2024, at 5:30 p.m., in the Board Room at 2500 Pittsburg-Antioch Highway, Antioch, California, 94509. After close of the public hearing and consideration of all public comments and written protests received, the Board of Directors will be asked to take action to implement the proposed SSC increases at this meeting.

Written protests may be sent to the District (attention of “Office Manager/Secretary to the Board”, 2500 Pittsburg-Antioch Highway, Antioch, California, 94509) prior to the close of the public hearing and **must include your property address and the Assessor Parcel Number** found on your mailing label. At the close of the public hearing, the Secretary to the Board will announce the total number of protest responses, including any received by the close of the public hearing. If written protests are presented by a majority of the parcel owners in the District’s service area, the District cannot implement the SSC increases.



**Delta Diablo Wastewater Treatment Plant in Antioch, CA**

 <b>218,000</b> residents	 <b>14.2 million gallons</b> of wastewater per day	 <b>76 miles of sewer</b> pipes, force mains	 <b>5 pumps stations to</b> convey wastewater	 <b>Wastewater</b> Treatment Plant	 <b>Recycled Water</b> Facility
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2500 Pittsburg-Antioch Highway  
Antioch, CA 94509

**NOTICE OF PUBLIC HEARING  
PROPOSED SEWER SERVICE CHARGE  
RATE INCREASES**

**5:30 PM  
WEDNESDAY, JUNE 12, 2024  
2500 PITTSBURG-ANTIOCH HIGHWAY  
ANTIOCH, CA 94509**



**Delta Diablo provides wastewater conveyance and treatment services to over 218,000 customers in Pittsburg, Antioch, and Bay Point**

*Delta Diablo protects public health and the environment for our communities by safely providing exceptional wastewater conveyance, treatment, and resource recovery services in a sustainable and fiscally-responsible manner*

**Environmental  
Stewardship**

In treating 14.2 million gallons of wastewater each day, Delta Diablo has an exemplary regulatory compliance record in meeting federal, state, and local regulatory requirements and protecting the local Delta receiving waters.

**Infrastructure  
Investment**

Continued capital investment in the Wastewater Treatment Plant, 76 combined miles of sewer pipes and force mains, and five pump stations is critical to maintaining effective, reliable, and high-quality customer service.

**Fiscal  
Responsibility**

Delta Diablo is committed to maintaining responsible rates by prioritizing capital investments, managing budgets through operational efficiencies, and targeting available grant and low-interest loan programs.

**For more information, visit [www.deltadiablo.org](http://www.deltadiablo.org) or call (925) 756-1900.**

April 10, 2024

## RECEIVE UPDATE ON PROGRESS TOWARD WORKFORCE DEVELOPMENT GOAL IN DISTRICT STRATEGIC PLAN

### Recommendation

Receive an update on progress toward the Workforce Development goal in the District's Strategic Plan (dated August 2021).

### Background Information

The Workforce Development goal is to: "Support the development of an engaged, skilled workforce that is dedicated to organizational excellence and exceptional service delivery." The District's Strategic Plan includes multiple strategies and objectives designed to achieve sustained progress toward achieving this goal over time. In addition, one of the Fiscal Year 2023/2024 (FY23/24) Strategic Initiatives is to "Encourage engagement with peer agency counterparts, and applicable industry associations at all levels in the organization to support workforce development, a "learning culture," continuous improvement through innovation, and information sharing."

### Analysis

Similar to peer agencies in the water and wastewater sector, the District continues to manage a significant workforce transition with 42 percent of staff possessing less than five years of experience in the District. This transition has provided numerous professional development opportunities, highlighted by eleven internal promotions in the past two years, while supporting enhanced organizational change and improvement as new ideas and approaches are infused into existing work processes. Staff at all levels are actively engaging in leadership roles with multiple industry organizations and attending conferences and seminars held by these organizations.

As part of the upcoming FY24/25 Budget development process, staff has identified two preliminary staffing changes to meet organizational needs, including conversion of one existing position in the Operations Division and addition of a full-time position in the Information Technology Division. Staff intends to submit an updated FY24/25 Classification Control Plan (CCP), which summarizes Board-approved staffing levels and associated position funding for the next fiscal year, as part of upcoming Board engagements regarding the annual budget development and approval process. The District is engaging with its bargaining units regarding the proposed staffing changes in the proposed FY24/25 CCP, which will be presented to the Personnel Committee in late-April 2024.

In developing the FY24/25 Budget, staff is including sufficient funding to support: 1) intensifying organizational focus on industry association engagement at all levels, and 2) expanding access to online training platforms for additional staff. These actions continue to proactively support professional development and provide opportunities for continued career path progression.

To facilitate development of a skilled local workforce and meet future workforce needs, the District is continuing to utilize the "stackable" intern program through BAYWORK and considering candidates with experience in the Los Medanos College Process Technology (PTEC)




Program. This program comprises Maintenance, Electrical/Instrumentation, and Operations Assistants internships. In addition, funding is planned for engineering and laboratory intern positions. The District has participated in multiple community engagement and public outreach events within the service area to enhance awareness of career opportunities at the District. This approach will enable the District to meet staffing needs while supporting expansion of a qualified local job candidate pool.

### **Financial Impact**

Sufficient funding is included in the adopted FY23/24 Budget. Staff will ensure appropriate funding is included in the proposed FY24/25 Budget to support workforce development objectives.

**Attachments** – None.

Reviewed by:   
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Brian Thomas  
Deputy General Manager

cc: District File No. BRD.01-ACTS

