



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 June 6, 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. AREA AGENCIES REPORTS / PRESENTATION

1. SHERIFF'S OFFICE REPORT
2. CHP REPORT
3. FIRE DISTRICT REPORT
4. EAST CONTRA COSTA FIRE PROTECTION DISTRICT REPORT
5. SUPERVISOR MARY PIEPHO, DISTRICT III REPORT

E. COMMITTEE/LIAISON REPORTS

1. Trans-Plan Report
2. County Planning Commission Report
3. Code Enforcement Report
4. Special Districts 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 Special meeting dated May 16, 2012
2. Minutes of previous Regular meeting dated May 16, 2012
3. District Invoices
4. Approve and Adopt Resolution No. 2012-10 Ordering Even-Year Board of Directors Election; Consolidation of Elections; and Specifications of the Election Order
5. Audited Financial Statements for FY 2010-11

G. NEW BUSINESS AND ACTION ITEMS

1. Well No. 7 Preliminary Engineering, Exploratory Test Boring, and Monitoring Well Installations
2. Approve Capital Project Financing Plan and Adopt Resolution No. 2012-11
3. Update on Commercial Water User Accounts
4. Approve Purchase of a Trailer Mounted Trash Pump for Processing Wastewater
5. Agency Comment Request – Development Plan Application – Pacific/Bowie-Tracy II (Sandy Cove Shopping Center) (DP11-3025)
6. Agency Comment Request – Home Occupation Permit Application – McMahon (LP12-2051)

H. PRESIDENT REPORT AND DIRECTORS' COMMENTS

I. MANAGER'S REPORT

1. Sewer System Management Plan
2. Proposed Order Amending Discovery Bay WWTP NPDES Permit
3. Fiscal Year 2012 Preliminary DRAFT Budget Transmittal

J. GENERAL MANAGER'S REPORT

K. DISTRICT LEGAL COUNSEL REPORT

L. COMMITTEE UPDATES

M. CORRESPONDENCE – Discussion and Possible Action

1. R – Byron Municipal Advisory Council meeting minutes dated April 19, 2012
2. R – Letter from Sheriff – Coroner David O. Livingston, Discovery Bay P-6 Zone Citizen Advisory Committee regarding the funding for School Resource Officer (SRO)

N. PUBLIC RECORD REQUESTS RECEIVED

O. FUTURE AGENDA ITEMS

P. ADJOURNMENT

1. Adjourn to the next regular meeting on June 20, 2012 at 1800 Willow Lake Rd – 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 16, 2012
1800 Willow Lake Road, Discovery Bay, California
SPECIAL MEETING 6:00 P.M.
Website address: www.todb.ca.gov

SPECIAL MEETING AT 6:00 P.M.

A. ROLL CALL

Call business meeting to order – 6:00 p.m. by President Steele
Roll Call – All Present

B. PUBLIC COMMENT

None

C. OPEN SESSION DISCLOSURE OF CLOSED SESSION AGENDA

(Government Code Section 54957.7)

Legal Counsel Schroeder – The Board adjourned into Closed Session regarding Action Items D-1, D-2, and D-3 – there is no further announcement.

D. CLOSED SESSION:

1. CONFERENCE WITH LABOR NEGOTIATOR Government Code Section 54957.6

Agency Designated Representative: Richard J. Howard, General Manager
Unrepresented Employees: All

2. CONFERENCE WITH LABOR NEGOTIATOR Government Code Section 54957.6

Agency Designated Representative: Chris Steele, Board President
Unrepresented Employees: General Manager

3. CONFERENCE WITH REAL PROPERTY NEGOTIATORS Government Code Section 54956.8

Property: 10+/- acres – APN 008-200-014 and 008-200-011 (Discovery Bay Athletic Club site)
Agency Negotiator: General Manager, Rick Howard
Negotiating parties: (Pilati Farms and Randy Prince)
Under negotiation: Instruction to negotiator will concern price and terms of payment.

E. RETURN TO OPEN SESSION; REPORT ON CLOSED SESSION

(Government Code Section 54957.1)

Legal Counsel Schroeder – The Board reconvened from Closed Session from a Special Meeting regarding Action Items D-1, D-2, and D-3. All five (5) Board Members were present during the entirety of the Closed Session, and there is no reportable action.

F. ADJOURNMENT

The meeting adjourned at 7:09 p.m. to the Regular Meeting on May 16, 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 – 05.17.12



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 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

Call business meeting to order – 7:20 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. PRESIDENT REPORT AND DIRECTORS' COMMENTS

Director Simon – Provided his report and details of the Budget Review Committee meeting dated May 9, 2012
Vice-President Graves – Provided his report and details of the East Contra Costa Fire Protection District meeting dated May 7, 2012 and the Contra Costa Aviation meeting dated May 10, 2012.

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

Motion by: Director Simon to approve the Consent Calendar

Second: Director Tetreault

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

F. NEW BUSINESS AND ACTION ITEMS

1. Appointment of Board Members to District Representative Committee Positions

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

President Steele – Thanked Director Tetreault for his efforts on the Community Center

Motion by: Director Tetreault to appoint Director Mattison to take the place as the secondary on the Community Center Committee

Second: Director Simon

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

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

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

Motion by: Director Tetreault to approve and adopt Resolution 2012-09 and direct HERWIT Engineering to prepare their report

Second: Director Simon

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

3. Consideration of the FY 2010-11 "Draft" Audit

General Manager Howard – Provided the details of Item F-3. General Manager Howard also introduced Pauline Sanguinetti and Mark Croce from Croce & Company Accountancy Corporation.

Pauline Sanguinetti – Provided additional details of the FY 2010-11 DRAFT Audit

There was discussion between the Board, the General Manager, and Pauline Sanguinetti

Mark Croce – Provided details of the DRAFT correspondence required communication to the Board of Directors regarding the Audit.

Motion by: Vice-President Graves – Framed by Legal Counsel Schroeder to direct the Auditor that there are no comments or suggestions from the Board and direct the Auditor to issue the final report

Second: Director Tetreault

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

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

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

Motion by: Vice-President Graves to authorize payment of the Administrative Civil Liability fee that has been imposed on us by the California Regional Water Quality Control Board

Second: Director Mattison

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

G. VEOLIA REPORT

Project Manager Berney Sadler – Provided the details of the April 2012 Monthly Operations Report. Project Manager Berney Sadler provided material removed from the water that is later used as fertilizer and also provided a calcified grease type of material, from the sewer line.

There was a discussion between the Board and Project Manager Berney Sadler

H. MANAGER'S REPORTS

1. SSMP – DRAFT

General Manager Howard – Informed the Board that Staff is working towards the deadline for the Sewer System Management Plan (SSMP) of June 9, 2012. The document is essentially complete, going through final drafts and revisions and will be bringing to the next Board meeting of June 6, 2012.

Water and Wastewater Manager Koehne – Provided an update on the theft that happened last Thursday, May 10, 2012 at Water Treatment Plant #2, provided slides of the Dewatering and Solar Dryer #3 Project, and provided an update on the Salinity Study.

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

I. GENERAL MANAGER'S REPORT

None

J. DISTRICT LEGAL COUNSEL REPORT

Legal Counsel Schroeder – Introduced his summer intern from UC Davis, Salwa Haddad

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

Director Simon – Update on increase of Hookup fees and report on Large Water users

O. ADJOURNMENT

The meeting adjourned at 8:21 p.m. to the next Regular meeting of June 6, 2012 starting at 7:00 p.m. at 1800 Willow Lake Road.

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

//cmc – 05.21.12



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

June 06, 2012

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

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 \$651,046.12

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: F-3

Request for authorization to pay invoices (RFA)
 For the Meeting on June 06, 2012
 Town of Discovery Bay CSD
 For Fiscal Year's 7/11 - 6/12

Warrants Pd

Acct Code					
1	7011	ReliaStar	Inv#JR52 457(b)	Benefits for 05/16-05/31/12	\$1,428.05
	7024	ReliaStar	Inv#JR52 457(b)	Benefits for 05/16-05/31/12	\$313.49
				Sub-Total	\$1,741.54
2	7011	SDRMA	Inv#0011307-IN,	dtd 06/01/12 Employee Ancillary Benefits	June 2012 \$409.50
	7024	SDRMA	Inv#0011307-IN,	dtd 06/01/12 Employee Ancillary Benefits	June 2012 \$78.78
				Sub-Total	\$488.28
3	7490	Executive Leadership	5/31/12	Team Leadership Dev.	\$1,120.00
4	7210	Luhdorff & Scalmanini	Inv# 27794,	dtd 04/29/12 Water Level Monitoring Program	\$5,116.64
5	7210	Luhdorff & Scalmanini	Inv# 27799,	dtd 04/29/12 Room Upgrade & Well 6 Testing	\$8,500.50
6	7210	Luhdorff & Scalmanini	Inv# 27803,	dtd 04/29/12 Well 5A Testing	\$15,866.95
				Sub-Total	\$29,484.09
7	7205	Neumiller & Beardslee	Inv# 248451,	dtd 05/16/12 Services Performed thru 04/31/12	\$5,527.30
8	7210	Stantec	Inv# 587117,	dtd 05/09/12 WWTP Master Plan	\$244.50
9	7301	American Retrofit Systems	Inv# 224,	dtd 05/15/12 L Only to contact Parkson with ?'s	\$100.00
10	7301	American Retrofit Systems	Inv# 226,	dtd 05/21/12 L Only to troubleshoot Chamber B mole	\$300.00
11	7301	American Retrofit Systems	Inv# 227,	dtd 05/21/12 L Only to check Bio system Chamber B	\$150.00
12	7301	American Retrofit Systems	Inv# 228,	dtd 05/21/12 L Only to trace electric RAS 3 WWTP#2	\$400.00
13	7952	American Retrofit Systems	Inv# 225,	dtd 05/15/12 L&M to check lighting @ Regatta	\$120.00
				Sub-Total	\$1,070.00
14	7301	Coombs-Hopkins	Inv# svc1115,	dtrd 05/08/12 Service on UV system	\$7,789.00
15	7301	Coombs-Hopkins	Inv# svc1116,	dtrd 05/08/12 Service on UV system	\$6,772.00
				Sub-Total	\$14,561.00
16	7301	J.W. Backhoe & Constr.	Inv# 1676,	dtd 5/07/12 Repair @ 5460 Beaver Lane	\$4,575.35
17	7301	J.W. Backhoe & Constr.	Inv# 1678,	dtd 5/11/12 Repairs @ Cutter Loop	\$798.25
18	7301	J.W. Backhoe & Constr.	Inv# 1680,	dtd 5/23/12 Paved @ 5460 Beaver & WWTP#2	\$5,306.94
19	7301	J.W. Backhoe & Constr.	Inv# 1683,	dtd 5/23/12 Repairs @ 1220 DB Blvd.	\$2,381.20
				Sub-Total	\$13,061.74
20	7301	Klrby's Pump & Mechanical	Inv# 2738,	dtd 05/14/12 R&R Well 5A pump	\$9,669.97
21	7301	Parkson Corp.	Inv# AR1/5120106,	dtd 05/17/12 Replacement wheel for moles	\$2,723.27
22	1112-003	Parkson Corp.	Inv# AR1/5120196,	dtd 05/24/12 Door Track parts for moles	\$1,970.15
				Sub-Total	\$4,693.42
23	7330	Univar	Inv# SJ284671,	dtd 5/03/12 Chemicals for 1800 Willow Lake Rd.	\$960.61
24	7330	Univar	Inv# SJ286328,	dtd 5/11/12 Chemicals for 1800 Willow Lake Rd.	\$1,436.22
25	7330	Univar	Inv# SJ286329,	dtd 5/11/12 Chemicals for 1800 Newport Dr	\$1,480.47
26	7330	Univar	Inv# SJ288073,	dtd 5/18/12 Chemicals for 1800 Willow Lake Rd.	\$1,303.49
				Sub-Total	\$5,180.79
27	7385	CV Reg Water Quality Control Board	R5-2012-0526	dtd 04/20/12	\$241,000.00
28	7410	Ricoh	Inv# 415462008,	dtd 05/22/12 Copy Machine Maintenance	\$130.20
29	7414	Freedom Mailing Services, Inc.	Inv# 20618,	dtd 05/07/12 Bill Processing	\$927.84
30	7420	MailFinance	Inv# N3294280,	dtd 05/18/12 Lease of postage machine	\$69.53
31	7420	Neopost Acct# xxxx-xxxx-xxxx-4658,	dtd 04/06/12	Postage	\$250.00 5982
32	7430	Office Depot	Inv# 607908047001,	dtd 05/04/12 Office Supplies	\$85.64
33	7430	Office Depot	Inv# 609685964001,	dtd 05/11/12 Office Supplies	\$20.56
34	7430	Office Depot	Inv# 609686046001,	dtd 05/11/12 Office Supplies	\$38.79
35	7430	Office Depot	Inv# 607975869001,	dtd 05/07/12 Office Supplies	\$61.18
36	7430	Office Depot	Inv# 607908105001,	dtd 05/05/12 Office Supplies	\$10.05
37	7430	Office Depot	Inv# 607908106001,	dtd 05/04/12 Office Supplies	\$2.86
38	7430	Office Depot	Inv# 610496263001,	dtd 05/18/12 Office Supplies	\$90.09
				Sub-Total	\$309.17
39	7480	Bay Area Air Quality	Inv# 2YA10,	dtd 05/04/12 WWTP #2 Annual Permit 7/1/12-7/01/13	\$2,168.00
40	7490	Frank Cramer	Expense Report - Mileage for 4/30 to 5/25/12		\$179.82

Request for authorization to pay invoices (RFA)
 For the Meeting on June 06, 2012
 Town of Discovery Bay GSD
 For Fiscal Year's 7/11 - 6/12

Warrants Pd

Acct Code					
41	7510	Big Dog Computer	Inv# 20090930-25, dtd 05/21/12	Various IT work	\$160.00
	7952	Big Dog Computer	Inv# 20090930-25, dtd 05/21/12	Various IT work	(Z-8 #2310) \$75.00
				Sub-Total	\$235.00
42	7510	CCC Dept of IT	Inv# 7494, dtd 5/10/12	IT Service for our County GL's	\$39.15
43	7520	Aaron Goldsworthy	Expense Report	Reimb for phone usage	\$36.24
WATER					
44	7535	PG&E / Acct# 2943721807-5	Newport WTP	04/11/12-05/10/12	\$9,428.45
45	7535	PG&E / Acct# 2990602600-9	Willow Lake WTP	04/10/12-05/09/12	\$7,775.41
46	7535	PG&E / Acct# 3349549227-5	Well #3 DB Blvd & Edgeview	04/10/12-05/09/12	\$25.75
47	7535	PG&E / Acct# 6760524303-8	Irr. Controller (Newport @ Well 4A)	04/11/12-05/10/12	\$16.47
48	7535	PG&E / Acct# 7068319849-6	Well #5	04/09/12-05/08/12	\$45.38
49	7535	PG&E / Acct# 8351173112-3	Well #2	04/10/12-05/09/12	\$369.92
50	7535	PG&E / Acct# 8609981202-5	Well #1 (Gas)	04/10/12-05/09/12	\$15.78
51	7535	PG&E / Acct# 8651647866-5	Well #1	04/10/12-05/10/12	\$4,766.56
				Sub-Total	\$22,443.72
SEWER					
52	7537	PG&E / Acct# 0631986334-3	Newport Lift Station	04/11/12-05/10/12	\$2,636.70
53	7537	PG&E / Acct# 1182741894-5	Pump Station D	04/10/12-05/10/12	\$143.08
54	7537	PG&E / Acct# 1318320217-8	Pump Station A	04/10/12-05/10/12	\$67.17
55	7537	PG&E / Acct# 2068717691-5	Pump Station G	04/11/12-05/09/12	\$30.19
56	7537	PG&E / Acct# 2172798825-1	Pump Station R	04/11/12-05/09/12	\$45.95
57	7537	PG&E / Acct# 2527523613-8	Pump Station S	04/12/12-05/10/12	\$292.82
58	7537	PG&E / Acct# 3016215915-3	Pump Station F	04/09/12-05/08/12	\$544.05
59	7537	PG&E / Acct# 3101013157-6	Lakes 4 Lift Station	04/10/12-05/08/12	\$104.89
60	7537	PG&E / Acct# 3497478293-9	Lakeshore Lift Station	04/09/12-05/08/12	\$492.90
61	7537	PG&E / Acct# 3881134135-3	WWTP #1	04/11/12-05/10/12	\$5,793.82
62	7537	PG&E / Acct# 4193709211-6	Pump Station C	04/12/12-05/10/12	\$50.37
63	7537	PG&E / Acct# 4225081240-3	Disc WWTP & Pump Station W	04/11/12-05/10/12	\$33.94
64	7537	PG&E / Acct# 4516230421-1	Pump Station H	04/10/12-05/08/12	\$15.39
65	7537	PG&E / Acct# 7234986505-4	Pump Station J	04/10/12-05/09/12	\$240.94
66	7537	PG&E / Acct# 7312115758-7	SS/HWY 4 E/Disco Bay Blvd W/O Bridge	04/11/12-05/10/12	\$18,594.55
67	7537	PG&E / Acct# 7630923070-4	Pump Station E	04/09/12-05/08/12	\$248.18
68	7537	PG&E / Acct# 8343916134-6	Fern Ridge Circle/Hofmann	04/08/12-05/07/12	\$819.41
69	7537	PG&E / Acct# 8440119997-5	Knightsen School Pump Station	04/10/12-05/09/12	\$28.31
				Sub-Total	\$30,182.66
70	7537	PG&E / Acct# 4201000159-4	Golf Course Valve Station	04/12/12-05/11/12	\$146.72
71	7630	Discovery Pest Control	Inv# 0459470, dtd 05/18/12	District Office Service	\$68.00
72	7630	Brut Force Janitorial	Inv# 6, dtd 5/23/12	Service for May 2012	\$250.00
	7952	Brut Force Janitorial	Inv# 6, dtd 5/23/12	Service for May 2012	(Z-8 #2281) \$500.00
	7952	Brut Force Janitorial	Inv# 6, dtd 5/23/12	Service for May 2012	(Z-9 #2282) \$25.00
	7952	Brut Force Janitorial	Inv# 6, dtd 5/23/12	Service for May 2012	(Z-57 #2282) \$25.00
	7952	Brut Force Janitorial	Inv# 6, dtd 5/23/12	Service for May 2012	(Z-61 #2282) \$25.00
				Sub-Total	\$825.00
73	7665	Western Mobile Service	Inv# 4252, dtd 05/18/12	Repair front doors @ District Office	\$76.00
74	7950	Accountemps	Inv# 35496371, dtd 05/10/12	Clerical Temp	\$128.40
75	7950	Accountemps	Inv# 35519382, dtd 05/15/12	Clerical Temp	\$112.35
				Sub-Total	\$240.75
76	7950	Express Employment	Inv# 10969791-2, dtd 05/12/12		\$310.33
77	7950	Shred-it	Inv# 9400308935, dtd 5/04/12	Recycling service	\$66.94
78	7952	Watersavers	Inv# I1169506, dtd 05/24/12	Parts for Irrigation	(Z-9 #2282) \$34.02
	7952	Watersavers	Inv# I1169506, dtd 05/24/12	Parts for Irrigation	(Z-61 #2282) \$33.35
				Sub-Total	\$67.37
79	0910-008	Global Water	Inv# 135134, dtd 1/23/12	Water Sampler	\$1,780.82
80	0910-008	McC Campbell Analytical, Inc.	Inv# 1205619, dtd 05/25/12	Salinity Testing	\$192.00
81	0910-008	McC Campbell Analytical, Inc.	Inv# 1205670, dtd 05/29/12	Salinity Testing	\$180.00
				Sub-Total	\$372.00

Request for authorization to pay Invoices (RFA)
For the Meeting on June 06, 2012
Town of Discovery Bay CSD
For Fiscal Year's 7/11 - 6/12

Warrants Pd

<u>Acct Code</u>			
82	0910-010	Locher Inv# 10899, dtd 05/10/12 WebHosting and Unlimited Data	\$2,736.00
83	1112-003	Aeromod Inv# SO21730-1, dtd 05/15/12 Compressor Panel Assembly	\$3,773.88
84	1112-003	Aeromod Inv# 11784, dtd 05/17/12 Belt Filter Press	\$200,250.00
		Sub-Total	\$204,023.88
85	1112-003	Kleinfelder Inv# 759679, dtd 05/14/12 Testing and Inspect. Of Solar Dryer #2	\$1,939.30
		Total TODB	\$597,456.07

Request For Authorization To Pay Invoices (RFA)
 For the Meeting on June 06, 2012
 Town of Discovery Bay, D.Bay L&L Park #8
 For Fiscal Year's 7/11 - 6/12

Acct Code				
1	2120	PG&E / Acct# 0869258994-1 (Sprink Contr) DB Blvd. & Willow Lake	04/10/12-05/09/12	\$16.39
2	2120	PG&E / Acct# 2068897992-9 DB Blvd across from 510	04/11/12-05/09/12	\$136.67
3	2120	PG&E / Acct# 2249446019-3 (Sprinkler) Disco Point, Tr #4077, Lot 71	04/10/12-05/09/12	\$17.04
4	2120	PG&E / Acct# 2800977208-9 (Irri Contr) 9295Beacon Pl @ Str Lite	04/11/12-05/10/12	\$17.30
5	2120	PG&E / Acct# 3736907925-8 (Sprink Contr) E/S Edgview Dr N/O DB Blvd	04/10/12-05/09/12	\$16.39
6	2120	PG&E / Acct# 4111412785-9 (Sprink Contr) DB Blvd & Seal Way	04/10/12-05/09/12	\$16.39
7	2120	PG&E / Acct# 4455555569-5 (Sprinkler) Disco Point, Tr #3653, Lot 17	04/10/12-05/09/12	\$17.04
8	2120	PG&E / Acct# 5465914049-2 (Sprinkler) DB Blvd. & Spinnaker	04/10/12-05/09/12	\$16.39
9	2120	PG&E / Acct# 7135420365-6 (Sprinkler) Disco Point, Tr# 4077, Lot 65	04/10/12-05/09/12	\$17.04
10	2120	PG&E / Acct# 7452568975-3 (Sprink Contr) S/E cnr DB Blvd & Willow Lk	04/10/12-05/09/12	\$16.39
11	2120	PG&E / Acct# 7696548482-7 (Sprinkler) DB Blvd, Tr# 4178, Lot 5	04/10/12-05/09/12	\$17.04
12	2120	PG&E / Acct# 8009270258-0 @ Clipper Dr w/o Cove Ct 7723 Marina Dr	04/10/12-05/09/12	\$32.78
13	2120	PG&E / Acct# 8101346815-2 (Irri Contr) Newport Dr. w/o Pier Ct	04/10/12-05/09/12	\$16.39
14	2120	PG&E / Acct# 8163719795-5 (Irri Contr) 9271 Newport Dr @ Str. Lite	04/11/12-05/10/12	\$17.30
15	2120	PG&E / Acct# 8167536097-8 (Irri Contr) @ Clipper Dr	04/10/12-05/09/12	\$16.39
16	2120	PG&E / Acct# 8399010651-6 (Sprink Contr) Willow Lake Ct, Lot 31	04/11/12-05/10/12	\$17.13
17	2120	PG&E / Acct# 8400813429-2 (Sprinkler) Laguna Ct, Tr# 4076, Lot 18	04/10/12-05/09/12	\$17.04
18	2120	PG&E / Acct# 8545920147-2 (Lites & Sprinklers) 2489 'A' DB Blvd.	04/10/12-05/08/12	<u>\$76.84</u>
			Sub-Total	\$497.95
19	2120	PG&E / Acct# 5939734421-5 PG&E Owned Street & Highway Lighting	04/17/12-05/16/12	\$6,279.07
20	2282	CCC Public Works Inv# 916552, dtd 05/02/12 encroachment permit		\$472.49
21	2282	Paul Vaz Trucking Inv# 20008, dtd 04/30/12 Spare Drain Rock		\$531.61
22	4834	Paul Vaz Trucking Inv# 20009, dtd 04/30/12 Drain Rock for Bocce Ball Courts		<u>\$508.35</u>
			Sub-Total	\$1,039.96
23	2282	Valley Crest Inv# 3988641, dtd 05/10/12 Maintenance for May 2012		\$8,457.00
24	2310	Express Employment Inv# 10969791-2, dtd 05/02/12 Laborer		\$179.90
25	2310	Town of Discovery Bay Inv# 3395, dtd 05/11/12 Reimb payroll from Feb 2012		\$5,434.38
26	2310	Town of Discovery Bay Inv# 3403, dtd 05/11/12 Reimb payroll from Mar 2012		\$3,559.28
27	2310	Town of Discovery Bay Inv# 3416, dtd 05/15/12 Reimb payroll from Apr 2012		\$6,402.75
28	2310	Town of Discovery Bay Inv# 3408, dtd 05/14/12 Reimb misc. charges from Mar 2012		\$329.12
29	4829	Town of Discovery Bay Inv# 3408, dtd 05/14/12 Reimb misc. charges from Mar 2012		<u>\$675.71</u>
			Sub-Total	\$16,401.24
30	4834	Stockton Fence & Material Inv# 5892, dtd 05/07/12 Tennis Court resurfacing		\$14,214.00
			TOTAL	\$47,541.61

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

Acct Code					
1	2100	Office Depot	Inv# 607908047001, dtd 05/04/12	Office Supplies	\$55.52
2	2120	PG&E / Acct# 0403377952-3	1445 Cullen Dr (Irrig Ctrlr)	04/09/12-05/08/12	\$45.98
3	2120	PG&E / Acct# 1066166716-1	829 Poe Dr. (Irrig Ctrlr)	04/10/12-05/09/12	\$11.49
4	2120	PG&E / Acct# 7705163630-4	1738 Wilde Dr. (Irrig Ctrlr)	04/10/12-05/09/12	<u>\$11.82</u>
				Sub-Total	\$69.27
5	2120	Town of Discovery Bay	Inv# 3409, dtd 05/11/12	Reimb misc charges for Mar 2012	\$6.71
	2310	Town of Discovery Bay	Inv# 3409, dtd 05/11/12	Reimb misc charges for Mar 2012	\$58.08
6	2310	Town of Discovery Bay	Inv# 3417, dtd 05/15/12	Reimb payroll from Apr 2012	<u>\$1,464.01</u>
				Sub-Total	\$1,528.80
7	2282	Williams Sanitary Services	Inv# 23368, dtd 05/07/12	Toilet rental Ravenswood Park	\$275.41
8	2271	Brentwood Tire Co.	Inv# 25394, dtd 05/16/12	Oil change for 2010 Ford F150	\$40.83
9	2310	Express Employment	Inv# 10677749-3, dtd 02/15/12	Admin Temp.	\$242.00
10	2310	Express Employment	Inv# 10969791-2, dtd 05/02/12	Laborer	<u>\$179.90</u>
				Sub-Total	\$421.90
11	2310	Town of Discovery Bay	Inv# 3396, dtd 05/11/12	Reimb payroll from Feb 2012	\$1,815.18
12	2310	Town of Discovery Bay	Inv# 3404, dtd 05/11/12	Reimb payroll from Mar 2012	<u>\$1,841.53</u>
				Sub-Total	\$3,656.71
				Total	\$6,048.44



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

June 6, 2012

Prepared By: Calista Anderson, Executive Assistant
Submitted By: Rick Howard, General Manager

Agenda Title

Adopt Resolution No. 2012-10 Ordering Even-Year Board of Directors Election; Consolidation of Elections; and Specifications of the Election Order

Recommended Action

Adopt Resolution No. 2012-10 Ordering the Board of Directors Elections with the District's Specifications

Executive Summary

The Town of Discovery Bay Community Services District ("District") has three (3) Board of Directors up for the Election that shall be held November 6, 2012 for the following seats with the "Term End Date" of December 7, 2012: Mark Simon; Ray Tetreault; and Jim Mattison.

Mark Simon and Ray Tetreault's Board of Directors seats will be for a four (4) year "Term End Date" of December 2, 2016.

Jim Mattison's Board of Director seat will be for a two (2) year short "Term End Date" of December 5, 2014. Since the vacancy of this seat occurred in the first half of a term of office and is at least 130 days prior to the next general district election, Director Mattison shall hold office only until this general district election, and thereafter until the person who is elected at that election to fill the vacancy has been qualified to serve the remaining two (2) years of the term.

The District is required to adopt a resolution and send a copy to the Elections Department prior to the due date of July 5, 2012 that will specify the members of the board with their "Term End Dates", to determine if the Candidate will pay for their statements, the word limit in the statement and the cost for the candidate statement that is estimated by the Election Division.

In the attached Resolution, it states that the candidate will pay for their statements, the word limit is 300 and the estimated cost for the statement will be \$400.00.

Fiscal Impact:

Amount Requested \$N/A

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

N/A

Attachments

Resolution No. 2012-10
Estimated Cost of the Candidate Statement
Special District Timetable for the November 6, 2012 Election

AGENDA ITEM: F-4



**Town of Discovery Bay
Community Services District**

RESOLUTION NO. 2012-10

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE
TOWN OF DISCOVERY BAY, A COMMUNITY SERVICES DISTRICT (DISTRICT) ORDERING
EVEN-YEAR BOARD OF DIRECTORS ELECTION; CONSOLIDATION OF ELECTIONS; AND
SPECIFICATIONS OF THE ELECTION ORDER**

WHEREAS, California Elections Code requires a general district election be held in each district to choose a successor for each elective officer whose term will expire on the first Friday in December following the election to be held on the first Tuesday after the first Monday in November in each even-numbered year; and

WHEREAS, other elections may be held in whole or in part of the territory of the district and it is to the advantage of the district to consolidate pursuant to Elections Code Section 10400; and

WHEREAS, Elections Code Section 10520 requires each district involved in a general election to reimburse the county for actual costs incurred by the county elections official in conducting the election for that district; and

WHEREAS, Elections Code Section 13307 requires that before the nominating period opens the district board must determine whether a charge shall be levied against each candidate submitting a candidate's statement to be sent to the voters; determine the number of words, may estimate the cost; and determine whether the estimate must be paid in advance; and

WHEREAS, Elections Code Section 12112 requires the elections official of the principal county to publish a notice of the election once in a newspaper of general circulation in the district;

NOW, THEREFORE, BE IT RESOLVED that an election be held within the territory included in this district on the 6th day of November, 2012, for the purpose of electing members to the Board of Directors of said district in accordance with the following specifications:

SPECIFICATIONS OF THE ELECTION ORDER

1. The Election shall be held on Tuesday, the 6th day of November 2012. The purpose of the election is to choose members of the board of directors for the following seats:

Board of Director - Term End Date 12/05/2014
Board of Director - Term End Date 12/02/2016
Board of Director - Term End Date 12/02/2016
2. The District has determined that the Candidate will pay for the Candidate's Statement. The Candidate's Statement will be limited to 300 words. As a condition of having the Candidate's Statement published, the candidate shall pay the estimate cost at the time of filing. The District hereby accepts the Election Division estimated cost for a candidate statement as the following: \$400.00.
3. The District directs that the County Registrar of Voters of the principal county publish the Notice of Election in a newspaper of general circulation that is regularly circulated in the territory.
4. This Board hereby requests and consents to the consolidation of this election with other elections which may be held in whole or in part of the territory of the district, pursuant to Elections Code 10400.
5. The District will reimburse the county for the actual cost incurred by the county elections official in conducting the general district election upon receipt of a bill stating the amount due as determined by the elections official.
6. The Secretary of the Board is ordered to deliver copies of this Resolution, to the Registrar of Voters.

PASSED, APPROVED AND ADOPTED THIS 6th DAY OF June 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 a regularly scheduled meeting, held on June 6, 2012, by the following vote of the Board:

AYES:
NOES:
ABSENT:
ABSTAIN:

Richard J. Howard
Board Secretary

ESTIMATED COST OF THE CANDIDATE STATEMENT

E.C. 13307 (C)

1. The Election Division will provide an estimated cost for a candidate statement of 200 to 300 words. All statements include the estimated cost of an English & Federally mandated Spanish translation. If the district allows 301 to 400 words or the statement is spaced so that the statement goes to a second page, the price will double.
2. The attached chart is the Election Division's formula used to determine the estimated candidate statement costs for the 11/06/12 General Election.
3. Election Code 13307 (C) indicates, "The Local Agency may estimate the total costs of printing, handling, translating, and mailing the candidate's statements filed."
4. The district must establish the estimated cost for the candidate statement. The district may choose one of the following:
 - Accept the Election Division's estimated cost
 - Provide the Special District's estimated cost

This information must be indicated on the NOTICE TO THE COUNTY ELECTION OFFICIAL - SPECIAL DISTRICT FACT SHEET.

The estimate must be established in the district Resolution along with the determination as to whether the candidate will be required to pay the estimated cost at the time of filing the statement.

5. The district may require each candidate filing a statement to pay in advance to the local agency his or her estimated pro rata share as a condition of having his or her statement included in the voter's pamphlet.
6. In the event the estimated payment is required, the receipt for the payment shall include a written notice that the estimate is just an approximation of the actual costs that varies from one election to another election and may be significantly more or less than the estimate, depending on the actual number of candidates filing statements.
7. *Accordingly, the Election Official is not bound by the estimate and may, on a pro rata basis, bill the district for additional actual expense or refund any excess paid depending on the final actual cost. In the event of underpayment, the Election Official may require the district to pay the balance of the cost incurred. In the event of overpayment, the Elections Official shall prorate the excess amount among the candidates and refund the excess amount paid within 30 days of the election.*

CANDIDATE STATEMENT ESTIMATES

November 6, 2012

	Registration	English Print	Spanish Translation	Spanish Print	ESTIMATE	Round Up
County						
Superior Court Judge	514877	8238.03	60.00	100.00	8,398.03	8,400.00
Congressional						
5th Congressional Dist	45514	1001.31	60.00	100.00	1,161.31	1,170.00
9th Congressional Dist	83722	1841.88	60.00	100.00	2,001.88	2,010.00
11th Congressional Dist	350978	7721.52	60.00	100.00	7,881.52	7,890.00
15th Congressional Dist	34663	762.59	60.00	100.00	922.59	930.00
Senatorial						
3rd Senatorial Dist	45619	1003.62	60.00	100.00	1,163.62	1,170.00
7th Senatorial Dist	365308	8036.78	60.00	100.00	8,196.78	8,200.00
9th Senatorial Dist	103950	2286.90	60.00	100.00	2,446.90	2,450.00
Assembly						
11th Assembly Dist	99967	2199.27	60.00	100.00	2,359.27	2,360.00
14th Assembly Dist	155726	3425.97	60.00	100.00	3,585.97	3,590.00
15th Assembly Dist	99578	2190.72	60.00	100.00	2,350.72	2,360.00
16th Assembly Dist	159606	3511.33	60.00	100.00	3,671.33	3,680.00
Supervisory						
Supervisor, 2nd Dist.	130811	2877.84	60.00	100.00	3,037.84	3,040.00
Supervisor, 3rd Dist.	96582	2124.80	60.00	100.00	2,284.80	2,290.00
Supervisor, 5th Dist.	90271	1985.96	60.00	100.00	2,145.96	2,150.00
Cities						
City of Antioch	42589	766.60	60.00	100.00	926.60	930.00
City of Brentwood	25055	450.99	60.00	100.00	610.99	620.00
City of Clayton	7283	240.00	60.00	100.00	400.00	400.00
City of Concord	55777	1003.99	60.00	100.00	1,163.99	1,170.00
Town of Danville	26900	484.20	60.00	100.00	644.20	650.00
City of El Cerrito	13268	240.00	60.00	100.00	400.00	400.00
City of Hercules	11998	240.00	60.00	100.00	400.00	400.00
City of Lafayette	16151	339.17	60.00	100.00	499.17	500.00
Town of Moraga	10015	240.00	60.00	100.00	400.00	400.00
City of Martinez	21093	442.95	60.00	100.00	602.95	610.00
City of Oakley	16142	338.98	60.00	100.00	498.98	500.00
City of Orinda	12644	240.00	60.00	100.00	400.00	400.00
City of Pittsburg	24360	511.56	60.00	100.00	671.56	680.00
City of Pleasant Hill	18676	392.20	60.00	100.00	552.20	560.00
City of Pinole	9528	240.00	60.00	100.00	400.00	400.00
City of Richmond	39286	707.15	60.00	100.00	867.15	870.00
City of San Pablo	7722	240.00	60.00	100.00	400.00	400.00
City of Walnut Creek	40997	737.95	60.00	100.00	897.95	900.00

	Registration	English Print	Spanish Translation	Spanish Print	ESTIMATE	Round Up
Board of Education						
Contra Costa County Board of Education - Area 1	83399	1501.18	60.00	100.00	1,661.18	1,670.00
Contra Costa County Board of Education - Area 3	101462	1826.32	60.00	100.00	1,986.32	1,990.00
Community College Districts						
Co Co Cmty College District - Ward 2	131208	2361.74	60.00	100.00	2,521.74	2,530.00
Co Co Cmty College District - Ward 5	85392	1537.06	60.00	100.00	1,697.06	1,700.00
Chabot-Las Positas Community College District - Ward 7	125	240.00	60.00	100.00	400.00	400.00
High School & Unified School Districts						
Acalanes Union High School District	71521	1287.38	60.00	100.00	1,447.38	1,450.00
Antioch Unified School District	45034	810.61	60.00	100.00	970.61	980.00
John Swett Unified School District	6771	240.00	60.00	100.00	400.00	400.00
Liberty Union High School District	49620	893.16	60.00	100.00	1,053.16	1,060.00
Livermore Valley Joint Unified School District	150	240.00	60.00	100.00	400.00	400.00
Marinez Unified School District	16528	347.09	60.00	100.00	507.09	510.00
Mt Diablo Unified School District	125734	2263.21	60.00	100.00	2,423.21	2,430.00
Pittsburg Unified School District	21114	443.39	60.00	100.00	603.39	610.00
West Contra Costa Unified School District	98971	1781.48	60.00	100.00	1,941.48	1,950.00
San Ramon Valley Unified School District	78802	1418.44	60.00	100.00	1,578.44	1,580.00
Elementary School Districts						
Brentwood Union School District	26177	471.19	60.00	100.00	631.19	640.00
Byron Union School District	7333	240.00	60.00	100.00	400.00	400.00
Canyon Elementary School District	151	240.00	60.00	100.00	400.00	400.00
Knightsen Elementary School District	1055	240.00	60.00	100.00	400.00	400.00
Lafayette School District	18150	381.15	60.00	100.00	541.15	550.00
Moraga School District	10152	240.00	60.00	100.00	400.00	400.00
Oakley Union Elementary School District	15055	316.16	60.00	100.00	476.16	480.00
Orinda Union School District	12695	240.00	60.00	100.00	400.00	400.00
Walnut Creek School District	30373	546.71	60.00	100.00	706.71	710.00
Community Services Districts						
Diablo Community Services District	713	240.00	60.00	100.00	400.00	400.00
Dublin San Ramon Services District	15704	329.78	60.00	100.00	489.78	490.00
Crockett Community Services District	1996	240.00	60.00	100.00	400.00	400.00
Kensington Police Protection & Community Services District	3617	240.00	60.00	100.00	400.00	400.00
Knightsen Town Community Services District	759	240.00	60.00	100.00	400.00	400.00
Town Of Discovery Bay Community Services District	6667	240.00	60.00	100.00	400.00	400.00
Fire Protection Districts						
Kensington Fire Protection District	3617	240.00	60.00	100.00	400.00	400.00
Rodeo-Hercules Fire Protection District	15942	334.78	60.00	100.00	494.78	500.00
San Ramon Valley Fire Protection District	78639	1415.50	60.00	100.00	1,575.50	1,580.00
Moraga-Orinda Fire Protection District-2	4085	240.00	60.00	100.00	400.00	400.00
Moraga-Orinda Fire Protection District-5	4946	240.00	60.00	100.00	400.00	400.00

	Registration	English Print	Spanish Translation	Spanish Print	ESTIMATE	Round Up
Healthcare Districts						
Los Medanos Community Healthcare District	32942	592.96	60.00	100.00	752.96	760.00
Mt Diablo Health Care District	103637	1865.47	60.00	100.00	2,025.47	2,030.00
West Contra Costa Healthcare District	103754	1867.57	60.00	100.00	2,027.57	2,030.00
Irrigation Districts						
Byron-Bethany Irrigation District-Division 2	892	240.00	60.00	100.00	400.00	400.00
East Contra Costa Irrigation District-Division 2	6864	240.00	60.00	100.00	400.00	400.00
East Contra Costa Irrigation District-Division 3	8207	240.00	60.00	100.00	400.00	400.00
East Contra Costa Irrigation District-Division 5	10203	240.00	60.00	100.00	400.00	400.00
Municipal Improvement Districts						
Bethel Island Municipal Improvement District	1005	240.00	60.00	100.00	400.00	400.00
E.B.M.U.D. - Ward 1	72564	1306.15	60.00	100.00	1,466.15	1,470.00
Park & Recreation Districts						
E.B.R.P.D.-Ward 1	84735	1525.23	60.00	100.00	1,685.23	1,690.00
E.B.R.P.D.-Ward 2	52722	949.00	60.00	100.00	1,109.00	1,110.00
Green Valley Recreation & Park District	699	240.00	60.00	100.00	400.00	400.00
Rollingwood-Willart Park Recreation & Park District	907	240.00	60.00	100.00	400.00	400.00
Ambrose Recreation & District	8279	240.00	60.00	100.00	400.00	400.00
Pleasant Hill Recreation & Park District	22134	464.81	60.00	100.00	624.81	630.00
Sanitary Districts						
Byron Sanitary District	230	240.00	60.00	100.00	400.00	400.00
Central Contra Costa Sanitary District	197221	3549.98	60.00	100.00	3,709.98	3,710.00
Mt View Sanitary District	11525	240.00	60.00	100.00	400.00	400.00
Rodeo Sanitary District	3777	240.00	60.00	100.00	400.00	400.00
Stege Sanitary District	19755	414.86	60.00	100.00	574.86	580.00
West County Wastewater District	35154	632.77	60.00	100.00	792.77	800.00
Ironhouse Sanitary District	17506	367.63	60.00	100.00	527.63	530.00
Transit Districts						
S.F.B.A.R.T.D. - 1	218682	3936.28	60.00	100.00	4,096.28	4,100.00
S.F.B.A.R.T.D. - 3	48065	865.17	60.00	100.00	1,025.17	1,030.00
S.F.B.A.R.T.D. - 7	90625	1631.25	60.00	100.00	1,791.25	1,800.00
Alameda-Contra Costa Transit District	74180	1335.24	60.00	100.00	1,495.24	1,500.00
A/C Transit District-Ward 1	74180	1335.24	60.00	100.00	1,495.24	1,500.00
Water Districts						
Castle Rock County Water District	167	240.00	60.00	100.00	400.00	400.00
Contra Costa Water District-Division 3	55723	1003.01	60.00	100.00	1,163.01	1,170.00
Contra Costa Water District-Division 4	40018	720.32	60.00	100.00	880.32	890.00
Contra Costa Water District-Division 5	42750	769.50	60.00	100.00	929.50	930.00
Diablo Water District	17114	359.39	60.00	100.00	519.39	520.00

SPECIAL DISTRICT TIMETABLE
November 6, 2012

Compiled 6-22-11

Rev. 2-3-12

Date Range					Codes	
LINE	Date	DAYS PRIOR	Date	DAYS PRIOR	Description	Elect. Code & others
1	29-Jun-2012	130			**** LAST DAY for district boundary changes for the Election.	EC 12262
2	29-Jun-2012	130			*** LAST DAY for District Board to consolidate an election to fill a vacancy. Last day for district board vacancy to be effective for this election.	1780 Govt Code
3	4-Jul-2012	125			NOT LATER THAN THIS DATE District Secretary must deliver to the county elections official the following: 1) Fact Sheet/Notice to the County Elections Official; 2) Corrected or confirmed incumbent list; 3) Resolution requesting and consenting to consolidation; setting forth the specifications of the election order; requesting the Board of Supervisors allow the Registrar of Voters to render services; specifying who will paying the cost of the candidates statement and limiting the number of words. (If the District specifies that the candidate will pay, the district is responsible for collecting any additional costs not covered by candidate deposits.)	EC 10002, EC 10400, EC 10509
4	9-Jul-2012	120			*** Candidate Statement resolution cannot be changed after this date. (If the District fails to adopt a resolution by this date, the District cannot decide at a later date to pass a resolution to collect the candidate statement costs from the candidates.)	EC 13307e
5	9-Jul-2012	120	13-Jul-2012	116	Elections Official to prepare Notice of Election for local consolidated district board elections. Publish the week of E-113 (Jul 16th) to E-109 (Jul 20th). Deadline to publish is E-90 (Aug 8th).	EC 12112
6	10-Jul-2012	119	11-Jul-2012	116	###Election Official to prepare Press Release on 1 st day for Nomination Papers including required information regarding all seats up for election. Mail by due date.	EC 12112 (sch & dist)
7	16-Jul-2012	113	20-Jul-2012	109	***Week to publish Notice of Election local district board seats.	EC 12112
8	16-Jul-2012	113	10-Aug-2012	89	***Nomination period. Candidates to pick up and file papers in the office of the County Elections Official.	EC 10510
9	23-Jul-2012	106	1-Aug-2012	97	***Suggested Time Period for District Board to file an adopted resolution calling a Special Measure Election to place a measure on the ballot. [This date will allow for publication of notice of election and date fixed for submitting arguments; receiving of arguments and rebuttal arguments; translations; set up for printer and required public examination period prior to the first day for 60 day ballots.] The District must deliver to the Contra Costa Elections Office a resolution calling special measure election. Resolution shall contain: 1.) Specifications of the election order; 2.) Request and consent to consolidation with any other elections to be held within the same territory on the same day; 3.) Provision for the payment of the cost of the election; 4.) The final wording of the measure (framed as a question, limited to 75 words, block paragraph format for the official ballot). Resolution shall also specify: If the full text of the measure exceeding the 75 word abbreviation is to be printed in the voter pamphlet.	EC 10002, EC 10400, EC 10402, EC 10403, EC 13247
10	23-Jul-2012	106	1-Aug-2012	97	Elections Official to transmit copy of consolidation resolution for any measure to County Counsel. Impartial Analysis due by Primary Argument filing deadline E-88 (Aug. 10th). Limit 500 words. [Exception: Water District Measures go to legal counsel for the water district.]	EC 9313 (Dist), EC 9342 (Dist) EC9314 (Water)

Date Range				Codes	
Date	Section	Date	Section	Description	Election Code & others
23-Jul-2012	106	1-Aug-2012	97	Elections Official to transmit copy of consolidation resolution to the County Auditor (Tax Section) for all Bond & Tax Elections.	
23-Jul-2012	106	1-Aug-2012	97	Elections Official to prepare and mail combined Notice of Election and Notice to File Arguments publication for local consolidated measures. Publish as soon as possible. Last day for primary arguments is E-88 (Aug. 10th). Last day for rebuttal arguments is E-81 (Aug. 17th). [Deadlines will be different for districts consolidating after E-97 (8/1), adjusted to E-81 (8/17) and E-74 (8/24)].	EC 9163, EC 9167, EC 9316 & EC 9317 (Dist), Govt Code 6061
24-Jul-2012	106	1-Aug-2012	97	Elections Official to notify district regarding last day to file arguments E-88 (Aug. 10th), if consolidation resolution is filed on or before E-97 (8/1), and tax rate statement due date E-88 (Aug. 10th). [Tax rate statements are only required for bond elections.]	EC 9163, EC 9168, EC 9315, EC 9316, EC 9342, EC 9401
31-Jul-2012				***LAST DAY to file Semi-Annual Campaign Statement. (Cover Period: Jan. 1, 2012 through June 30, 2012. (Note: Statements postmarked by this date are considered to be filed on time.	Govt Code 84200
1-Aug-2012	97	7-Aug-2012	91	***Time Period to publish Notice of Election & Notice to File Arguments for local consolidated measures. [Suggested publication period must be adjusted, if the measure election is called after E-97 (8/1) adjust this period to (E-90) Aug. 8th to NLT (E-83) Aug. 15th.]	
10-Aug-2012	88			***DEADLINE for any local jurisdictions to call a special measure election and consolidate.	EC 10403, EC 10406
10-Aug-2012	88			***DEADLINE for district to file tax rate statement, if required (only needed for bond elections). Copy sent to Auditor-Controller, Tax Section.	EC9401
10-Aug-2012	88			***LAST DAY for Nomination Papers.	EC 10510
10-Aug-2012	88			***LAST DAY for district candidate to withdraw.	EC 10510
10-Aug-2012	88			****LAST DAY to file primary arguments for or against the measure. Word limit 300 words. (Date set by the Elections Official.) [Cities & districts filing requests after E-97 (8/1) will have a deadline of E-81 (8/17).] Note: if more than one "argument for" or more than one "argument against" the measure is received, the Elections Official shall select one of the "arguments for" and one of the "arguments against" for printing.	EC 9163, EC 9316 (Dist), Govt Code 6061
10-Aug-2012	88			***LAST DAY for County Counsel to file an Impartial Analysis. Limit 500 words.	EC 9160, EC 9168, EC 9313 & EC 9314 (Dist)
11-Aug-2012	87	13-Aug-2012	85	If both an "argument in favor" AND an "argument against" were filed, the Election Official shall immediately transmit a copy of the "argument against" to the filer(s) of the "argument in favor" and a copy of the "argument in favor" to the filer(s) of the "argument against", along with a copy of the formatting rules for filing a rebuttal argument, advising both sides of the deadline to file and the word limit of 250 words.	EC 9167, EC 9168, EC 9317 (Dist)

Date Range				Codes	
Start Date	End Date	Start Date	End Date	Description	Elect. Code & others
11-Aug-2012	87	15-Aug-2012	83	***Extended Nomination Period if incumbent fails to file by Nomination Deadline. Incumbent cannot file during the extension. ***IMPORTANT*** Vacant Offices DO NOT have extensions.	EC 10516
11-Aug-2012	87	17-Aug-2012	81	***Period for rebuttal arguments for local measures, if both an argument for and against were filed. [Districts consolidating after E-97 (8/1) will have a deadline of E-74 (8/24)]. Districts with another county of jurisdiction, may have a different deadline.]	EC 9167, EC 9168, EC 9317 (Dist)
11-Aug-2012	87	20-Aug-2012	78	***Ten day public examination period for all measure materials (except for rebuttal arguments, if any). [Period adjusted if measure election is called after E-97 (8/1) to E-80 (8/18) thru E-71 (8/27).]	EC 9190, EC 9380 (Dist)
11-Aug-2012	87	20-Aug-2012	78	***Ten day public examination period for Candidate Statements, if no extended filing period. Candidate Statements are confidential until after the close of the Nomination Period.	EC 13311, 13313
13-Aug-2012	85	16-Aug-2012	82	Elections Official to assign local measure letters. Coordinating assigning of letters with surrounding counties.	EC 13109 n & polly
15-Aug-2012	83			***LAST DAY district may file resolution amending or withdrawing a measure.	EC 9605
15-Aug-2012	83			****LAST DAY of the extended Nomination Period, if incumbent officer, who is up for election, failed to file by 5:00 p.m. on E-88 (Aug. 10th). Any qualified person, other than the incumbent, has until 5:00 p.m. on this date to file Nomination Papers. If this provision is in effect then candidates also have until 5:00 p.m. to withdraw.	EC 10516
16-Aug-2012	82			***Secretary of State to draw random alphabet, used to determine order of candidates on ballot. Drawing held at 11:00 AM.	EC 13112 (b1)
16-Aug-2012	82	27-Aug-2012	71	***Ten day public examination period for Candidate Statements, if there was an extended filing period. (Deadline extended because it fell on a weekend.) Candidate Statements are confidential until after the close of the Nomination Period.	EC 13311, 13313
17-Aug-2012	81			****LAST DAY for rebuttal arguments. If arguments for and against were filed by E-88 (Aug. 10th). [For cities and districts consolidating measures after E-97 (8/1) last day is E-74 (8/24).]	EC 9167, EC 9168, EC 9317 (Dist)
18-Aug-2012	80	27-Aug-2012	71	***Ten day public examination period for rebuttal arguments, if any. [Period adjusted if measure election is called after E-97 (8/1) to E-73 (8/25) thru E-63 (9/4) deadline extended one day because it fell on the holiday.]	9380 (Dist)
20-Aug-2012	78			County Elections Official to submit Voter Pamphlet materials to printer. [If no rebuttal argument period, the printer can start printing Voter Pamphlet materials on E-77 (Aug. 21st); with a rebuttal period, printing will start E-70 (Aug. 28th).] [If argument periods are adjusted for late measures filed after E-97 (8/1) then the latest that printing will start is E-62 (Sept. 5th) .]	
20-Aug-2012	78	22-Aug-2012	76	County Elections Official to prepare Consolidation Agenda Item for all consolidating districts and submit to the Board of Supervisors by E-69 (Aug. 29th) for E-56 (Sept. 11th) Agenda.	EC 10402, EC 10403

Date Range					Codes	
Event	Date	Event	Date	Description	Elect Code & others	
68	20-Aug-2012	78	27-Sep-2012	40	District offices "Off Ballot" (insufficient nominees): 1.) If less candidates filed than vacancies and no petition was filed with the election official, the Election Office will contact the District for recommendations for appointments. 2.) The names of nominated candidates and district recommendations, if any, will be sent to the Board of Supervisors for Appointment. 3.) After action by the Board of Supervisors, Certificates of Appointment will be prepared and send to district. 4.) Candidates will be notified of appointment in lieu of election.	EC 10515
69	22-Aug-2012	76	24-Aug-2012	74	County Elections Official to send prepared Voter Pamphlet copy to the District for review (measure information <u>cannot</u> be amended only errors in entering information made by the Elections Department can be corrected). [If no rebuttal period, this will be sent between E-83 (8/15) and E-81 (8/17).] [Period adjusted one week later for measures called after E-97 (8/1).]	
70	7-Sep-2012	60			*****60th DAY*****	
71	7-Sep-2012	60			***FIRST DAY to mail out Special 60 day Vote by Mail Ballots and voter information materials.	EC 3103 (b)
72	10-Sep-2012	57	20-Sep-2012	47	###Elections Official to prepare Notice of Central Count Accumulation and Commencement of Vote by Mail Ballot Processing. To be published at least 48 hrs. before 1st possible day (E-29) to process returned Vote by Mail ballots. Copy posted in office lobby.	EC 12109, 15004, 15104
73	10-Sep-2012	57	23-Oct-2012	14	***Filing period for write-in candidate Nomination Papers.	EC 8601
74	27-Sep-2012	40			Elections Office to begin mailing sample ballots to voters registered by E-60.	EC 13303
75	3-Oct-2012	34	5-Oct-2012	32	###Elections Official to prepare Election Polling Place publication. To be published once the week of E-22 (Oct. 15th).	EC 12105, 12106, 12286
76	5-Oct-2012				***LAST DAY to file Pre-Election Campaign Statement for Candidates and Committees. (Cover Period: Jan. 1, 2012 through Sept. 30, 2012 (if no previous statement filed) or July 1, 2012 through Sept. 30, 2012 if a semi-annual statement was filed . Note: Statements postmarked by this date are considered to be filed on time.	Govt Code 84200.7
77	8-Oct-2012	29			*****29th DAY*****	
78	8-Oct-2012	29			***FIRST DAY for issuing Vote by Mail ballots. [1.] Vote by Mail Ballot requests must be made in writing to the Registrar of Voters, P.O. Box 271, Martinez, CA 95443. The requests must include residence address, mailing address, if any, and each voter's signature. An application will be included in each Sample Ballot. 2.) Groups or candidates distributing Vote by Mail applications must use a state mandated form. The form and instructions can be obtained from the Elections Office.]	EC 3001
79	8-Oct-2012	29			***FIRST DAY returned Vote by Mail Ballots can be processed/signatures checked. (Public may observe.)	EC 15104
80	9-Oct-2012	28			If a voter's registration is received by the Elections Office after this date the voter <u>will</u> only receive a polling place notice, not a sample ballot or voter information pamphlet for the election. [Date extended one day because of postal holiday on E-29.]	EC 13303c

Date Range					Codes
Days	Date	Days	Date	Description	Elect. Code & others
9	16-Oct-2012	21		***LAST DAY for Registrar of Voters to complete Sample Ballot mailings to voters who registered by E-28 (Oct. 9th).	EC 13303 & 13300 c
10	21-Oct-2012	10	5-Nov-2012	***Period for 24 Hour Reports of Late Conditions & Independent Expenditures of \$1,000 or More.	Govt Code 84203 & 84203.3
11	22-Oct-2012	15		***15 DAY CLOSE / LAST DAY TO REGISTER.	EC 2102, 2107, 15
12	23-Oct-2012	14	30-Oct-2012	Elections Official to prepare and post a list of all current polling places and election precinct board members appointed as of the 15th day before the election. Post in the Elections Official's Office and on the Official's web site <u>no less than 7 days</u> before the election. Divide list and send copies to the City Clerk's Offices in the area of the election for posting.	EC 12105.5, 12318, 12327
13	25-Oct-2012	12		***LAST DAY for Pre-Election Campaign Statements. Cover period Oct. 1, 2012 - (E-17) Oct. 20, 2012. (Note: Postmarked today equals filed on time)	Govt code 84200.7
14	26-Oct-2012	11		Elections Office may begin opening and processing Vote by Mail Ballots for counting. Processing to be continued through Election Day. (Process may be observed.) Count shall not be released prior to the close of the polls on Election Day.	EC 15101
15	30-Oct-2012	7		****LAST DAY for Vote by Mail requests to be received by the Elections Office <u>through the mail</u> and from campaign groups hand delivering over the counter.	EC 3001
16	31-Oct-2012	0	6-Nov-2012	Period for Late Condition Ballot Requests. Requests must be made in person at the Elections Office or in writing designating an authorized representative who shall appear at the Elections Office, 555 Escobar St., Martinez to pick up the ballot.	EC 3021
16	6-Nov-2012	0		*****ELECTION DAY*****	
17	7-Nov-2012	1	4-Dec-2012	Canvass Period - Deadline to complete is E+28 days, (Dec. 4, 2012).	EC 335.5, 15301, 15302, 15372
18	8-Nov-2012	-2	21-Nov-2012	Recount by hand 1% of precincts, plus one precinct for every contest, not counted in the 1%. (Process may be observed.)	EC 15360
19	26-Nov-2012	-20	4-Dec-2012	Election Official to post an updated copy of the precinct board members who served on election day, no later than 28 days after the election (Dec. 4th). Post in Elections office and on web site. List must remain posted for 30 days (Jan. 3rd) after completion of canvass.	EC 12105.5
20	4-Dec-2012	-28		***By this date the Elections Office will prepare and send a certified statement of results of the election to any consolidated jurisdiction. Jurisdiction can make arrangements for receiving by e-mail or picking up, if needed for a meeting being held this same week. Additionally Certificates of Election will be mailed to districts electing governing boards to have oaths of office executed.	EC 15372, 15400, 15401, 15450, 10553 (dist)
21	4-Dec-2012	-28	6-Dec-2012	Achieve list of election precinct board members and polling places for the election, keep for public inspection until Sept. 6, 2014 (E-day + 22 months).	EC 12105.5 EC 17301

Date Range					Codes	
Line	Date	Document	Date	Document	Description	Elect. Code & others
83	4-Dec-2012	28	11-Dec-2012	35	Elections Official to send bond/tax packets (Copy of resolution calling election, copy of Notice of Election publication, copy of sample ballot including Voters Pamphlet section and copy of Statement of Vote with Certification of Results) to Tax Section Supervisor in Auditors Office for <u>all</u> local tax and bond elections. If requested , Certification packets shall also be sent to District calling election and the Bond Counsel, if any.	
84	6-Dec-2012	30			***DEADLINE to refund Candidate Statement overpayments.	EC 13307c
85	7-Dec-2012	31			*** The term of elective officers of districts required by their principal act to be conducted in accordance with the UDEL provisions of the Elections Code, shall commence on the first Friday in December next succeeding their election.	EC 10500, 10554
86	31-Jan-2013				***LAST DAY to file semi-annual Campaign Statements. (Cover Period: Oct. 21, 2012 - Dec. 31, 2012 or if no previous statement filed, Jan. 1, 2012 - Dec. 31, 2012 . Note: Statements postmarked by this date are considered to be filed on time.	Govt Code 84200 & FPPC Info Sheet
87	8-Feb-2013	94			***Approximately this date Elections Official to figure election costs and bill consolidated jurisdictions for their share.	



Town of Discovery Bay

"A Community Services District"

AGENDA REPORT

Meeting Date

June 6, 2012

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

Agenda Title

Audited Financial Statements for FY 2010-11

Recommended Action

Staff recommends that the Board approve and accept the FY 2010-11 Audited Financial Statements

Executive Summary

Pursuant to the requirements of California Government Code §26909(b), the Town of Discovery Bay CSD is required to conduct an annual audit of its financial statements. Additionally, the audit must also be provided to the State of California Controller's Office and the Contra Costa County Auditor's Office.

On May 16, 2012, Mark Croce of Croce & Company presented the DRAFT year-end audit for Fiscal Year 2010-11. The draft audit contained the findings and results from the audited financial statements for the period July 1, 2010 through June 30, 2011.

At this time, it is appropriate to accept the findings of the FY 2010-11 Audited Financial Statements and direct Croce & Company to forward the final audit to the State Controller's Office and the Contra Costa County Auditor's Office.

Fiscal Impact:

Amount Requested *n/a*

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

Prog/Fund # Category:

Previous Relevant Board Actions for This Item

May 16, 2012 DRAFT Audit Presentation by Croce and Company

Attachments

Final Audit 2010/2011

AGENDA ITEM: F-5



**TOWN OF DISCOVERY BAY
COMMUNITY SERVICES DISTRICT**

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITORS' REPORT**

JUNE 30, 2011

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Independent Auditors' Report

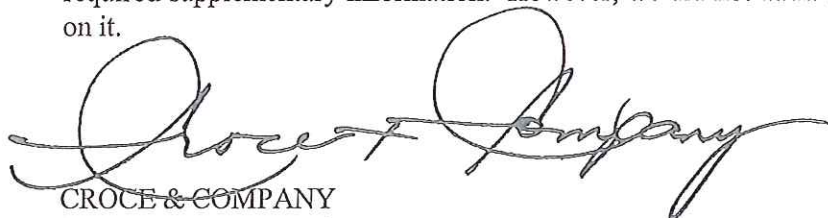
To the Board of Directors
Town of Discovery Bay Community
Services District

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

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>(5,194)</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

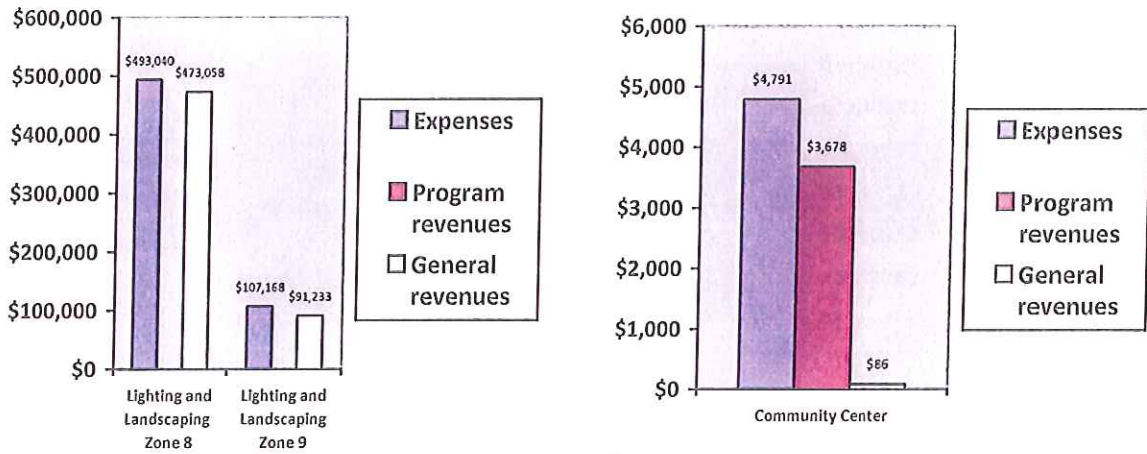
Financial Analysis of the Government-wide Financial Statements (Continued)

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

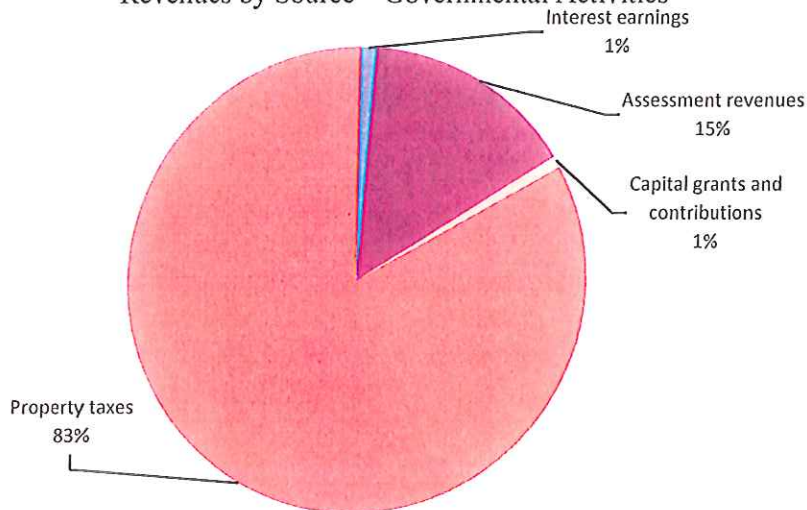
Governmental Activities

- 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

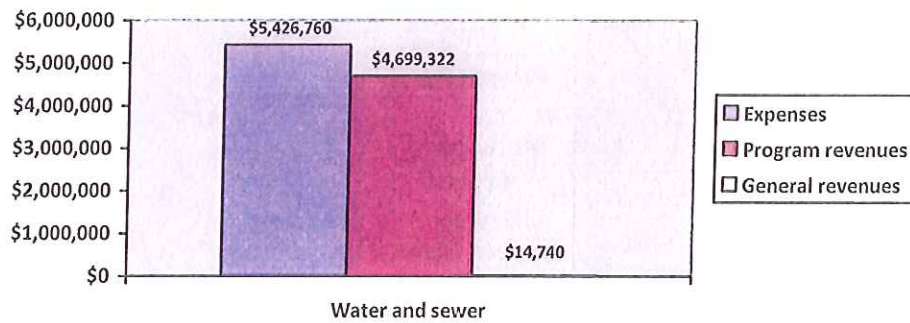
June 30, 2011

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

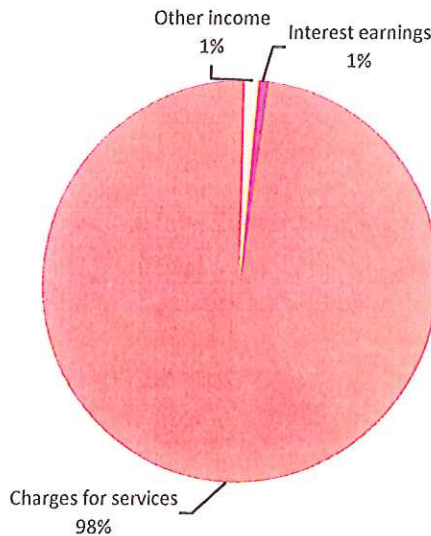
Business-type Activities

- 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)

	<u>Governmental Activities</u>		<u>Business-type Activities</u>		<u>Total</u>	
	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>	<u>2011</u>	<u>2010</u>
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	<u>282,733</u>	<u>32,269</u>	<u>898,708</u>	<u>1,470,948</u>	<u>1,181,441</u>	<u>1,503,217</u>
Total	2,246,238	1,726,998	39,240,940	38,531,289	41,487,178	40,258,287
Less accumulated depreciation	<u>(677,184)</u>	<u>(607,895)</u>	<u>(6,332,346)</u>	<u>(5,150,001)</u>	<u>(7,009,530)</u>	<u>(5,757,896)</u>
Net capital assets	<u>\$ 1,569,054</u>	<u>\$ 1,119,103</u>	<u>\$32,908,594</u>	<u>\$33,381,288</u>	<u>\$34,477,648</u>	<u>\$34,500,391</u>

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 17% 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.

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

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	<u>107,168</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total governmental activities	<u>604,999</u>	<u>-</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>	<u>-</u>
Total business-type activities	<u>5,426,760</u>	<u>4,699,322</u>	<u>-</u>	<u>-</u>
Total government	<u>\$ 6,031,759</u>	<u>\$ 4,699,322</u>	<u>\$ -</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>-</u>	<u>(727,438)</u>	<u>(727,438)</u>
<u>-</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				
	General fund	Community center	Lighting and landscaping Zone 8	Lighting and landscaping Zone 9	Total governmental funds
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

	Special revenue funds				Total governmental funds
	General fund	Community center	Lighting and landscaping Zone 8	Lighting and landscaping Zone 9	
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	-	3,764	473,058	91,233	568,055
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	-	4,791	811,980	230,072	1,046,843
Excess (deficiency) of revenues over expenditures	-	(1,027)	(338,922)	(138,839)	(478,788)
Other financing sources					
Operating transfers in	-	5,194	-	-	5,194
Total other financing sources	-	5,194	-	-	5,194
Net change in fund balances	-	4,167	(338,922)	(138,839)	(473,594)
Fund balances, beginning of year	-	544,421	1,712,501	251,016	2,507,938
Fund balances, end of year	\$ -	\$ 548,588	\$ 1,373,579	\$ 112,177	\$ 2,034,344

(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

	<u>Water and sewer fund</u>
Assets	
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	<u>3,257,649</u>
	\$ 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	<u>6,649</u>	<u>-</u>	<u>6,649</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 3,257,649</u>	<u>\$ 3,251,000</u>	<u>\$ 6,649</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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	<u>6,649</u>	N/A	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,649</u>	1%
Total	<u>\$3,257,649</u>	N/A	<u>\$ -</u>	<u>\$3,251,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,649</u>	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	<u>83</u>	<u>60,474</u>
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:

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2011</u>
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	23,342	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	1,436,646	244,795	(84)	24,065	1,705,422
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)

	<u>Balance</u> <u>June 30, 2010</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Balance</u> <u>June 30, 2011</u>
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	<u>356,928</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>356,928</u>
Total depreciable capital assets	36,793,341	691,067	-	590,824	38,075,232
Less accumulated depreciation	<u>(5,150,001)</u>	<u>(1,182,345)</u>	<u>-</u>	<u>-</u>	<u>(6,332,346)</u>
Net depreciable capital assets	<u>31,643,340</u>	<u>(491,278)</u>	<u>-</u>	<u>590,824</u>	<u>31,742,886</u>
Net capital assets	<u>\$ 33,381,288</u>	<u>\$ (472,697)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,908,594</u>

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	<u>4,037</u>
Total depreciation expense – Governmental activities	<u>\$ 69,373</u>

Business-type activities:

Water and sewer	<u>\$ 1,182,345</u>
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

June 6, 2012

Prepared By: Rick Howard, General Manager
Submitted By: Virgil Koehne, Water and Wastewater Manager *VK*

Agenda Title

Well No. 7 Preliminary Engineering, Exploratory Test Boring, and Monitoring Well Installations

Recommended Action

Authorize contract with Luhdorff and Scalmanini in the amount of \$111,000 to conduct Well No. 7 Preliminary Engineering, Exploratory Test Boring, and Monitoring Well Installations

Executive Summary

As the Board is aware, the development and construction of Well 7 is included in the Water Master Plan that was accepted by the Board of Directors on February 8, 2012. In light of the operational issues facing Well 5A, staff would like to immediately initiate the processes necessary for constructing Well 7.

Pursuant to the attached proposal from Luhdorff and Scalmanini (L&H), the District's Water engineering firm, staff recommends moving forward with the initial phases of work ultimately leading to the construction of the new supply well (Well 7) and pump station. Well 7 is to be located off Newport Drive, approximately 3,000' south of the Newport Water Treatment Plant (See attached map).

Prior to drilling the test well, L&S proposes to ensure that all of the necessary approvals are in hand with the Department of Public Health (DPH) as the proposed site is marginally smaller than the DPH threshold for well sites. Consequently, an approval from DPH is necessary prior to any work progressing at that location. If DPH does not grant the waiver, staff will be forced to identify a different well location.

The current FY 2011-12 Capital Improvement Program Budget includes \$40,000 for preliminary environmental work efforts and DPH approvals. The FY 2012-13 and FY 2013-14 proposes an additional \$627,300 respectively for Well 7.

The overall project budget for Well 7 is \$1,476,000. Preliminary engineering work and design/construction management services are budgeted at \$261,400. Staff recommends that the Board authorize \$40,000 from FY 2011-12 and \$71,000 from the FY 2012-13 CIP Budget for a total of \$111,000.

Fiscal Impact:

Amount Requested \$111,000

Sufficient Budgeted Funds Available?: \$40,000 available, remainder from unallocated budget

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

Previous Relevant Board Actions for This Item

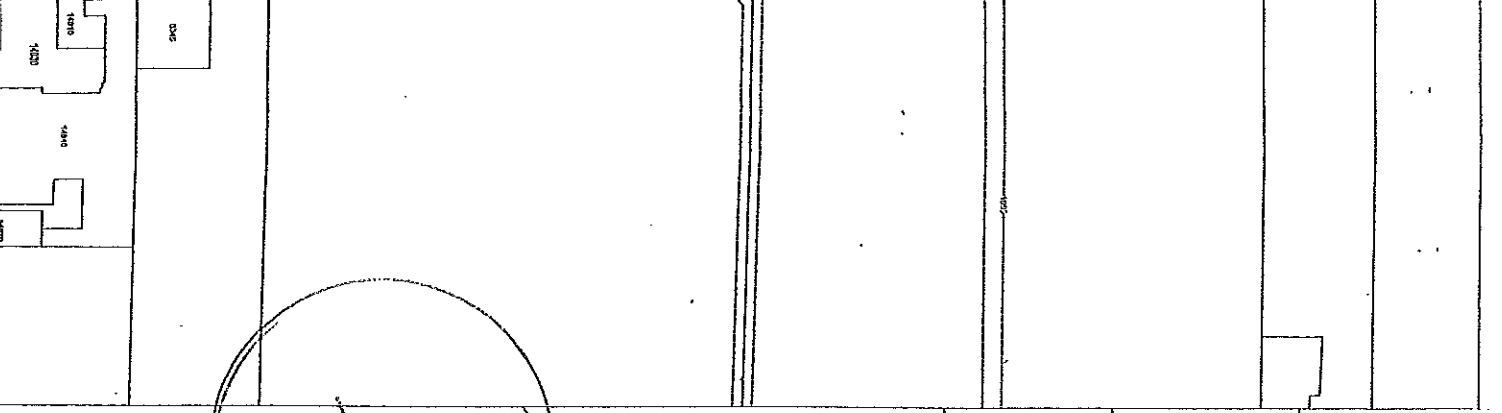
Adoption of FY 2011-12 Capital Improvement Program Budget

Attachments

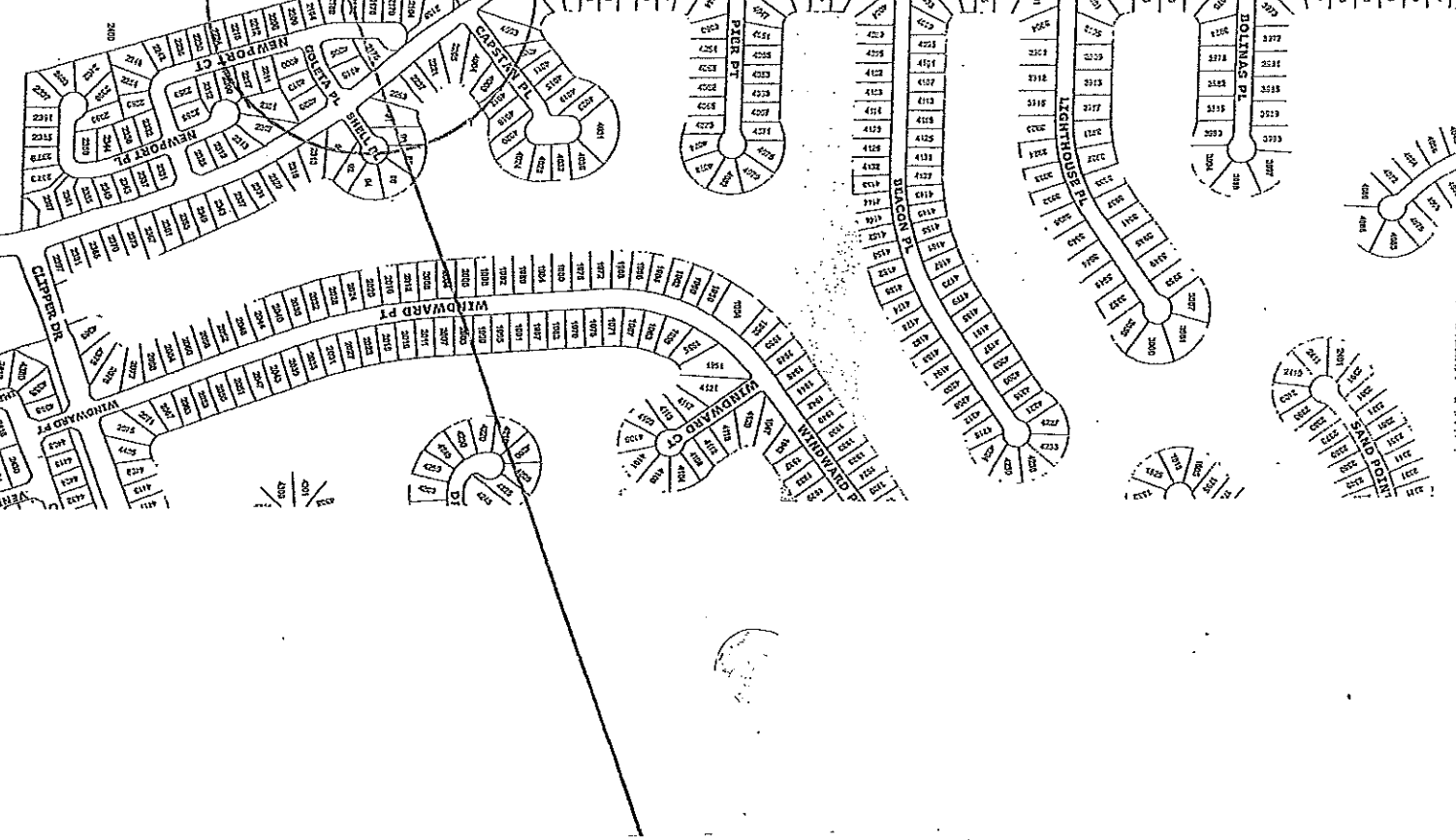
Proposal from Luhdorff and Scalmanini to conduct Preliminary Engineering, Site Testing, and Test Bore for Well No. 7

AGENDA ITEM: G-1

BIXLER RD



NEWPORT DR



Well 7 Site



May 29, 2012
File No. 12-3-065

Mr. Rick Howard
Town of Discovery Bay CSD
1800 Willow Lake Road
Discovery Bay, CA 94514

**SUBJECT: SCOPE AND COSTS FOR NEW WATER SUPPLY WELL (No. 7)
TOWN OF DISCOVERY BAY COMMUNITY SERVICES DISTRICT (CSD)**

Dear Mr. Howard:

In response to your request, this letter outlines a scope for engineering and field services associated with the design and construction of a new water supply well facility (Well 7) located west of Newport Drive (south of Town of Discovery Bay CSD's, Newport Drive Water Treatment Plant and north of Well 5A. The proposed scope of engineering services for this project encompasses a suitability assessment of the candidate well site, assistance with environmental review and regulatory approvals, exploratory drilling and testing, design and preparation of plans and specifications for well and pump station, and technical assistance during the project construction phases.

Project Understanding and Approach

We understand that the Discovery Bay Community Services District (CSD) seeks to construct the new municipal Well 7 station on property south of the Newport Drive Water Treatment Plant (WTP). The Well 7 facility will serve to increase overall water supply reliability, particularly with regard to ongoing water quality concerns regarding Well 5A. The water pumped from the proposed well will be treated at the Newport Drive WTP along with flows from Well 4A and Well 5A.

Based on the objective of developing a high capacity water supply well that will feed into the Newport Drive WTP, we propose to initially conduct a suitability assessment of the proposed well site. For this effort, we will evaluate suitability in terms of accommodating construction and future O&M activities, and for compliance with regulatory offsets from potential sources of contamination.

Our initial assessment of the Well 7 site (based upon a recent site visit, and a cursory review of in-office base-maps), suggests that space is limited and questions exist as to whether it has sufficient size to accommodate an additional well. For example, our initial assessment indicates that there is approximately 90+ feet between a surface water runoff ditch/stream on the west and the adjacent housing properties on the east. The minimum setback requirements specified by the County Environmental Health Department and the California Department of Public Health (CDPH) includes a minimum 50 foot setback from property boundaries, and a 50 foot setback from a surface body feature (i.e., a 100 foot minimum site width is needed). LSCE may have to prepare a technical position arguing for a variance from the DPH setback requirements.

As part of the suitability assessment, LSCE will develop a conceptual site plan showing the station layout with site access, CDPH setbacks, and connections to the Newport Drive WTP. The site plan will serve to delineate the production well point for initial regulatory submittals. It will also be used to select a location suitable for exploratory test hole drilling and monitoring well(s) construction. LSCE will submit the conceptual layout and supporting information needed to obtain regulatory concurrence from the CDPH. LSCE will also address the current pipeline hydraulics that connect Well 5A to the Newport WTP, and the ability of this pipeline to accommodate flow from both Wells 5A and Well 7.

Next, with regulatory concurrence on the conceptual site plan, we propose to coordinate and oversee exploratory test hole drilling using a licensed and qualified well subcontractor. The test hole-drilling program will be designed to delineate target aquifer units for the proposed production well. A geophysical log and formation samples obtained during this phase will serve as primary input to well design including sanitary and intermediate annular seal depths, screen intake locations, gravel envelope gradation for sand control, etc. For the project setting, we recommend converting the test hole to a monitoring well to assess aquifer conditions, collect ground-water samples for water quality screening, and to measure pumping interference from other CSD wells. From these activities, we will produce a preliminary well design suitable for the regulatory review and approval for the production well (Well 7).

If the exploratory phase of work indicates favorable hydrogeologic conditions at the Well 7 site, we propose to prepare an initial study in compliance with CEQA. CEQA compliance is required under the CDPH permit amendment process for adding a new source of supply to an existing water supply permit. It has been our experience that compliance with the California Environmental Quality Act (CEQA) can require a varying level of assistance from the design engineers, depending upon the specific project, the location, and the extent of potential impacts. However, for purposes of this proposal LSCE is assuming that the subject project will have minimal potential environmental impact and can likely be addressed through a negative or mitigated-negative declaration. LSCE proposes to work with Hurlbert Consulting (Diana Hurlbert) to complete the CEQA work. Ms. Hurlbert completed the environment documents for the Well 6 project and is generally familiar with the CSD water system.

After the preliminary design phase and CEQA analysis, LSCE will submit CDPH checklist items for a permit amendment to add a new well to CSD's system. The purpose of this submittal is to

obtain concurrence on the project prior to the final design and construction phases. As part of this submittal, we will prepare a preliminary Drinking Water Source Assessment and Protection Program (DWSAP) report. The DWSAP report delineates Ground-Water Protection Zones, calculates Physical Barrier Effectiveness, and assesses and ranks Possible Contaminating Activities within the Ground-Water Protection Zones. This process is required for all new public drinking water sources prior to issuance of a permit to use that well in a water system. The preliminary report prepared at this stage will be finalized upon completion and startup of the well pump station and then submitted with the CSD's application to amend its water supply permit for the new well source.

After obtaining concurrence on site and preliminary well design and station layout, we will finalize design and prepare plans and specifications for well construction. At the same time, we will initiate design work for the pump station. Besides the preliminary well design and conceptual station plan, the design phase will consist of 75- and 100-percent levels of completion. Separate plans and specifications for the pump station construction contract will be finalized after testing of the new well.

LSCE will provide assistance with obtaining competitive bids on the well and pump station contracts, to be issued separately, and technical assistance during construction phases. For the latter, we will provide milestone inspection services to insure that construction satisfies the design requirements. We will also review and recommend acceptance of submittals, provide regular progress updates, and provide the CSD with as-built documents for the new well and pump station facilities.

Scope for Engineering and Field Services

LSCE's proposed project approach is integrated into the following tasks. Each task description includes a summary of deliverables and key activities on which the cost estimating is based. Budgets for each task are compiled in the subsequent section on Cost Estimating and Contract Administration.

Task 1: Suitability Assessment, Conceptual Station Layout, and Initial CDPH Submittal

Under Task 1 LSCE will assess the Well 7 site for its suitability to accommodate construction activities, future O&M, and how the well might optimally be situated to comply with regulatory offset requirements. As part of this effort, LSCE will prepare a conceptual station layout that delineates the facility components and the prospective production well location.

Based upon a boundary and topographical base map provided by CSD, LSCE will delineate site improvements on the conceptual site plan including site access, piping location (including metering and valving to the main line), building/enclosure, fencing, paving, and tie-ins to utilities.

As discussed above, LSCE is concerned with meeting CDPH setback requirements. Therefore, LSCE proposes to prepare brief letter report that includes the conceptual layout along with the setback distances. LSCE will submit the letter report to the DPH and obtain tentative approval on setback distance before proceeding either the subsequent tasks discussed below. The conceptual site plan will be submitted to the County environmental health department and CDPH. This step insures that no unnecessary costs are incurred constructing test holes and monitoring wells for a site that may not meet the CDPH setback requirements. If any regulatory offset cannot be met, the submittal will provide a basis for a variance request.

Task 1 Overview

Meetings and Key Activities:

- *One field inspection of the Well 7 site.*

Deliverables:

- *Pre-design memo on site suitability and conceptual well station plan.*
- *Submit conceptual site plan to County and CDPH.*

Task 2: Exploratory Test Hole Drilling Oversight and Evaluation

Under Task 2, LSCE will coordinate and oversee exploratory test hole drilling at the Well 7 site for well design purposes. Based on previous hydrogeologic assessments by LSCE and experience with the CSD water supply well network, we have budgeted this phase of work using an exploratory target depth of 500 feet. At this depth, we anticipate being able to assess site conditions to the extent necessary to meet project objectives.

The drilling work will be performed by a licensed and qualified well driller under subcontract to LSCE. A geophysical survey conducted in the exploratory test hole will be used to delineate completion intervals for the prospective water supply well. Formation samples from the test hole will be used as a basis for design of a gravel filter pack to satisfy the appropriate sand control requirements for a municipal well station. The test hole will be converted to a monitoring well that will be used to measure water levels and collect water samples. In addition, the monitoring well can serve as an observation well, to assess production well efficiency and final acceptance of the constructed well.

The monitoring well design will be prepared by LSCE's geology and engineering staff and will comply with state and local well standards. Upon completion of the monitoring well construction and development, LSCE will provide a sampling rig to obtain water samples from each monitoring well piezometer. LSCE will submit the samples to a State certified laboratory for preliminary water quality screening. The screening will encompass CDPH initial source water quality monitoring requirements for primary and secondary constituents, volatile organic chemicals, selected synthetic organic chemicals, and selected unregulated chemicals.

At the completion of exploratory drilling, monitoring well construction, and water quality testing, LSCE will prepare a status memorandum summarizing results and recommendations for final well design. The report will delineate recommended completion intervals that appear most favorable in meeting project objectives.

Task 2 Overview

Meetings and Key Activities:

- *Multiple trips to project site for exploratory drilling activities, monitoring well construction, and ground-water sampling.*

Deliverables:

- *Summary report on test hole exploratory activities including recommendations for well design, estimates of yield, and water quality for production well.*
- *Lithologic log, as-built profiles, and electric log for test hole/monitoring well.*

Task 3: CEQA Compliance

Under Task 3, LSCE will work with Hurlbert Consulting to prepare environmental documentation for the proposed new well project. For budgeting purposes we have assumed that the effort will encompass preparation of an Initial Study and a negative declaration for action by CSD's Board. The Initial Study document will address land-use, impacts from construction, operations, and maintenance, and local and regional groundwater pumping impacts. LSCE proposes to contract with Hurlbert Consulting to prepare the necessary environmental document for action by CSD's Board of Directors. Task 3 includes the completion of the following subtasks:

- 1) Project Initiation and Review of Information
- 2) Prepare Administrative Draft of the Initial Study
- 3) Prepare Public Review Draft of Initial Study/Notice of Determination
- 4) Respond to Comments/Mitigation Monitoring Program
- 5) Attend Meetings (2)
- 6) Prepare Public Notice and Notice of Completion

Task 3 Overview

Meetings and Key Activities:

- *One meeting with CSD and environmental planner (Sierra Planner)*
- *Attend Board meeting to act on CEQA action.*

Deliverables:

- *Draft Initial Study*
- *Public Review Draft Initial Study/Notice of Determination*
- *Respond to Comments/Mitigation Monitoring Program*
- *Public Notice and Notice of Completion Initial Study*

Note: Task 3 assumes that the construction of Well 7 is judged to be non-growth inducing and therefore will not require more extensive CEQA documents and water supply assessments that address the adequacy of the water supply needed to meet the water supply needs of the proposed housing developments planned within the District.

Task 4: Regulatory Submittal

Under Task 4, LSCE will submit CDPH checklist items to add well and amend CSD's existing water supply permit. LSCE will also prepare a draft DWSAP for inclusion with submittals to DHS and the local well construction permitting agency. The DWSAPP will be finalized upon commissioning of the well pump station, and submitted in final form to DHS under Task 8. The CDPH checklist items are as follows:

Item	Description
Permit Amendment Application	Submittal will indicate that the actual amendment application will be sent after well station is constructed and tested.
CEQA Documentation	Submittal will provide a copy of the Initial Study and action, or anticipated action, by CSD.
Well Drilling Specifications	Submittal will include preliminary well profile. Final construction specifications will be sent with permit application.
Well Plot Plan	Submittal will include plot plan for proposed well.
DWR Well Completion	To be submitted after test well is constructed.
Well Data Sheet and Chlorination Data Sheet	To be submitted after station is constructed and tested.
DWSAP Document	Submittal will include draft DWSAP. Finalized upon commissioning of the well pump station
State Well No. and Lat./Long.	Submittal will include coordinates for proposed well location (actual coordinates of constructed well to be sent with final application).
Water Quality Reports	Submittal will include analytical results for representative samples from monitoring well and other CSD wells. Some testing may be deferred until station is completed.

CDPH will be requested to review and comment so that final design and construction activities may proceed. LSCE will contact CDPH to ensure that concurrence is obtained and all questions or comments are addressed to the satisfaction of the department.

Task 4 Overview

Meetings and Key Activities:

- *Preparation of a preliminary DWSAP and submittals for regulatory review.*

Deliverables:

- *Letters and associated submittals to CDPH and County Environmental Health requesting concurrence on siting and design.*

Task 5: Well Design and Plans/Specifications

Under Task 5, LSCE will prepare construction documents for the proposed new production well based on results from the preceding tasks. The principal design parameters shall include well depth, casing and screen materials and dimensions, locations and types of seals, type and locations of intake screen(s), gravel envelope size and gradation for sand control, and size of screen openings to properly retain the gravel pack. These parameters will be selected to achieve a well that is hydraulically efficient and produces sand-free water. The well design will also consider water quality concerns such as corrosivity and the need to isolate or exclude individual zones to meet state drinking water standards.

The plans and specifications will follow CSD's format for construction contract documents. We will prepare a 75-percent and 100-percent design level packages. Fifteen sets of the final design package will be prepared for use by the CSD to solicit bids and award a contract for the work.

Task 5 Overview

Meetings and Key Activities:

- *N/A*

Deliverables:

- *Plans and specifications for production well at two levels: 75- and 100-percent.*

Task 6: Technical Assistance During Well Construction and Testing

Under Task 6, LSCE will provide technical assistance during the well construction phase as shown below. During the course of the construction work, LSCE will provide daily telephonic reports to CSD's designated representative.

Competitive Bidding and Bid Evaluation: Assist with solicitation of competitive bids from qualified, licensed California water well drilling contractors, evaluate bids, and recommend award.

Drilling Operations: Check mobilization and drilling fluid control provisions.

Conductor/Surface Casing: Witness conductor/surface casing installation and grouting operations to insure compliance with design and well permit requirements.

Production Borehole Construction: Monitor drilling operations and drilling fluid control when drilling through the target aquifer units to minimize formation damage.

Casing Installation: Witness caliper logging, borehole conditioning and casing assembly installation including casing welds, alignment, casing guide placement, and intake screen locations.

Gravel and Annular Seal Placement: Inspect gravel and seal installation and record final quantities installed.

Well Development: Witness initial well development with the drilling rig, final development of the well by pumping, and compliance with discharge requirements.

Well Testing: Witness acceptance testing for sand production and well efficiency, obtain water quality samples and monitor well pump tests, and evaluate aquifer characteristics for present and projected well performance in order to develop pump design criteria.

Payment and Acceptance: Review contractor's progress billings and recommend final acceptance.

At the completion of the construction and testing of the new well, LSCE will provide a summary report on the construction and testing activities, including an as-built well profile.

Task 6 Overview

Meetings and Key Activities:

- *Multiple trips to project site for construction and testing activities.*

Deliverables:

- *Inspection reports.*
- *Summary report on construction and testing of production well including as-built well profile.*

Task 7: Pump Station Design and Plans/Specifications

Under Task 7, LSCE will design the pumping plant, including deep well line shaft or submersible pump and motor, motor control center, discharge piping, and the piping that connects the well the pumping station to the distribution system and storm drain system (it is assumed that the well will be housed in a building or an enclosed structure as has been the past practice at CSD). The design will also address site modifications and improvements including grading, drainage, paving, fencing, and painting. The electrical control logic will be designed to allow effective communication between the new well and the Newport Drive Water Treatment Plant (WTP).

The parameters incorporated in the design and selection of the pumping equipment will include an analysis of the relationship between the system flow requirements, their effect on pumping levels in the well, and the variable hydraulic losses in the well head piping and the distribution system. System-head input for the distribution main will be based on requirements at the WTP. The development of the resulting system-head relationship will provide the criteria for selecting the most efficient pump to meet desired flow rates. The selection of a prime mover, submersible or vertical hollow shaft motor, and preference for the main pipeline material, will be developed based upon experienced at the WTP.

Based on an evaluation of pumping test data, LSCE will prepare plans and technical specifications for the station at the 75- and 100-percent levels. (note that a conceptual plan is to be prepared under Task 1).

Design elements addressed in the plans are:

Site Improvements: Drainage, replacement paving, above-ground and below-ground piping for the connection to the distribution system and site access for maintenance.

Structural Plans for Enclosures and Other Structures: Enclosures (as required) to house the pump station components, the station piping, and electrical switchgear.

Electrical Plan: Electrical service, metering, main disconnect and transfer switches, motor starter, controls, instrumentation, electrical conduits and conductors; all according to the CSD's standards.

Site Plan: Delineation of site and mechanical facilities.

Mechanical Plan: Well pump, station and main piping, and mechanical conduits.

Standard Construction Details: Plans will include pipe supports, pump pedestal construction and other standard details.

Information to be provided by others shall include a topographic base map in AutoCAD format that includes the location of all current surface features, subsurface utilities and applicable easements and property boundaries, and existing or planned roadways with curb, gutter, and sidewalks. It is assumed that Well 7 will be located entirely on property owned or controlled by CSD. The base map should be provided by CSD at the start of the overall project so that it can be used in developing the conceptual layout under Task 1. Also note that the scope of work assumes the current Well 5A/Newport WTP is sufficient and this scope does not cover the design and or construction of a new pipeline should one be required.

It is assumed that the CSD will provide a geotechnical engineering report that defines site soil conditions and foundation design recommendations. Geotechnical reports, if available from the housing developers may be adequate for this purpose.

Task 7 Overview

Meetings and Key Activities:

- One design meeting.
- One site visit w/EPS.

Deliverables:

- Plans and specifications for the well pump station at two levels: 75 percent, and 100 percent, or final. For each design submittal, LSCE will send two copies of the plans and specifications for comment and review to each designated reviewer. The final versions of the plans and specifications will be provided in electronic format for incorporation into the CSD's contract documents.

Task 8: Technical Assistance During Station Construction

Under Task 8, LSCE will provide the following engineering support services during the station construction phase. Note that it is assumed that others (i.e. CSD's construction manager) will perform resident inspection (day to day inspection), as needed, and that LSCE will provide submittal and RFI review, key milestone inspections, and assistance during station start-up.

Competitive Bidding and Bid Evaluation: Assist with solicitation of competitive bids from qualified, licensed California contractors, evaluate bids, and recommend award.

Conferences: Prior to commencement of construction, a conference with the contractor will be held to confirm the contractor's understanding of the intent of the contract documents. Final site visitation with the contractor will be made as part of the conference to review site access and to address questions of the contractor prior to equipment arrival.

Submittals and RFIs: Review all submittals and requests for information to ensure all products used during construction are consistent with the plans and specifications.

Pump Components: Match field performance characteristics with design parameters for the pumps and their prime movers, and verify that installation meets manufacturer and industry standards.

Structural Plans for Enclosures and Other Structures: Inspect enclosure foundation, CMU construction, building/enclosure structures and paving.

Electrical and Control System: Verify the adequacy of the motor control center components and the operating control and safety features for starting and stopping the pump station.

Discharge and Mainline Piping: Inspect materials of construction of the station piping and connection to the mainline. (Note: the scope of work assumes the current Well 5A/Newport WTP is sufficient and this scope does not cover the design and or construction of a new pipeline should one be required).

Pumping Plant Testing: Verify field performance of the pumping plant against the manufacturer's quoted performance and the specified performance, including capacity, discharge head, and pumping plant efficiency.

Payment and Acceptance: Review, approve, and recommend payment on the contractor's progress billings. Conduct final inspection and recommended acceptance of the work.

At the completion of station construction, LSCE will finalize the preliminary DWSAP according to the selected design capacity and water quality test results at that design rate, for inclusion with the CSD's CDPH permit amendment application. Here, it is assumed that the CSD will conduct the final water quality sampling and testing.

Task 8 Overview

Meetings and Key Activities:

- Multiple trips to project site for construction, testing, and start-up activities.

Deliverables:

- Response to submittals and RFIs.
- Inspection reports.
- Summary report on construction and commissioning of well station including as-built station drawings.
- Final DWSAP.

Cost Estimate and Contract Administration

Our estimate of costs for engineering and field services for the proposed well and pump station project is encompassed in the following table. Cost estimates are presented by task and are considered suitable for planning and budgeting purposes.

Task	Description	Outside Services	Engr. Services	Total
1	Suitability Assessment, Conceptual Design, and CDPH Memo	n/a	11,000	11,000
2	Exploratory Test Hole Drilling, Oversight/Evaluation, and Water Quality Testing	See Note ¹	25,000	25,000
3	Scope Development (CEQA Compliance)	9,000	5,000	14,000
4	Regulatory Submittal and Preliminary DWSAP	n/a	15,000	15,000
5	Well Design and Plans/Specifications	n/a	10,000	10,000
6	Technical Assistance During Well Construction	n/a	26,000	26,000
7	Pump Station Design and Plans/Specifications	28,000 ²	58,000	86,000
8	Technical Assistance During Station Construction	24,000 ²	38,000	62,000
Totals		61,000	188,000	249,000

Notes:

- (1) Outside services provided by subcontract driller for 500-ft test hole, triple completion monitoring well is estimated to cost \$70,000. Water quality testing performed by certified testing laboratory: est. \$5,000. Total estimate for Task 2 "outside service" is \$75,000.
- (2) Structural and Electrical plans and technical assistance during construction is included and will be performed by LSCE subcontractors (Merkel & Associates, and Electrical Power Systems (EPS) respectively.)

Mr. Rick Howard
May 29, 2012
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The proposed project sum presented above includes LSCE's labor under each task and outside engineering services, all as delineated in this proposal. LSCE will bill monthly for labor and materials, only as incurred, in accordance with LSCE's Schedule of Fees for Engineering and Field services (attached).

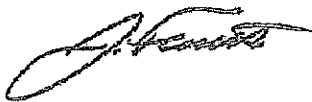
As indicated in the above cost table, the capital costs for actual test hole and monitoring well installations, production well installation, and pump station construction are not included. The test hole cost, with monitoring installations and water quality testing is estimated to cost about \$75,000.

In the event that LSCE is directed to deviate from the proposed scope, or as dictated by unforeseen field conditions, LSCE will provide notification of any potential changes in the estimated cost and time to complete the work. LSCE will not proceed with any work that deviates from the approved scope and budget until approval to proceed is granted.

We appreciate the opportunity to provide you with this scope and budget.

Sincerely,

LUHDORFF AND SCALMANINI,
CONSULTING ENGINEERS



John Fawcett



Thomas Elson

Attachments: Schedule of Fees for Engineering and Field Services (January 2012)

**LUHDORFF AND SCALMANINI
 CONSULTING ENGINEERS
 500 FIRST STREET
 WOODLAND, CALIFORNIA 95695**

**SCHEDULE OF FEES - ENGINEERING AND FIELD SERVICES
 January, 2012**

Professional:	
Principal Professional	\$190 to 270/hr.
Project Manager	\$ 170/hr.
Senior Professional	\$ 160/hr.
Project Professional	\$ 140 to 150/hr.
Staff Professional	\$ 105 to 120/hr.
Technical:	
Engineering Inspector	\$ 105 to 120/hr.
Engineering Assistant	\$ 92/hr.
Technician	\$ 92/hr.
ACAD Drafting	\$ 100/hr.
Clerical Support:	
Word Processing, Clerical	\$ 60/hr.

Vehicle Use	\$ 0.55/mi.
Aircraft Use	\$ 375.00/hr.
Subsistence	Cost Plus 15%
Groundwater Sampling Equipment (Includes Operator)	\$ 170.00/hr.
Copies	.20 ea.

Professional or Technical Testimony	200% of Regular Rates
Requested Technical Overtime	150% of Regular Rates
Outside Services/Rentals	Cost Plus 15%
Services by Associate Firms	Cost Plus 15%