



***CASTLEWOOD
COUNTY SERVICE AREA
MUNICIPAL SERVICE REVIEW FINAL***

January 10, 2013

Prepared for the
Local Agency Formation Commission of Alameda County
by
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1. AGENCY OVERVIEW

Castlewood County Service Area (CCSA) provides street maintenance on private roads in the CSA boundary through the Alameda County Public Works Agency (ACPWA). CCSA also provides retail water and sewer collection services to some areas in the CSA. CCSA contracted with the California Water Services Company (Calwater) for water operations and maintenance services in FY 11-12. For FY 12-13, the City of Pleasanton will provide water operation and maintenance services. CCSA contracts with the City of Pleasanton for conveying and treating wastewater; Dublin San Ramon Services District (DSRSD) is the wastewater treatment provider through its contract with the City of Pleasanton.

The most recent municipal service review for CCSA was adopted in May 2006.

FORMATION

CCSA was formed on September 17, 1968 as a dependent special district. CCSA was created to provide for the improvement, maintenance and drainage of the private roads in the Castlewood unincorporated area adjacent to the City of Pleasanton. In May 1979, the scope of services was extended to include provision of sewer and water services.

The principal act that governs CCSA is County Service Area (CSA) Law.¹ The principal act authorizes CSAs to provide a wide variety of municipal services, including street maintenance, fire protection, extended police protection, water and sewer services.² A CSA may only provide those services authorized in its formation resolution unless the Board of Supervisors adopts a resolution authorizing additional services. All districts must apply and obtain LAFCo approval to exercise latent powers or, in other words, those services authorized by the principal act but not provided by the district at the end of 2000.³

BOUNDARY

CCSA is located southwest of the City of Pleasanton, adjacent to the Arroyo de la Laguna. The boundary area includes an unincorporated area near southern Pleasanton, with

¹ California Government Code §25210 et seq

² California Government Code §25213.

³ Government Code §56824.10.

Castlewood Country Club making up a large portion of the area covered.⁴ CCSA bounds encompass the club buildings and facilities, including two 18-hole golf courses, and over 200 home sites.

Multiple annexations to CCSA took place in 1984. There have been no annexations to or detachments from CCSA since then.

The total land area within the boundary of CCSA is approximately 0.88 square miles.

Extra-territorial Services

Street maintenance services and water services are provided only within CCSA and are not provided outside the CSA's boundaries.

CCSA provides wastewater collection services to a service area within its bounds. CCSA also allows wastewater flows from a small tract in the City of Pleasanton to pass through CSA pipes, per a contract agreement with the City.

Unserved Areas

CCSA does not provide water services to its entire boundary area. Approximately five lots with CCSA are served by private water wells. Additionally, the City of Pleasanton provides water service to 15 parcels within the CSA (outside of the city limits), and due to topography, would be the logical service provider for approximately 25 currently undeveloped lots within CCSA, if these are developed.

Similarly, CCSA does not provide sewer services to its entire boundary area. There are five developed parcels in CCSA that rely on private septic systems.

Not all roads within CCSA are serviced by the CSA. Foothill Road and Castlewood Drive (between Foothill and Pleasanton-Sunol Roads) are county roads, which are served directly by the County. Property owners of parcels located on Country Lane, Oak Lane, Sky Castle, and Bunker Lane elected to maintain these roads privately.

SPHERE OF INFLUENCE

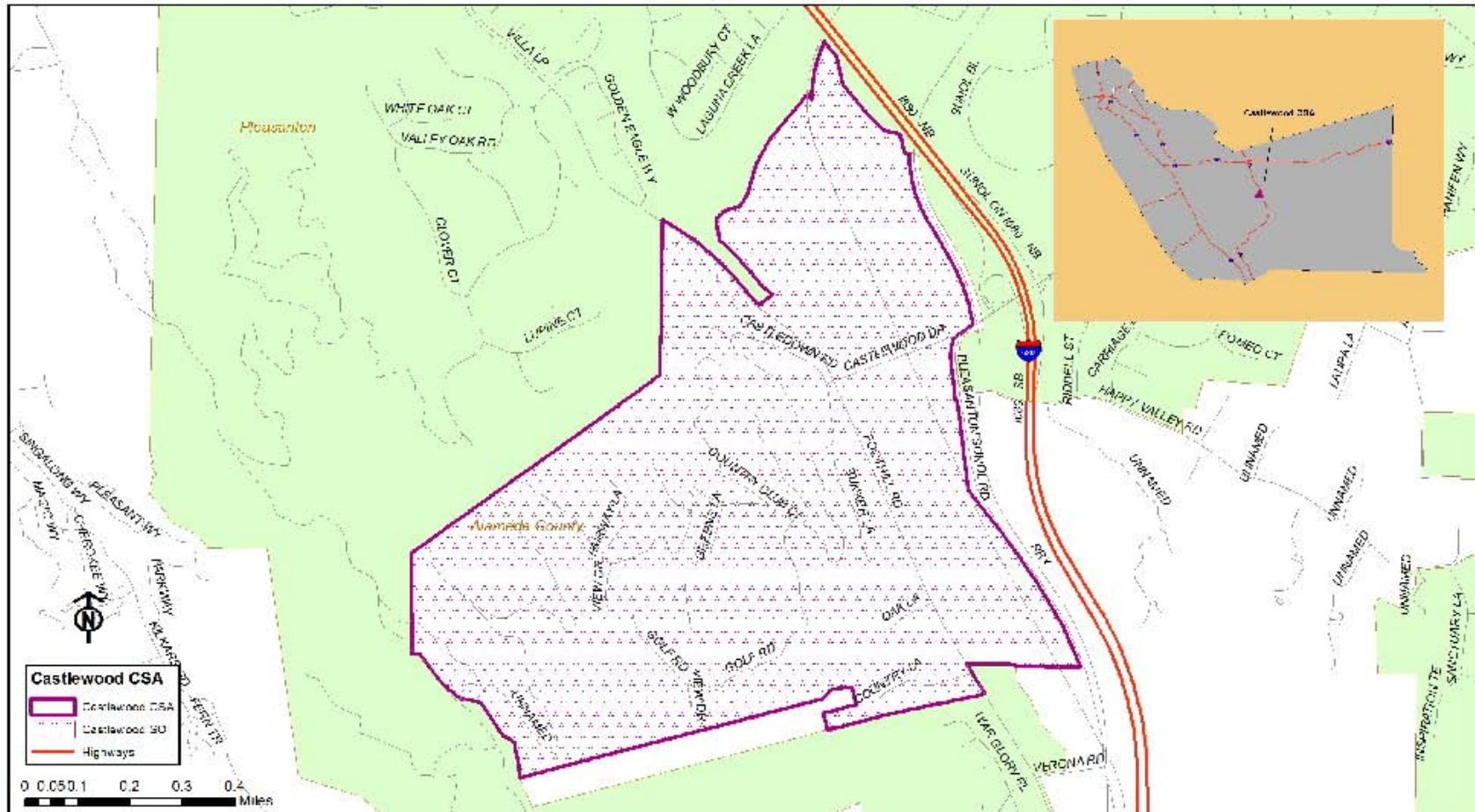
CCSA's SOI was established on April 19, 1984, and at that time, the SOI was made larger than CCSA's boundary area. All areas in CCSA's SOI that lay outside its bounds, were

⁴ The proprietary club and its golf course were built on the site of a former home of George and Phoebe Hearst, parents of William Randolph Hearst. Water rights in this area originate with an agreement between Phoebe Hearst and the Spring Valley Water Company.

annexed shortly after the SOI adoption, making the SOI conterminous with boundaries. In 2006, the Commission reaffirmed CCSA's SOI as coterminous.

Figure 1-1: Castlewood CSA Boundaries and SOI

Castlewood CSA Boundary and SOI*
July 2012



*Agency sphere equals the service area boundary

Created for Alameda LAFCO by the Alameda County Community Development Agency

ACCOUNTABILITY AND GOVERNANCE

Accountability of a governing body is signified by a combination of several indicators. The indicators chosen here are limited to 1) agency efforts to engage and educate constituents through outreach activities, in addition to legally required activities such as agenda posting and public meetings, 2) a defined complaint process designed to handle all issues to resolution, and 3) transparency of the agency as indicated by cooperation with the MSR process and information disclosure.

CCSA was formed as a dependent special district with the Alameda County Board of Supervisors as its governing body. There are five members of the governing body of CCSA. The five supervisors are elected to four-year terms of office. Current board member names, positions, and term expiration dates are shown in Figure 1-2.

The governing body meets weekly. Agendas for each weekly meeting are posted by the Board Clerk on the internet and at the County Administration Building. The Board Clerk provides notice for meetings and disseminates minutes. Board actions and meeting minutes are available on the internet. Through the county website, the public has access to live audio/visual webcasts and archived audio and/or visual webcasts of regular board meetings for viewing online at their convenience. The County also discloses finances, plans and other public documents via the internet.

Figure 1-2: Castlewood CSA Governing Body

Castlewood CSA				
<i>District Contact Information</i>				
Contact:	Daniel Woldesenbet, Director, Alameda County Public Works Agency			
Address:	399 Elmhurst Street, Hayward, CA 94544			
Telephone:	(510)670-5480			
Fax	(510)670-5541			
Email/website:	http://www.acgov.org/pwa/			
<i>Board of Directors</i>				
Member Name	Position	Term Expiration	Manner of Selection	Length of Term
Scott Haggerty	Supervisor, Dist. 1	January 2017	Elected	4 years
Richard Valle	Supervisor, Dist. 2	January 2015	Elected	4 years
Wilma Chan	Supervisor, Dist. 3	January 2015	Elected	4 year
Nate Miley, President	Supervisor, Dist. 4	January 2017	Elected	4 years
Keith Carson, Vice President	Supervisor, Dist. 5	January 2017	Elected	4 years
<i>Meetings</i>				
Date:	Every Tuesday at 9:30am.			
Location:	Meetings are held in the Baord Chambers at 1221 Oak Street, 5th floor in Oakland.			
Agenda Distribution:	Posted on internet and County Administration Building.			
Minutes Distribution:	Available on County website.			

CCSA staff respond to country club and Castlewood Property Owners Association (CPOA) questions and concerns, meet with property owners, CPOA and club representatives, conduct public meetings and community workshops, and send out informational mailings. CPOA, which represents most of the residential property owners in

CCSA, the Castlewood Country Club's representatives, as well as other interested property owners attend occasional public meetings to review and discuss service programs.

Customer complaints, requests for services and information are received by telephone, email, in writing, or in person. All requests/complaints are tracked together. A response is typically issued within two working days. In FY 10-11, CCSA completed 195 road service requests, including requests about service charges, changes in services or district administration.

CCSA demonstrated accountability in its disclosure of information and cooperation with the LAFCO questionnaires and other requests for information.

MANAGEMENT AND STAFFING

While public sector management standards vary depending on the size and scope of the organization, there are minimum standards. Well-managed organizations evaluate employees annually, track employee and agency productivity, periodically review agency performance, prepare a budget before the beginning of the fiscal year, conduct periodic financial audits to safeguard the public trust, maintain relatively current financial records, conduct advanced planning for future service needs, and plan and budget for capital needs.

CCSA is staffed by ACPWA on an as-needed and reimbursable basis, and through contractual arrangements, by the City of Pleasanton and Calwater. On average, approximately 15 hours a week are dedicated to CCSA operations by ACPWA staff.

CCSA administration and engineering services include guidance relating to road, sewer and water system improvements, design criterion and applicable law, and field and office investigations. Services also include maintenance of CSA budgets and accounts, payment of bills, responding to tax bill and real estate inquiries, and preparation of service charges. Staff maintains CSA records, such as maps, computer databases and files, including sewerage capacity, service provider information and various mailing lists. CCSA staff prepare reports and related legal documents required by local, state or federal laws; conduct property owner surveys and ballots; negotiate, prepare, coordinate and administer provision of routine and emergency services. Staff also coordinates activities with other county offices, including the Planning Department, County Counsel, Assessor's Office, Auditor's Office, the Board of Supervisors, County Fire Department, the Risk Manager's Office, and other agencies, such as the City of Pleasanton and the City and County of San Francisco (as representatives of the San Francisco Public Utilities Commission).

CCSA conducts performance evaluations through annual service reviews on-site at the CSA's facilities and in the service area with interested property owners and residents. The results are discussed at public meetings and a recommendation is sent to the County Board of Supervisors regarding possible changes in service or service charges. Monthly and quarterly reports are provided to the ACPWA management regarding work plans and performance.

CCSA indicated that it monitored productivity with the results reported monthly and quarterly in reports provided to the ACPWA management, as discussed above.

Management practices conducted by ACPWA (on behalf of CCSA) include performance-based budgeting and annual financial audits. CCSA does not conduct benchmarking comparisons with other similar providers.

The County has a mission statement. Neither CCSA nor the ACPWA has a strategic plan. However, the Board of Supervisors adopted Alameda County's Strategic Vision in 2008 to provide a multi-year, comprehensive, and far-reaching roadmap with high-level strategic direction for the County's agencies and departments, who are responsible for implementation through their own strategic plans and activities. The ACPWA has a Capital Improvement Plan specific to road service needs with a planning time horizon of seven years. CCSA presents its Annual Reports to the Alameda County Board of Supervisors in compliance with CSA Law and the Alameda County Ordinance Code. The Board of Supervisors recently adopted an FY 11-12 Annual Report for CCSA.

CCSA's finances are managed by the County. While County finances are audited annually, the CCSA finances are not isolated in the audited financial statements but are grouped with other CSAs under non-major governmental funds. All special districts are required to submit annual audits to the County within 12 months of the completion of the fiscal year, unless the Board of Supervisors has approved a biennial or five-year schedule.⁵ In the case of CCSA, the CSA does not have to submit its own audits; it is included in the County's financial statements which are audited annually.

GROWTH AND POPULATION PROJECTIONS

This section discusses the factors affecting service demand, such as land uses, and historical and anticipated population growth.

Land Use

CCSA boundary area is approximately 0.88 square miles. The County is the land use authority for the unincorporated areas. CCSA land uses are residential and recreational.

⁵ Government Code §26909.

Existing Population

As of 2010, the population of the area in CCSA was 574. Its population density—652 residents per square mile—is lower than the countywide density of 1,840 people per square mile.

Projected Growth and Development

Based on Association of Bay Area Governments (ABAG) growth projections and CCSA's estimated 2010 Census population, the population of the area within the CSA is anticipated to reach 700 by 2035, with an average annual growth rate of 0.8 percent.⁶ Per ABAG population projections, the rate of growth in CCSA is expected to be similar to the unincorporated growth rate through 2035. From 2010 to 2035 the population of the unincorporated area of Alameda County is estimated to grow by 22 percent, while the entire County is anticipated to grow by 27 percent.

The County reported that growth patterns have not been affecting service demand for CCSA in the last few years. Slow or no growth is anticipated by the County within the CCSA boundary area in the next several years; however, no formal projections were made due to the small size of the CSA. There are still about 25 undeveloped lots within CCSA that have the potential to be developed when the economy recovers.

FINANCING

The financial ability of agencies to provide services is affected by available financing sources and financing constraints. This section discusses the major financing constraints faced by CCSA and identifies the revenue sources currently available to it.

CCSA reported that current financial levels were adequate to deliver services. No challenges to financing or impacts of the recent economic recession were identified.

Since CCSA's 2006 MSR, revenues and expenditures have risen by about 50 percent, while the CSA's fund balance has remained approximately the same.

Revenues

Revenues for CCSA in FY 10-11 were \$666,065. Revenue sources included service charges for water maintenance (70 percent), service charges for sewer maintenance (14

⁶ Association of Bay Area Governments, Projections 2009, August 2009.

percent), charges for road services (seven percent), sewer capital charges (two percent), and other revenue (four percent).

CCSA service charges are evaluated annually. Per parcel charges are dependent on changes in water consumption charges from San Francisco Public Utilities Commission (SFPUC), charges for contract services with Calwater and utility charges. Current annual CCSA charges are \$215 per parcel for road services, \$537 per residential discharge equivalent (RDE) for sewer maintenance and operations, \$60 per RDE for sewer capital, and \$2,155 per connection for water maintenance and operations. All service charges are subject to a 1.7 percent collection fee charged by the County Auditor's Office. This fee is authorized by state law to cover costs associated with collecting, accounting for and distributing CSA funds.

Road service charges are computed by dividing the total road service costs by the number of benefited properties. Country club facilities count as 31 of the 213 benefited parcels. Foothill Road and Castlewood Drive (between Foothill and Pleasanton-Sunol Roads) are county roads within the CSA bounds, for which maintenance is funded by the Alameda County Road fund and no CSA funds are used. Parcels located on Country Lane and Oak Lane are not charged for road services, as the property owners on these roads have elected to have private maintenance options. Sky Castle and Bunker Lanes are private roads where residents are charged for road services, as they use the CCSA roads to access their residences. However, road service along Sky Castle and Bunker Lanes is covered by a private maintenance agreement.

An assessment district in CCSA was formed in FY 96-97 to fund various water and wastewater system improvements. The financing was processed through a credit pool program of the Association of Bay Area Governments. New water and wastewater connections must pay into the assessment district.

Service charges for sewer maintenance and operations are based on the number of RDEs connected to the sewerage system. Club facilities count as 41 of the 243 connected RDEs. The operations and maintenance program cost includes a portion of the uncommitted capacity reserved for future use. Program costs also include sewerage system improvements. Sewer capital improvement program charges are levied on all parcels that have purchased sewerage RDEs (243 connected RDEs and 13 RDEs purchased but not connected for a total of 256 "purchased" RDEs). The purchase price of an RDE represents the accumulation of the sewer capital service charges for each fiscal year, including a one-time cash lump sum per parcel attributable to the sewer portion of the assessment district for the system improvements, plus accrued interest. Properties within CCSA that have not reserved sewerage capacity need to pay this one-time fee to reserve sewerage capacity prior to any sewer connection or parcel split.

Service charges on domestic water use are allocated to the country club based on metered use for the year. The remaining water use is allocated to the property owners. This may vary by year. Based on an agreement between the property owners and the country club, the property owners are responsible for their domestic water usage cost above 46.8 million gallons of water. Meters are read by both Calwater and the country club to

determine usage. Water capital improvement program charges are levied on all parcels that have either purchased water capacity or are currently connected to the water system (190 plus the country club).

In prior years, there were no fees for new connections to the water system. Since a substantial investment was made to the water system, beginning in FY 96-97, new users have been required to buy into the system. The charge represents the amount equal to the water capital service charges for each fiscal year, including a one-time cash lump sum per parcel attributable to the water portion of the assessment district for the system improvements, plus accrued interest. Properties within CCSA that have not made the capacity purchase need to pay this one-time charge prior to any water connection.

Expenditures

Expenditures in FY 10-11 for CCSA were \$544,898, which consisted of water maintenance (64 percent), sewer maintenance (20 percent), administration charges (nine percent), road services (five percent), and sewer capital (one percent). In FY 10-11, total revenues exceeded total expenditures by \$121,167.

Road service costs include routine road maintenance, such as repair of pot holes, stripping and signing, small emergency road repairs and a transfer into a contingency fund.

Sewer maintenance and operation program costs include routine maintenance of the sewerage pump station, emergency sewerage system repairs, field inspections, monitoring sewerage capacity and related sewerage system data. This also includes PG&E costs for the Foothill Pump Station and water for the Foothill Pump Station from the City of Pleasanton. The single most costly item for this program is the treatment cost at the Dublin San Ramon Services District (DSRSD) treatment plant. The cost is paid through the City of Pleasanton on a bi-monthly basis. The pump station will continue to be maintained by the City of Pleasanton under contract with CCSA. Maintenance of the rest of the sewerage system is contracted out to Calwater on an as-needed basis.

In 1984, 308 RDEs of sewer capacity were purchased from the City of Pleasanton based on a joint study between the City Planning Department and a volunteer citizen advisory committee of build-out in CCSA. An agreement was entered into between the City of Pleasanton and the County of Alameda on behalf of CCSA, based on the outcome of this joint study. To date, 243 RDEs have been purchased by property owners and connected to the City of Pleasanton. A bi-monthly user fee is paid to the City of Pleasanton by CCSA for the connected RDEs. An additional bi-monthly fee is paid by the District to the City of Pleasanton for the remaining 65 RDEs that have not yet been connected. It is considered a fee for future connections and makes up the remainder of the 308 agreed upon RDEs.

Of the 65 “future” RDEs, 13 have been purchased by property owners for future use. This leaves 52 RDEs of future uncommitted sewerage capacity available for purchase. Sewerage capacity is sold on a first come first serve basis. Capacity remains with the parcel for which it was purchased; it is not transferable. Residents would like to reduce the 52

future uncommitted RDEs available for purchase, as the number of uncommitted RDEs costs property owners money every year to be available for future development.

Periodically, developments outside CCSA want to connect their sewer systems to the CCSA sewer system. This allows the development to pump their sewage through the CCSA pump station and force main in order to discharge to the City's sewer system. These developers are required to demonstrate the impact on the pump station and to compensate CCSA for the pro rata share of capital improvement costs to the CCSA's pump station and the force main to the City system. Developers must also purchase sewerage capacity from the City.

Water maintenance and operation program costs include routine maintenance of the water pump stations, emergency water system repairs, field inspections, monitoring of water quality data, and calculation and payment of usage over the 90 million gallons provided free of charge from the City and County of San Francisco. Additional expenditures include PG&E costs to operate the water pump station and the maintenance contract with Calwater for maintenance and operations.

Liabilities and Assets

CCSA does not have any long-term debt.

CCSA had a fund balance of \$102,821 at the end of FY 10-11.

CCSA maintains a capital replacement fund for both roads and storm drainage. The balance of this fund at the end of FY 10-11 was \$5,000.

Financing Efficiencies

CCSA engages in joint financing arrangements related to insurance. As an entity of the County, CCSA receives excess workers compensation and liability coverage through the California State Association of Counties Excess Insurance Authority—a joint powers authority.

2. MUNICIPAL SERVICES

STREET MAINTENANCE SERVICES

Service Overview

CCSA reimburses ACPWA for as-needed staffing to provide street maintenance services on private roads.⁷

Demand for Services

In FY 10-11, CCSA had 195 service requests; or about 53 service calls per street mile. The number of annual service requests has risen by 26 since the 2006 MSR.

Infrastructure and Facilities

The key infrastructure includes 3.7 centerline miles of private streets and no signalized intersections. CCSA does not own or maintain any bridges. There have been no changes in infrastructure since the last MSR.

Infrastructure Needs or Deficiencies

CCSA private roads typically do not meet County Design Standards in regards to paved width, paving, right-of-way width, grade, drainage, handicapped access, and sidewalk improvements.

ACPWA staff reported that there were presently no specific needs related to roads infrastructure in CCSA.

Shared Facilities and Regional Collaboration

As an Alameda County Congestion Management Agency member, the County (on behalf of CCSA) engages in joint studies and planning efforts. Alameda County CSAs, that provide road services, share equipment and facilities for street maintenance services.

⁷ The County is the direct provider of street maintenance service on public roads in the area, although those services are not associated with the CSA. Street lighting and sweeping services are provided by the County only on public roads.

Service Adequacy

This section reviews indicators of service adequacy, including percentage of street miles seal coated, costs per street mile, and response time policy.

Sixty eight percent of the roads within CCSA boundaries are seal coated. Expenditures per street mile in FY 10-11 were about \$7,567, which is three times less than recorded in the 2006 MSR. CCSA generally responds to service requests within two working days.

WATER SERVICES

Service Overview

In 1979, at the request of the country club, the Board added retail water service as an extended service CCSA could provide. Improvements to the water system did not begin until 1994.

CCSA provides water distribution and storage services to those properties within the CSA with water rights.⁸ San Francisco Public Utilities Commission (SFPUC) is the wholesale water supplier. The Castlewood area relies on SFPUC for water supplies and treatment, although CCSA itself is not a party to water rights and supply agreements. Maintenance and operation of the domestic system are provided by Calwater through a contract with Alameda County on behalf of the CCSA. As previously mentioned, contract operation and maintenance services will be taken on by the City of Pleasanton at the beginning of FY 12-13. The Castlewood Country Club continues to maintain its irrigation system. Some of the City of Pleasanton's water distribution lines run through the CSA.⁹

Demand for Services

Average daily demand for CCSA is 0.4 million gallons per day (mgd), while the peak day demand is 0.8 mgd or twice the average day demand. There are 193 connections, out of which 186 are domestic, five are commercial/industrial/institutional and two are for irrigation/landscape.

Infrastructure and Facilities

CCSA water infrastructure includes two pump stations, a reservoir, three tanks and water distribution lines. Total water storage capacity is one million gallons (mg). The SFPUC storage reservoir is located on country club grounds. The CCSA distribution system consists of five miles of pipe lines and two pressure zones.

⁸ Although most properties have water rights, the few without water rights are served by private wells.

⁹ The City of Pleasanton lines run through the CSA to serve the Oak Tree Farm Drive area south of the CSA that is within the city limits.

The country club and the homeowners have rights to 90 mg of free water and 62 mg of purchased water from SFPUC annually.¹⁰ SFPUC water is delivered through two separately metered accounts—one for the potable water system and another for the irrigation (untreated) system. SFPUC owns and maintains a concrete reservoir located at the Castlewood Country Club; CCSA water deliveries are conveyed through the reservoir.

The Castlewood Country Club and the CPOA agreed to have engineering evaluations done of both the sewer collection system and the private water systems. By FY 94-95, consultants were hired to develop construction plans and specifications for improvements to both systems, and the country club pursued a design for the replacement of its golf course's irrigation system. Sewer system improvements were completed in August 1997. The complete separation of the domestic water system and irrigation system were completed in March 1998.

The potable water distribution system was reconstructed in 1997 and is in good condition. As a contract service provider, Calwater maintains the potable distribution system.

The irrigation system serves the country club; this non-potable system is owned and maintained by the country club. The country club owns and maintains several pump stations for non-potable water. The club maintains two irrigation reservoirs with non-potable water.

In 2009, in order to help conserve water in CCSA, the Alameda County Board of Supervisors amended the general ordinance code mandating the installation of water meters to all water service connections in CCSA. By January 1, 2010, most property owners voluntarily installed meters, and those who did not meet the deadline were scheduled for an installation by Calwater.

Both the country club and the homeowners have fire protection water delivery systems. The homeowners rely on water stored in tanks for fire protection. The club has a separate fire protection water system. In the event of an emergency, CCSA would rely on water stored in the SFPUC reservoir located on club grounds.

CCSA's drought supply plan assumes that SFPUC will use reserves in local and regional reservoirs and attempt to purchase additional supply. During a five to 10 percent shortfall, SFPUC will encourage voluntary reductions. During greater shortfalls, SFPUC institutes rationing, excess use charges and conservation. If rationing is required, irrigation accounts would receive a 90 percent cut.

¹⁰ The Castlewood water rights are privately administered by property owners in the CSA. The rights to 90 mg of free water originate with an agreement made by Phoebe Hearst and the Spring Valley Water Company; these rights are shared equally by the Castlewood Country Club and the Castlewood Property Owners Association. The club retains the rights to the 62 mg of purchased water, but shares the purchased water with the homeowners.

Infrastructure Needs or Deficiencies

The redwood water tanks are scheduled to be cleaned per California State Waterworks Standards. At the same time, Calwater will schedule the tightening of the bands around the redwood tanks, in order to mitigate leaking. Calwater explained both projects had been delayed, due to SFPUC's postponed project to relocate the Bernal water line, which is the main water line to Castlewood. Calwater did not want to take the tanks offline, while SFPUC's project was under construction.

In FY 11-12, CCSA contracted with Pak Pour to evaluate the sewer and water system. This evaluation is ongoing and will determine the condition of the existing system, develop an ongoing maintenance and capital replacement program, and identify financial needs to fund such improvements. The replacement of the redwood tanks will be considered as a part of this evaluation.

Water rights and supply are based on agreements between private parties and SFPUC. Although the current contract limits the total annual water supply to 466 acre-feet, SFPUC has been supplying in excess of this amount while the parties negotiate a new contract. The new contract is expected to increase available supply to the Castlewood area. SFPUC supply constraints include precipitation levels in the Tuolumne River watershed and local runoff.

Shared Facilities and Regional Collaboration

CCSA relies on SFPUC for water supply and contracts with Calwater for operations and maintenance. Over 200 California water providers are signatories to the California Urban Water Conservation Council (CUWCC) agreement, through which service providers pledge to develop and implement 14 conservation "best management practices." CCSA is a signatory to CUWCC for the purpose of conservation.

Service Adequacy

This section reviews indicators of service adequacy, including drinking water quality and distribution system integrity.

Drinking water quality is determined by a combination of historical violations reported by the EPA since 2002 and the percent of time that the CCSA was in compliance with Primary Drinking Water Regulations in 2011. Since 2002, CCSA has had no monitoring or health violations. CCSA was in compliance with drinking water regulations 100 percent of the time in 2011.

Indicators of distribution system integrity are the number of breaks and leaks in 2011 and the rate of unaccounted for distribution loss. CCSA reported zero breaks and leaks per 100 miles of pipe lines in 2011. CCSA reported that it loses approximately 10 percent of water between the water source and the connections served, which is an average rate of loss in the industry.

WASTEWATER SERVICES

Service Overview

CCSA administers billing, financial and service issues with regard to wastewater issues. CCSA contracts with Calwater to inspect, clean and repair sewer infrastructure such as pipes and manholes. CCSA contracts with the City of Pleasanton for regular maintenance of the sewer pump station and discharge of wastewater to DSRSD for treatment services. Wastewater disposal services are provided by Livermore-Amador Valley Water Management Agency (LAVWMA) and East Bay Dischargers Authority (EBDA). CCSA has in the past contracted with the City of Pleasanton on an as-needed basis for inspection, cleaning and video taping of sewer lines.

Demand for Services

CCSA serves a total of 242 connections, of which 241 are residential and one is commercial. The average daily flow is 0.2 mgd. Actual peak flow cannot be determined, as it is a combined collection system with the City of Pleasanton.

Infrastructure and Facilities

Key infrastructure includes one pump station and approximately five miles of sewer lines. The wastewater collection system was reconstructed in 1997, and is in good working order.

In the early 1970s, the country club began to experience problems with its wastewater treatment plant operations and associated ponds. Despite system improvements in 1974, the problems continued leading to treatment ponds overflowing into the Arroyo. In October 1977, the Board imposed a sewer connection moratorium; and in March 1978, the California Regional Water Quality Control Board (RWQCB) officially recognized the pollution problems caused by the wastewater treatment plant.

In May 1979, in response to a request by the country club and CCSA property owners, the Board authorized the addition of sewer services within the CSA, including the evaluation and correction of the privately-owned sewer system problems.

In order to connect to the DSRSD treatment plant, CCSA had to purchase treatment capacity from the capacity allotment of the City of Pleasanton. A contract for the purchase of 92,000 gallons per day (gpd), or 308 residential discharge equivalents (RDEs), of capacity was negotiated between CCSA and the City. A condition of this purchase was that CCSA had to agree to develop a program to replace and/or repair portions of the old facilities, with priority emphasis on replacing and repairing high frequency maintenance areas and areas of highest inflow and infiltration.

Upon completion of the sanitary sewer pump station and pipeline (from the pump station to the West Pleasanton Interceptor), the Board repealed the sewer connection moratorium. The City, by contract with CCSA, operates and maintains the pump station and pipeline, and is reimbursed by CCSA for its services.

CCSA discharges sewage into the City of Pleasanton collection system; Pleasanton conveys the wastewater to DSRSD for treatment services, where it is disposed by LAVWMA and EBDA.

Infrastructure Needs or Deficiencies

The Castlewood Country Club and CPOA agreed to have engineering evaluations made of both the sewer collection system and the private water systems. Sewer system improvements were completed in August 1997.

No specific infrastructure needs or deficiencies were identified over the course of this MSR; however some service challenges include the accumulation of fats, oils, and grease in the sewer collection system, which is a concern due to the potential for overflows. Additionally, infiltration and inflow have been a problem in this area historically. As part of regular maintenance and prevention, Pleasanton conducts CCTV inspections and smoke tests of problem areas.

CCSA does not have a sanitary sewer overflow plan or emergency plan.

Shared Facilities and Regional Collaboration

The City of Pleasanton conveys CCSA wastewater to the DSRSD treatment plant. No additional facility sharing opportunities were identified.

Service Adequacy

This section reviews indicators of service adequacy, including regulatory compliance, treatment effectiveness, sewer overflows and collection system integrity.

Between the time period January 1, 2007 and June 1, 2012, CCSA has had no recorded violations and has not been issued any enforcement orders, which equates to no violations per 1,000 population served.

Wastewater treatment providers are required to comply with effluent quality standards under the waste discharge requirements determined by Regional Water Quality Control Board (RWQCB). CCSA is not responsible for treatment of effluent and therefore has not been out of compliance with effluent quality requirements.

Wastewater agencies are required to report sewer system overflows (SSOs) to the State Water Resources Board (SWRCB). Overflows reflect the capacity and condition of collection system piping and the effectiveness of routine maintenance. The sewer overflow

rate is calculated as the number of overflows per 100 miles of collection piping. CCSA reported no overflows during the period from January 1, 2008 thru June 1, 2012, and consequently the overflow rate is zero.

There are several measures of integrity of the wastewater collection system, including peaking factors, efforts to address infiltration and inflow (I/I), and inspection practices. As the CSA's peaking flow during wet weather cannot be determined, it is challenging to determine the extent of I/I occurring in the system. CCSA reported that I/I is considered average within the system, and a capital improvement program is in the midst of being developed to address this issue.

4. MSR DETERMINATIONS

Growth and Population Projections

- ❖ As of 2010, the population within Castlewood County Service Area (CCSA) was 574.
- ❖ Based on ABAG growth projections, the population of CCSA is anticipated to be 700 by 2035.
- ❖ There are 25 undeveloped parcels within CCSA.

Location and Characteristics of Any Disadvantaged Unincorporated Communities Within or Contiguous to the Sphere of Influence

- ❖ Based on Census Designated Places, Alameda LAFCo determines that there are no disadvantaged unincorporated communities that meet the basic state-mandated criteria. Alameda LAFCo recognizes, however, that there are communities in the County that experience disparities related to socio-economic, health, and crime issues, but the subject of this review is municipal services such as water, sewer, and fire protection services to which these communities, for the most part, have access.

Present and Planned Capacity of Public Facilities and Adequacy of Public Services, Including Infrastructure Needs and Deficiencies

- ❖ There were 195 road service requests in FY 10-11. The number of service requests has risen by 26 since the 2006 MSR.
- ❖ CCSA serves 3.7 miles of five private roads, which generally do not meet county design standards for width, grade, drainage, or handicapped access. These areas mostly lack sidewalk, curb and gutter improvements. No specific needs were identified with regard to the CCSA street system.
- ❖ Infrastructure deficiencies on private roads in unincorporated areas may affect the desirability of annexation of such areas to cities.
- ❖ Although the current contract limits water supply to 466 acre-feet, SFPUC has been supplying more than this amount while the parties negotiate a new contract. The new contract with SFPUC is expected to increase the available water supply to CCSA.
- ❖ The country club redwood water tanks need to be replaced.

- ❖ There were no significant needs identified with regard to the sewer system; however, CCSA is in the process of developing a capital improvement program to mitigate infiltration and inflow.
- ❖ Since there are no communities that meet the definition of a disadvantaged unincorporated community within Alameda County, as previously stated, there are no infrastructure needs related to water and sewer services in these disadvantaged unincorporated communities within or contiguous to CCSA's sphere of influence.

Financial Ability of Agency to Provide Services

- ❖ CCSA reported that its financing level was generally adequate to deliver services. CCSA revenues exceed expenditures, and the CSA has been able to maintain a healthy fund balance to cover contingencies.
- ❖ CCSA does not have any long-term debt.

Status and Opportunities for Shared Facilities

- ❖ CCSA is administered by the Alameda County Public Works Agency (ACPWA) which engages in joint financing arrangements related to insurance.
- ❖ As an Alameda County Congestion Management Agency member, CCSA, via ACPWA, engages in joint studies and planning efforts.
- ❖ ACPWA contracts with the City of Pleasanton on behalf of the CCSA for maintenance and operations of the water, sewer and roads.
- ❖ The City of Pleasanton conveys CCSA wastewater to the DSRSD treatment plant.
- ❖ CCSA relies on SFPUC for water supply. CCSA contracted with the California Water Service Company for water operations and maintenance, but will begin contracting with the City of Pleasanton in FY 12-13.
- ❖ CCSA, via Alameda County, is a signatory to CUWCC for the purpose of conservation.

Accountability for Community Services, Including Governmental Structure and Operational Efficiencies

- ❖ CCSA is governed by the Alameda County Board of Supervisors. The Board updates constituents, broadcasts its meetings, solicits constituent input, discloses its finances, and posts public documents on its website.
- ❖ No alternative governance structure options with regard to CCSA were identified.

- ❖ CCSA demonstrated accountability in its cooperation with the LAFCo information requests.

5. SPHERE OF INFLUENCE UPDATE

Existing Sphere of Influence Boundary

CCSA's existing SOI is coterminous with its boundary and includes the Castlewood Country Club and the adjacent low-density residential community in an unincorporated area southwest of Pleasanton.

SOI Options

Two options are identified with respect to the SOI update for CCSA:

Option #1 - Retain Existing SOI

Should the Commission wish to continue to reflect the existing service boundary, retention of the existing SOI is appropriate.

Option #2 - Expanded SOI (Pleasanton)

If the Commission wants to reflect the fact that effluent from an adjacent Pleasanton neighborhood, south of CCSA, is conveyed through CCSA sewer lines to the City of Pleasanton sewer lines, then this area should be included in the CSA's SOI.

Recommended Sphere of Influence Boundary

The SOI was established in 1984 as coterminous with its bounds.

Pursuant to an agreement between the City, County and developer, the sewage in an adjacent Pleasanton neighborhood is conveyed through CCSA sewer lines to the City of Pleasanton sewer lines. By law, the CSA may only include unincorporated areas, and may not include territory within city limits unless the City's governing body consents to such inclusion by resolution. Furthermore, there are no planned, current or past proposals for that area to detach from Pleasanton. The municipal service level offered by Pleasanton is greater than in the Castlewood area. Therefore, it is unlikely and infeasible that the area south of the CSA would be detached from Pleasanton and annexed to the CSA.

It is recommended that the Commission maintain a coterminous SOI for CCSA.

Proposed Sphere of Influence Determinations

Nature, location and extent of any functions or classes of services

- ❖ The Castlewood County Service Area (CCSA) provides street maintenance on private roads in some areas in the CSA. CCSA is administered by the ACPWA which contracts with the City of Pleasanton to provide road maintenance services.
- ❖ CCSA also provides retail water and sewer collection services to some areas in the CSA. The ACPWA contracts with the City of Pleasanton to maintain and operate water and sewer services. Dublin San Ramon Services District (DSRSD) is the wastewater treatment provider through its contract with the City of Pleasanton.
- ❖ CCSA does not provide road, water or sewer services to its entire boundary area. Numerous property owners chose to privately maintain their roads. Five lots have private water wells and rely on septic systems.

Present and planned land uses, including agricultural and open-space lands

- ❖ The CCSA area contains single-family residences and a country club. The recommended SOI does not conflict with planned land uses.
- ❖ There are no agricultural reserves, Williamson Act lands, or open space lands within the proposed SOI; CCSA already serves the area.

Present and probable need for public facilities and services

- ❖ Modest growth is anticipated in the Castlewood community.
- ❖ It is anticipated that there will be continued wear and tear on the road system and use of the water and wastewater systems, which will demand continued service by CCSA.
- ❖ There is a need for additional water supply through CCSA's contract with SFPUC.

Present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide

- ❖ Wastewater services appear to be adequate based on regulatory compliance, treatment effectiveness, sewer overflows and collection system integrity. CCSA is in the process of developing a capital improvement program to mitigate infiltration and inflow.
- ❖ Water services appear to be adequate based on the Department of Public Health's (DPH) annual system evaluation, drinking water quality, and distribution system integrity.

- ❖ While the sewer and road systems have sufficient capacity to serve existing demand and anticipated growth, CCSA requires additional guaranteed water supply through its agreement with SFPUC in order to serve existing demand.
- ❖ CCSA private streets lack sidewalk, curb and gutter improvements.
- ❖ CCSA conducts performance evaluations, productivity monitoring, and has a standardized means to track complaints and service requests.

Existence of any social or economic communities of interest

- ❖ The Castlewood Property Owners Association, which represents most of the residential property owners in CCSA, and the Castlewood Country Club are considered communities of interest. The residents of the area and the country club pay service charges for the services provided by CCSA, and thus have an interest in the CSA's activities.

Present and probable need for public facilities and services of any disadvantaged unincorporated communities within the existing Sphere of Influence

- ❖ There are no disadvantaged unincorporated communities within the existing SOI.