



Item #: 8

Project: [9:00] a.m. Public Hearing and related action to consider the Dissolution of the Salton Community Services District.

Meeting Date: Thursday November 16, 2023

Meeting Time: 09:00 a.m.

Location: El Centro City Council Chambers
1275 W. Main Street
El Centro, CA 92243



EXECUTIVE OFFICER'S REPORT

COMMISSIONERS

David H. West [Public]
Maria Nava-Froelich, Chair [City]
Javier Moreno, Vice-Chair [City]
Ryan E. Kelley [County]
Michael W. Kelley [County]

ALTERNATES

Jose Landeros [Public]
Robert Amparano [City]
Jesus E. Escobar [County]

REPORT DATE:

November 6, 2023

FROM:

Jurg Heuberger, Executive Officer
Paula Graf, Assistant Executive Officer

JuLH
PG

PROJECT:

Public Hearing and related action to consider the Dissolution of the Salton Community Services District.

HEARING DATE: November 16, 2023

TIME: 09:00 am.

AGENDA ITEM #: 8

HEARING LOCATION: El Centro City Council Chambers, 1275 Main St., El Centro, CA 92243

Recommendation(s) by the Executive Officer

OPTION #1: Accept the Service Area Plan/Municipal Service Review as presented and conditionally rescind the Notice of Intent to Dissolve the Community Services District (SCSD) issued on August 25, 2022, according to partial compliance with Resolution #2022-06.

The District shall be placed on a “probationary” status, during which the District shall:

1. The District shall acknowledge through a resolution that they understand and agree that LAFCO may proceed with a dissolution at any time that LAFCO makes the necessary findings that the District is not in compliance or is in financial distress or other findings that support a dissolution. Further that the District Board of Directors agrees, again through the resolution, that LAFCO will not be required to provide the District with another 12-month period to cure.
2. The District shall no longer be allowed to provide Fire Protection services as one of its authorized services. The district shall be limited to the following services:
 - (A) Sewer Service
 - (B) Parks and Recreation Service
 - (C) Municipal Waste Collection/Disposal either through contract or on its own.
 - (D) All other services allowed under the Community Services District (CSD) law shall be prohibited unless the District first obtains the approval of LAFCO.
3. The County of Imperial is now providing fire protection services for the area. To the extent that the district receives revenue from any source, including prior contracts, taxes, or other sources, the District shall transfer those revenues to the County of Imperial.
4. Report all actions, including litigation or potential litigation, that could affect the financial health or viability of the District.
5. Provide monthly accounting statements showing the revenues and expenditures and any of the financial information requested by the Executive Officer, including audited financials.
6. Provide the agendas and minutes from all board meetings, including special meetings.
7. Report any staff changes and the reasons.
8. This approval is contingent upon receipt of the above resolution. Failure to provide such a resolution within 30 days of November 16, 2023, will result in LAFCO placing this item on their next available hearing to reconsider the dissolution.
9. Any Notice of Violation by any regulatory agency with jurisdiction shall be cured within the Notice of Violation (NOV) time allowed. Failure to cure such violation shall cause LAFCO to commence the dissolution process upon written notice to the District. **However, LAFCO shall not be required to provide a 12-month period to cure.**
10. If the rate increase that was recently enacted following a Prop 218 vote is nullified as a result of court action, the District will not have the necessary resources to be eligible for grant funding or to continue operations. LAFCO at its next available hearing, will reconsider the dissolution of the District in order to protect the residents of the area.

OPTION #2: Proceed with the Dissolution of the Salton Community Services District.

OPTION #3: Continue the hearing if directed by the Commission and with the stated information requested.

Report

I. Purpose of the ACTION:

On August 24, 2023, your Commission continued the "dissolution" hearing to October 4, 2023, to ensure that the full Salton Community Services District's Board of Directors could and would attend the meeting to discuss any comments, concerns, or questions regarding the Commission's prior direction to Commence the Dissolution on August 25, 2022.

On August 29, 2023, a letter was distributed by e-mail and mail to the Salton Community Services District, inviting the board to attend the October 4, 2023 hearing.

On October 4, 2023, after discussion and public comment, your Commission directed the Executive Officer to:

Proceed with the Dissolution of the Salton Community Services District and Continue the hearing to November 16, 2023, and include the presentation of an Implementation Plan in consultation with the District, County, Regional Water Quality Control Board, and any other regulatory agency that may have pending actions or compliance actions with the district.

Public Notice

Public notice for the proposed dissolution hearing before the LAFCO Commission was given to the Salton Community Services District and was published in the Calexico Chronicle, Desert Review, Holtville Tribune, and Imperial Valley Press. A copy of the notice is attached. **EXHIBIT A**

II. Closure of the Fire Department and immediate Update to the Service Area Plan/Municipal Service Review

The Salton Community Services District operated a Fire Department with an all-volunteer staff from 1957 until its unilateral termination in 2019.

The Fire Department did not have a tax to support the service. Funding was limited to payments from the District's general fund, including property taxes, rental income, a contract with Red Earth Casino, and some support from the County of Imperial.

In early 2019, The SCSD Board adopted Resolution #2019-05-01, authorizing an election for a Special Tax to fund Fire Protection services. It stated in part, ***"The District does not have adequate financial resources to continue providing staffing, equipment, and facilities for Fire Protection Services."***

The tax that would have funded Fire Protection services failed to pass by the voters. Due to the failed measure, the entire Fire Department staff quit, leaving the residents without service.

The County of Imperial, not the District, notified LAFCO that the District ceased providing service and began providing Fire Protection service on November 5, 2019. The District's ceasing Fire Protection triggered an immediate update to its plan.

III. Service Area Plan/Municipal Service Review

In late 2019, LAFCO informed the District that because it stopped providing Fire Protection, an update to its Service Area Plan/Municipal Service Review was due immediately.

The District retained the services of Rick Engineering Company to complete the review.

Rick Engineering Company completed the review in November 2023.

EXHIBIT B

LAFCO, as part of its review process and to assist staff in understanding the services the District provides, started working with the District's general manager and team, spending a substantial amount of time requesting and analyzing information.

Information requested as part of the review process:

- Audited Financial Statements
- Current and Prior Budgets
- Bank & Credit Card Statements
- Policies and Procedures
- Status of the wastewater facilities with the Regional Water Quality Control Board
- Resolutions adopted by the Board of Directors

G.C. Section 56430 states in part (a) that the Commission shall conduct a service review of the municipal services provided in the County or other appropriate areas designated by the Commission. The Commission shall include in the area designated for service review the County, the region, the subregion, or any other geographic area as is appropriate for an analysis of the service or services to be reviewed and shall prepare a written statement of its determinations concerning each of the following:

1. Growth and population projections for the affected area.

Comment: The population in the area is generally static, with occasional development. Growth is generally in the residential sector, with limited employment in the area.

2. Disadvantaged Unincorporated Communities within or contiguous to the sphere of influence.

Comment: The area is unincorporated and at least some portions of the area can be considered disadvantaged although the land area is large, the general development is scattered.

3. Present and planned Capacity of public facilities

Comment: The present capacity of the Sewer infrastructure is limited and in need of upgrades. The overall system is “aged” and prone to random failures due to the age and lack of historical maintenance. The Sewer ponds are operational but lack capacity.

4. Adequacy of public services and infrastructure needs or deficiencies, including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.

Comment: Public services are limited to sewer service, parks and recreation, and solid waste. The sewer system is aged and limited in capacity. The infrastructure is also aged and lacks a routine maintenance program that allows for routine or periodic failures. The system needs significant upgrades and maintenance.

5. Financial ability of agencies to provide services.

Comment: The financial ability of the District is tenuous. Without the approved rate increase, the District would be in financial distress. Additionally, without grant funding, the district would not have the resources to improve the needed plant upgrades and could face Notice of Violations by regulatory agencies.

6. Status of, and opportunities for, shared facilities.

Comment: There is limited or no opportunity for shared facilities insofar as the services that the District is providing.

7. Accountability for community service needs, including governmental structure and operational efficiencies.

Comment: The governmental structure has been a significant issue. The prior governing board appears to have been one of mismanagement and possible fraud. The current governing board has had issues that they have been attempting to address, including but not limited to litigation.

8. Any other matter related to effective or efficient service delivery, as commission policy requires.

9. In conducting a service review, the Commission shall comprehensively review all agencies that provide the identified service or services within the designated geographic area. The Commission may assess various alternatives for improving the efficiency and affordability of infrastructure and service delivery within and contiguous to the sphere of influence, including, but not limited to, the consolidation of governmental agencies.

IV. What we learned about the District

The Salton Community Service District (SCSD) has operated as the successor agency to the previously established Desert Shores Community Services District since 1957. Formed under the Community Service District Act, the District's service area covers approximately 20,480 acres and serves 6,307 residents. The District is enabled to provide Wastewater, Solid Waste, and Parks & Recreation.

Authorized Services:	Parks & Recreation, Wastewater Treatment, and Solid Waste Services (no additional services may be provided unless approved by LAFCO)
Service Area:	Desert Shores, Salton City, Salton Sea Beach
Estimated Population:	6,307
Local Representation:	5-Member Board of Directors
Meetings:	2 nd Wednesday of each month at 1:00 pm
Website:	www.saltoncsd.ca.gov

i. Fire Protection Service

The SCSD operated a Fire Department with an all-volunteer staff from 1957 until its closure in 2019.

The Fire Department did not have particular tax revenue to support the service. Funding was limited to the District's general fund payments, including property taxes, rental income, and a contract with Red Earth Casino.

In early 2019, The SCSD Board adopted Resolution #2019-05-01, authorizing an election for a Special Tax to fund Fire Protection services. It stated in part, ***“The District does not have adequate financial resources to continue providing staffing, equipment, and facilities for Fire Protection Service.”***

The special tax that would have funded Fire Protection services failed to pass by the voters. Due to the failed particular tax measure, the entire Fire Department staff quit, leaving the residents without service. The District, although required, failed to notify LAFCO.

On November 5, 2019, LAFCO was made aware of the closure by the County of Imperial's Fire Department. As of this report, the County continues to provide Fire Protection services to the service area.

If the District wishes to provide Fire Protection services in the future, it must first obtain the approval of LAFCO.

ii. Solid Waste

The District provides Solid Waste services through a contract with Burrtec. In August 2020, the District adopted an ordinance establishing parcel fees to collect solid waste. Funding is received through a special tax assessment placed on the county tax roll or billed directly if requested by the property owner. The District gets 5% of the annual revenue for administration.

iii. Parks & Recreation

The District maintains two park facilities, the Salton Community Park (10.5 acres) and the Desert Shores Park (4.59 acres). The District owns an additional 117.46 of undeveloped parkland.

The Parks Department does not have a particular tax revenue to support the service. Funding is limited to the District's general fund payments, including property taxes, and rental income.

Grant Funding

The District received two grants to support Parks and Recreation projects. The State of California Department of Parks and Recreation awarded the District with a \$177,952 grant to support the redevelopment and restoration of the Salton City Community Park. The Imperial County Air Pollution Control District (ICAPCD) awarded a \$200,000 grant to install 33,000 square feet of real grass in the Desert Shores Community Park.

Staff

One full-time employee is responsible for collecting recreational fees, mowing, and providing general park oversight for both parks.

Salton Community Park

The Salton Community Park is approximately 10.5 acres at the northwest corner of Harbor Drive and Iridescent Avenue.

The District is currently seeking a Park Host.

Desert Shores Community Park

The Desert Shores Community Park is approximately 4.59 acres within the Community of Desert Shores. The park has a host that is responsible for maintaining the park.

The District will need to show that it can continue to support Parks and Recreation.

iv. Wastewater Treatment Facilities and Conveyance System

LAFCO, after commencing the review, was made aware of the District’s sewer treatment facilities operating at, near, or above its current capacities. The wastewater conveyance system is aging, and portions of the system are in poor condition, requiring the replacement of sewer force mains and upgrades to pump stations and manholes.

The District owns and operates three Wastewater Treatment Facilities (ponds). Funding is received through an assessment placed on the county tax roll and consists of sewer capacity, connection, and sewer user fees.

<u>Lansing</u>	Capacity	120,000 Gallons per Day
	Current Demand	114,800 Gallons per Day
	Adequacy	95% Capacity at Peak Flow
<u>Desert Shores</u>	Capacity	200,000 Gallons per Day
	Current Demand	160,000 Gallons per Day
	Adequacy	80% Capacity at Peak Flow
<u>Thomas R. Cannell</u>	Capacity	185,000 Gallons per Day
	Current Demand	172,000 Gallons per Day
	Adequacy	90% Capacity at Peak Flow

Wastewater Rate Study & Infrastructure Deficiencies

In January 2020, the District retained the services of the Rural Community Assistance Corporation (RCAC) to conduct a Sewer Rate Study in compliance with Proposition 218 that would “address the existing and future revenue needs of the wastewater treatment facilities and to develop a five-year rate structure and annual fee schedule that produces revenues adequate to meet the operating and capital financial needs of SCSD.”

The Rate Study was finalized in January 2023, and on July 19, 2023, following the passage of a Proposition 218 vote, the SCSD adopted the following:

- Resolution #2023-07-19-05, adopting the annual sewer maintenance standby charge
- Resolution #2023-07-19-02, establishing rates for wastewater fees

NOTE: The current rate increase approved through a Proposition 218 vote is being litigated. At this time, the outcome is unknown. If the rate increase is nullified by a court, the District would not have the financial ability to make the necessary infrastructure upgrades and could be at risk of not being eligible for grant funding.

V. Analysis of Information & Recommendation to Commence Dissolution

From late 2019 and up until the 2nd quarter of 2022, LAFCO started working with the District's general manager and staff, requesting information and reviewing the operations of the District.

LAFCO met with staff several times and attended district board meetings to present status updates and answer questions. During the review, the District experienced management and staff turnover, leaving LAFCO with more questions and concerns.

Areas of concern:

- Inadequate funding to support Fire Protection Services and their unilateral decision to end service without notice.
- Wastewater Facilities at, nearing, or exceeding Capacity
- Inadequate funding to support Wastewater Facilities Infrastructure Upgrades
- Lack of Policies & Procedures for Personnel and Board of Directors
- Management and staff turnover
- Potential financial irregularities
- Potential regulatory issues
- Inadequate funding to support Parks & Recreation

LAFCO, after spending a substantial amount of time reviewing the financials and operations of the District and the District's failure to remediate the deficiencies, the Executive Officer, at the August 25, 2022, hearing recommended the Commission commence the Dissolution of the District based on the findings listed below.

- *The District has one or more documented chronic service provision deficiencies that substantially deviate from industry or trade association standards or other governmental regulations. Its board or management needs to be actively engaged in efforts to remediate the documented service deficiencies.*
- *The District spent public funds unlawfully or recklessly inconsistent with the principal act or statute governing the District and has not taken any action to prevent similar future spending.*
- *The District must consistently adhere to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) and other public disclosure laws to which the agency is subject.*
- *The District needs to meet the minimum number of times required in its principal act in the prior calendar year and has yet to take action to remediate the failures or ensure future meetings are conducted on a timely basis.*

VI. Remediation Period

The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 grants a “remediation period” of 12 months, during which the District may remedy the deficiencies. If, after the remediation period, the Commission finds that the District has failed to rectify the defects, it may adopt a resolution to dissolve the District.

The recommendation to Conditionally Rescind the Notice of Intent to Dissolve is based in part on the following findings:

1. The District, with the support of the Rural Community Assistance Corporation (RCAC), is applying for grant funding to address the capital improvements and upgrades to the sewer conveyance system.
2. A Sewer Rate Study was finalized in January 2023, and on July 19, 2023, after the passage of a Proposition 218 vote, the SCSD adopted the following resolutions to support the operations and capital improvements to the Wastewater Facilities.
 - Resolution #2023-07-19-05, adopting the annual sewer maintenance standby charge.
 - Resolution #2023-07-19-02, establishing rates for wastewater fees.
3. The District retained the Pun Group to provide the following:
 - Aid the District to organize and reconcile all financial statements and accounting records for fiscal years ending June 30, 2021, and 2022.
 - Review of internal financial records.
 - Finalizing year-end procedures and gathering documents for the audits.

The Pun Group provided a letter with an overall positive status of the District's financial operations.
4. The District retained Rick Engineering Company to update its Service Area Plan/Municipal Service Review. Rick Engineering completed the update in September 2023.
5. The District actively communicates with the Regional Water Quality Control Board regarding the Wastewater Facilities.
6. The District is actively engaged in communications with LAFCO staff.
7. The District hired a full-time Parks & Recreation Department staff member.
8. The District is obtaining grant funding to support improvements to the Salton City and Desert Shores Parks. The District will need to show that it can adequately provide Parks and Recreation Services.
9. NV5 completed a Preliminary Engineering Report for the Salton CSD Collection System Improvements in September 2023.

NOTE: Although the District has made improvements, it is questionable whether the improvements will continue. Further, pending the outcome of the litigation, the District could have significant financial issues. The Commission must consider whether leading a marginal district is in the best interests of the community in the long term or is it better to dissolve the district and have the County of Imperial provide the services.

Recommendation(s) by the Executive Officer

OPTION #1: Accept the Service Area Plan/Municipal Service Review as presented and conditionally rescind the Notice of Intent to Dissolve the Community Services District (SCSD) issued on August 25, 2022, according to partial compliance with Resolution #2022-06.

The District shall be placed on a “probationary” status, during which the District shall:

1. The District shall acknowledge through a resolution that they understand and agree that LAFCO may proceed with a dissolution at any time that LAFCO makes the necessary findings that the District is not in compliance or is in financial distress or other findings that support a dissolution. Further that the District Board of Directors agrees, again through the resolution, that LAFCO will not be required to provide the District with another 12-month period to cure.
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 - (D) All other services allowed under the Community Services District (CSD) law shall be prohibited unless the District first obtains the approval of LAFCO.
3. The County of Imperial is now providing fire protection services for the area. To the extent that the district receives revenue from any source, including prior contracts, taxes, or other sources, the District shall transfer those revenues to the County of Imperial.
4. Report all actions, including litigation or potential litigation, that could affect the financial health or viability of the District.
5. Provide monthly accounting statements showing the revenues and expenditures and any of the financial information requested by the Executive Officer, including audited financials.
6. Provide the agendas and minutes from all board meetings, including special meetings.
7. Report any staff changes and the reasons.
8. This approval is contingent upon receipt of the above resolution. Failure to provide such a resolution within 30 days of November 16, 2023, will result in LAFCO placing this item on their next available hearing to reconsider the dissolution.
9. Any Notice of Violation by any regulatory agency with jurisdiction shall be cured within the Notice of Violation (NOV) time allowed. Failure to cure such violation shall cause LAFCO to commence the dissolution process upon written notice to the District. **However, LAFCO shall not be required to provide a 12-month period to cure.**
10. **If the rate increase that was recently enacted following a Prop 218 vote is nullified as a result of court action, the District will not have the necessary resources to be eligible for grant funding or to continue operations, LAFCO at its next available hearing, will reconsider the dissolution of the District in order to protect the residents of the area.**

OPTION #2: Proceed with the Dissolution of the Salton Community Services District.

OPTION #3: Continue the hearing if directed by the Commission and with the stated information requested.

Exhibits:

Exhibit A Public Notice

Exhibit B Service Area Plan (November 2023)

Cc: SCSD, Interim General Manager
SCSD Board of Directors
County of Imperial, CEO
County of Imperial, Public Works Director
County of Imperial, Legal Counsel
County of Imperial, Planning Director

**EXHIBIT A
PUBLIC NOTICE**



NOTICE OF PUBLIC HEARING & SCHEDULED HEARING DATE

You are receiving this notice because you MAY have property within one (1/2) mile of the proposed project below.

This notice is to advise you, the recipient of this notice, that the PROJECT identified below, or attached hereto is currently being reviewed and processed by the Local Agency Formation Commission (LAFCO) and will be heard by the below identified public hearing body. As an interested person or agency, you have the opportunity to comment on this project by visiting the LAFCO to review the file, or by calling the LAFCO for further information, or by submitting written documentation to the LAFCO or by appearing at the public hearing. You are not required to attend this meeting; it is simply for your information.

THIS IS THE ONLY NOTICE YOU WILL RECEIVE ON THIS PROJECT, SO PLEASE NOTE THE DATE(s).

MEETING DATE/TIME: November 16, 2023
09:00 a.m.

MEETING LOCATION: El Centro Board Chambers
1275 Main Street, El Centro, CA 92243

REMOTE PARTICIPATION: Attend via Zoom: <https://zoom.us/join>
Meeting ID:854 8464 0704 Passcode: 894887

Dial by Phone: 1 (669-900-6833)
Meeting ID:854 8464 0704 Passcode: 894887

PROJECT APPLICANT: Salton Community Services District
1209 Van Buren Ave Suite 1, Salton City, CA, 92275

PROJECT DESCRIPTION: Public Hearing and related action to consider the
Dissolution of the Salton Community Services District.

STAFF CONTACT: JURG HEUBERGER
EXECUTIVE OFFICER TO LAFCO
(760) 353-4115
jurgh@iclafco.com
pg@iclafco.com

NOTE: *This is the only notice you will receive unless there is a change in the schedule. If you have questions on the project or wish to review the project file, please contact the LAFCO for an appointment.*

**EXHIBIT B
SERVICE AREA PLAN**



Salton Community Services District

Service Area Plan

July 2021
Revised November 2023

RICK Engineering Company



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EXECUTIVE SUMMARY

This Service Area Plan (SAP) is prepared for the Salton Community Services District (District). The purpose of the SAP is to provide the Imperial County Local Agency Formation Commission (LAFCO) with enough information to demonstrate that future public facilities have been identified and will be available to serve the future development within the Sphere of Influence (SOI) in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000. This document complies with the requirements of Section 56653(b) regarding the preparation of a plan for providing services (Service Area Plan) and provides the information necessary for LAFCO to conduct a municipal services review in compliance with Section 56430.

The following definitions will be helpful in understanding this executive summary:

Population Projections: Population projections offer estimates of the population every five years until 2040. The planning horizon begins in 2020, aligning with the publication of the 2020 U.S. Decennial Census, which provides the most precise population figures for Census Designated Places (CDPs) such as Salton City and Desert Shores.

Performance Standard: A performance standard is the desired level of service that a public facility must provide.

Facility Analysis: The facility analysis determines the existing and future impacts or demands of public facilities.

Population Projections

Year	Salton City Population	Desert Shores Population	Estimated/Projected Total Population
2020	5,155	1,128	6,283
2025	5,181	1,134	6,314
2030	5,207	1,139	6,346
2035	5,233	1,145	6,378
2040	5,259	1,151	6,410

Public Facilities Analysis

Administrative Facilities

Performance Standard: The District currently has no formal performance standard for administrative facilities. The District anticipates that 1,300 square feet of administrative facilities per 1,000 population reflects District demand.

Existing Facilities: Administrative Office: 7,640 sq. ft.
Service Garage with Storage: 2,500 sq. ft.
Storage Building with Office: 900 sq. ft.
TOTAL: 11,040 sq. ft.

Existing Demand: 8,168 sq. ft.

Adequacy: Building Square Footage
Existing = 11,040
Demand = 8,168
Surplus = 2,872

Future Demand: The District is on track to meet the projected facilities square footage demand of approximately 8,333 sq. ft. of Administrative Facilities by 2040.

Mitigation: Continue to periodically review the administrative facilities and personnel of the District through the preparation of annual reports. Such review will identify staffing and budgetary concerns as District growth continues to increase the demand on facilities and staff.

Develop a long-term street lighting and landscaping plan.

Maintain agreements and Memorandums of Understanding (MOUs) with the County to continue providing space for County activities, departments, and programs.

Performance of a formal building structural inspection to identify necessary repairs for construction and associated costs to be incurred by the District to continue administrative activities.

Engage and hire a qualified and experienced professional to take over the role of District General Manager. Maintain the IGM and existing staff for as long as possible to provide a smooth transition to the upcoming General Manager.

Funding Sources: General fund – property taxes from the County, interest income on accounts, charges for services, and other miscellaneous sources. Rental income from cellular tower facilities and from the Burrtec waste contract agreement also funds the administrative facilities.

**Annual Budget
(2022/2023):** \$112,709.79

Cost Per Capita: \$17.94

Wastewater Treatment and Sewer Facility Capability

Performance Standard: 85 percent capacity at peak flow

Existing Facilities:

Desert Shores:

Evaporation and Percolation Ponds
Seven Ponds
Maximum capacity of 200,000 GPD (SCSD, 2016)
25 miles of sewer lines

Thomas Ramon Cannell (TRC):

11 Evaporation, Percolation, Polishing, Aeration,
Clarifying, and Emergency Ponds
Maximum capacity of 185,000 GPD (SCSD, 2016)
430 miles of sewer lines

Lansing:

Evaporation and Percolation Ponds
Five Ponds
Maximum capacity 120,000 GPD (SCSD, 2016)
Shares 430 miles of sewer lines with TRC

***Note:** The District is in the process of applying for a separate planning study grant through the State Water Resources Control Board to evaluate the capacities of the WWTFs. Due to this, facility capacity metrics were not updated from the information provided in the 2016 SAP.

Existing Demand: 6 Personnel

Adequacy: $6,283 \text{ Existing Population} \times 1.45 \text{ personnel} / 1,000 \text{ Population} = 9$
personnel demand – does not meet performance standard

Future Demand: The District will update the wastewater master plan and continue to work with the Regional Water Board on plans to expand wastewater facilities as the TRC and Lansing Facilities reach capacity.

Also, the District is in the process of applying for a planning study grant through the State Water Resources Control Board to evaluate the capacities of the wastewater treatment facilities (WWTFs) to determine if future growth can be accommodated by District wastewater services.

Mitigation:

Continue to periodically review the wastewater rate and financing structure to ensure adequate funding for the implementation of new projects and the maintenance of existing facilities. The Salton Community Services District Wastewater Rate Study recommended an increase in sewer rates of 30 percent in June 2024 and incremental increases of 4 percent in the subsequent four years to ensure the system is financially viable. This study was updated in January 2023. Per Prop 218 requirements, the user rate increases were brought to the community for a vote in July 2023 and were ultimately adopted by the District.

Establish District goals in terms of Biological Oxygen Demand (BOD) and total suspended solids (TSS) levels and continue to monitor activities at all three Wastewater Facilities. Implement best management practices (BMPs) for wastewater treatment to minimize pollutants and protect water quality.

Prior to the recordation of a Final Map for a development project proposed within the District Sphere of Influence, the District shall require a development agreement enforced by the County Land Use Ordinance, indicating that adequate wastewater service would be available to the completed project.

To meet the wastewater treatment needs of the existing population in Salton City, the District will construct an expandable ponding system per the design and specification requirements of a qualified engineering firm. Phase 1 for expanding the wastewater treatment needs include updating the TRC facility to a rated capacity of 1 MGD and phase 2 would expand capacity to 3 MGD to accommodate future District demand.

The District will also complete the following tasks to assure the Wastewater System is in compliance with local, state, and federal regulations.

Implement a robust monitoring and reporting system complying with LAFCO guidelines to track the progress and effectiveness of mitigation measures. Regularly communicate findings and updates to the public and relevant authorities based on the requirements set forth in LAFCO's Staff Report for the District. Adhere to all direction from LAFCO throughout probationary status.

Release bid packages and secure construction contracts to proceed with the selected alternative. Obtain necessary permits and provide required notifications to agencies to receive authorization for completing the improvements.

Conduct biological and cultural resource studies to address the federal crosscutter requirements of the federal Clean Water State Revolving Funding program.

With the assistance from RCAC, develop a Clean Water State Revolving Fund (CWSRF) Planning Application to fund the Selected Construction Project and promptly execute the bidder selection process to complete the improvements.

Prepare detailed system maps of the sewer system, drainage basins, hydraulic models, or record drawings (as-builts) as required as part of the Sewer System Management Plan (SSMP) mandated by the Regional Water Quality Control Board.

Apply for a separate planning grant through the State Water Resources Control Board to evaluate the capacities of the WWTFs.

Funding Sources:

The primary sources of revenue for wastewater treatment and collection facilities (including sewer maintenance) are yearly sewer user fees, sewer lot standby fees, and administration fees transferred from the General Fund.

**Annual Budget
(2022/2023):**

\$3,979,900.00

Cost Per Capita:

\$631.03

Fire Facilities

Performance Standard: The District no longer provides fire protection/emergency medical services to the Service Area. All fire personnel are currently staffed by the County of Imperial Fire Department.

Historically, the County has agreed to the following:

An 8 minute to site and a 3-minute out the door performance goal.

293 ft² per 1,000 population performance standard for fire facilities.

A 2.17 per 1,000 population performance standards for fire personnel.

Existing Facilities:

Stations:

Imperial County Fire Station #9 is located at the Imperial County Road District #3 Satellite Road Yard at 2256 West Cleveland Ave. Salton City, CA 92275. The County currently uses a mobile home structure for personnel and utilizes the yard to hold emergency vehicles.

Personnel:

The District no longer provides fire protection/emergency medical services to the Service Area. Currently, all personnel are provided by the County of Imperial Fire Department.

Equipment:

- 2 Fire Trucks
- 1 Ambulance (owned and operated by AMR)
- 2 Defibrillators

Existing Demand:

1,841 sq. ft. of fire facility building space and 14 personnel.

Adequacy:

Building Square Footage

Existing = 1,850

Demand = 1,841

Surplus = 9

Personnel

Existing = 0

Demand = 14

Deficit = 14

Future Demand:

To meet the projected fire facilities square footage demand, the County Fire Department will need approximately an additional 28 sq. ft. of Fire Facilities by 2040 and 14 fire personnel.

Mitigation: Support the County’s fire protection services through continued use of the District’s facilities, vehicles, and protective equipment.

Funding Sources: General fund. Note – The 2022-23 budget for fire reflects minimal expenses such as building and grounds expenses and does not include equipment, as the County is providing fire protection services to the Service Area.

Annual Budget (2022/2023): \$N/A

Cost Per Capita: \$N/A

Park and Recreational Facilities

- Performance Standard:** The District currently has no formal performance standards with regards to parks and recreational facilities. However, historically the District utilized a 5.0 acres per 1,000 population performance standard to reflect District demand.
- Existing Facilities:** Park Acres Owned:
Salton City Community Park = 10.5 acres
Desert Shores Park = 4.59 acres
Undeveloped (possible) park/open space properties = 102.37 acres
TOTAL = 15.09 acres of developed park facilities and 117.46 acres of possible park space
- Existing Demand:** 31 acres
- Adequacy:** Parkland Acreage:
Existing = 15.09
Demand = 31
TOTAL = 15.91-acre deficit
- Future Demand:** The District is not on track to meet the projected required demand of 32 acres of parkland by 2040 (based upon population projections).
- Mitigation:** Leverage State and County grants to perform capital improvement projects in the Salton City Soccer Park and Desert Shores Community Park. Ensure compliance with grant funding requirements and meet the standards necessary for expenditures and reimbursements.
- Due to inconsistent funding, it is recommended the District investigate the process of relinquishing all responsibilities for Parks and Recreation to the County of Imperial or define a reoccurring funding source.
- Require developers of new residential developments to dedicate parkland and/or pay development impact fees for the improvement and expansion of existing park and recreational facilities.
- Develop a maintenance and improvement plan for all park and recreational facilities within the District taking into consideration the results of the questionnaire distributed by the Community Recreation Complex Commission.
- Funding Sources:** The Parks and Recreation funding for the District for the 2022-23 fiscal year is mostly comprised of a grant of \$473,187 from an outside source to fund improvements in the two parks within the District.

Another source of funding includes park fees which generally consist of park reservations, purchased through a refundable \$100.00 deposit and a \$50.00 light fee for providing lighting for organized events.

**Annual Budget
(2022/2023):** \$411,400.00

Cost Per Capita: \$65.23

Solid Waste Disposal/Sanitation

Performance Standard: The California Integrated Waste Management Board (IWMB) sets a waste diversion rate goal of 50 percent.

The Imperial County Waste Management Plan requires the landfill that services the area to have a minimum 15-year capacity.

Existing Facilities: The District maintains a contract with Burrtec which ensures the adequacy of existing solid waste disposal facilities and services.

In addition to the existing contract, the Salton City landfill services all residents of Imperial County, including District residents.

Adequacy: The District’s contract with Burrtec ensures adequacy of solid waste disposal facilities and services. The Salton City landfill has a 50-year planning capacity. Imperial County, which is inclusive of the District, meets the waste diversion goal set forth by the IWMB.

Future Demand: As the District continues to grow, so does the need for solid waste disposal services and facilities. The original ten-year franchise agreement with Burrtec from 2009 was amended as of December 2019 to include collection services for residents on the Imperial County Tax Roll. The Salton City Landfill has a closure date in excess of 50 years. This site will suffice for District needs now and into the future.

Mitigation: Study the long-term implications of mandatory trash collection pick-up and the implication of in-house trash collection.

Funding Sources: Burrtec and the District agreed to place all District Residents on the Imperial County Tax Roll for Solid Waste and Recycling Services, with the option to “opt-out” for direct billing or perform Self-Hauling. Direct costs billed to end users at rates determined by Burrtec. Each year, rates are assessed by Burrtec based on operating costs and are defined in the annual renewal agreement negotiated by the District. The District takes 5% of the annual revenue for administering the solid waste services.

Annual Budget (2022/2023): *\$20,000

***Note:** 2022- 2023 District Budget Burrtec Waste Contract Value

Cost Per Capita: Effective 2023 residential rates average \$81.33 per 3 months of service. Commercial rates are conditional on the frequency of collection and container size.

1. INTRODUCTION

Background on the Salton Community Services District

The Salton Community Services District (District) lies on the west side of the Salton Sea within Imperial County just south of the Imperial-Riverside County line (see Figure 1). The District encompasses unincorporated land that includes the communities of Salton City and Desert Shores. In 1955, Desert Shores Community Services District was chartered by the State of California. In 1957, the M. Penn Phillips Company began development of Salton City and needed a method to control services. Rather than going through the legislative process of forming a governing agency, they annexed a section of land along the shoreline by tangent comers south to Salton City from the Desert Shores Community Services District. Later development was performed by Holly Corporation of Dallas, Texas. The Desert Shores Community District was renamed the Salton Community Services District in 1957, as authorized by the Secretary of the State of California. Figure 2-2 provides the existing District boundary.

The Salton City area was divided into 86 subdivided tracts. Each of these tracts were allotted to individual development companies after the individual tract maps were Certified and Stamped approved by Imperial County as final. As each lot was surveyed and graded the developer of each lot paid into a District fund for water and sewer. As the streets were developed they were deeded to Imperial County. In 1985, per Chapter 59 Statues 1985, enforcement of the Covenants Condition and Restriction of all 86 tracts within the District was granted to the District. The District today includes Desert Shores, the connecting tract of land, and Salton City, which includes portions of land east of State Highway 86 (see Figure2).

The District includes approximately 20,480 acres. The District maintains a Sphere of Influence (SOI) with the Imperial County Local Agency Formation Commission (LAFCO) that extends from the Riverside County line south to Highway 78, and from the Salton Sea to the San Diego County line (see Figure 2 below).

Purpose of the Service Area Plan

This Service Area Plan (SAP) has been prepared for the District in accordance with the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, which requires that such a plan identifying the existing and projected demand for public facilities and services be prepared by all incorporated cities and Special Districts within the State of California (State). The 2000 legislation is specifically implemented by LAFCO, whose policy states that an SAP must be implemented by a District in order for any formal annexation of land into that District's boundaries to take place.

Organization and Use of the Service Area Plan

The SAP outlines the District's existing public services and facilities, estimates the current and future anticipated demand for such facilities and services, and describes how necessary facilities and services will be or may be developed and extended to meet projected demands.

The SAP is intended to demonstrate the District's intent and ability to provide adequate services within its boundaries. An approximately 20-year planning horizon is used to forecast growth, and the estimated demands and provision to meet demands are based on population projections in five-year increments through 2040.

The population projections used in this document are based on information provided by the Salton Community Services District and a review of historical and anticipated population growth rates in various communities in northern Imperial County.

The document is organized into the following sections that satisfy the requirements set forth in the LAFCO guidelines.

Executive Summary: Provides a brief summary of the SAP, highlighting key information regarding demand and financing.

Chapter 1.0 Introduction: Outlines the purpose and intent of the SAP and presents the layout of the SAP to help the reader use the document. This chapter also provides background information on the District and the planning documents that enabled the preparation of the SAP.

Chapter 2.0 Growth and Projections: Provides general information about projected population, current and future land use trends in the District and the District's SOI, and the implications of these trends for the development of District services and facilities.

Chapter 3.0 Facilities and Services: Details the current and planned facilities and services, their current and projected adequacy, measures to ensure adequacy, and how such measures will be achieved and financed. An analysis of the following facilities and services is provided:

- 3.1 Administrative Facilities
- 3.2 Wastewater Treatment and Sewer Facilities
- 3.3 Fire Facilities
- 3.4 Park and Recreational Facilities
- 3.5 Sanitation / Solid Waste

The analysis within the SAP of each public service is based on the standards developed by LAFCO. Each subchapter of Chapter 3 contains the following four sections:

- **Performance Standard:** A description of any standards or goals that have been adopted by the District to review the adequacy of service within the existing and future timeframes.
- **Facility Planning and Adequacy Analysis:** An inventory of the existing facilities, the adequacy of the facilities when compared to existing demands, the anticipated demand for facilities pursuant to growth of the District, and the phasing of the demand for facilities.
- **Financing:** An explanation and identification of how services and facilities are currently being funded, including a per capita cost, and how future services and facilities may be funded.
- **Mitigation:** A series of recommendations to ensure that adequate facilities will be provided and that proper levels of service will be maintained.

Chapter 4.0 Financing: Identifies all of the potential funding mechanisms for public services and facilities provision that are available to the District. This section presents potential funding sources and then identifies how each service or facility sector is currently funded. It outlines appropriate future funding opportunities as well as cost saving opportunities.

Chapter 5.0 Services Not Provided by the District: Provides an overview of services not provided by the District such as schools, electricity, and water.

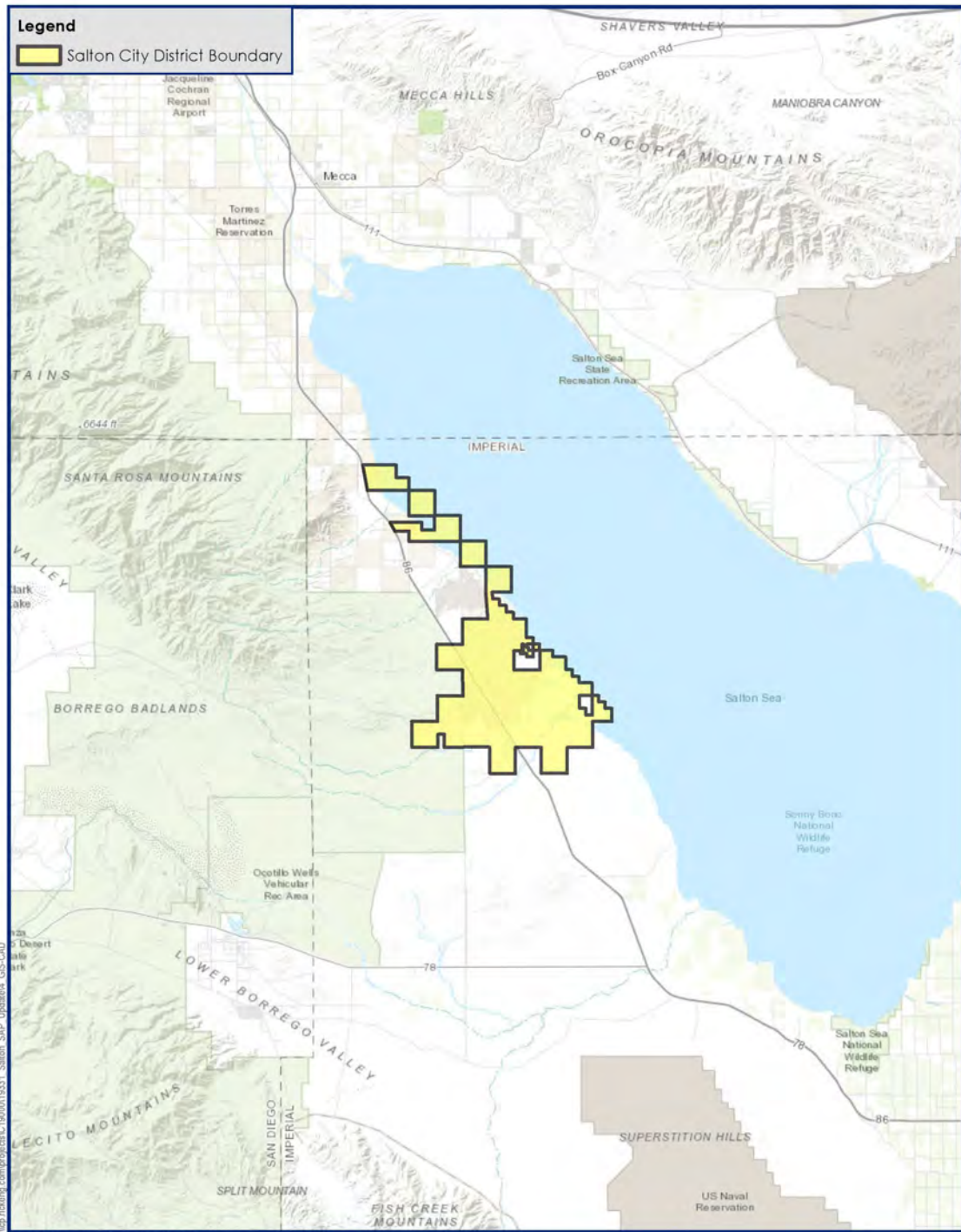


FIGURE 1
VICINITY MAP
 SALTON CITY SAP - 2/4/2021

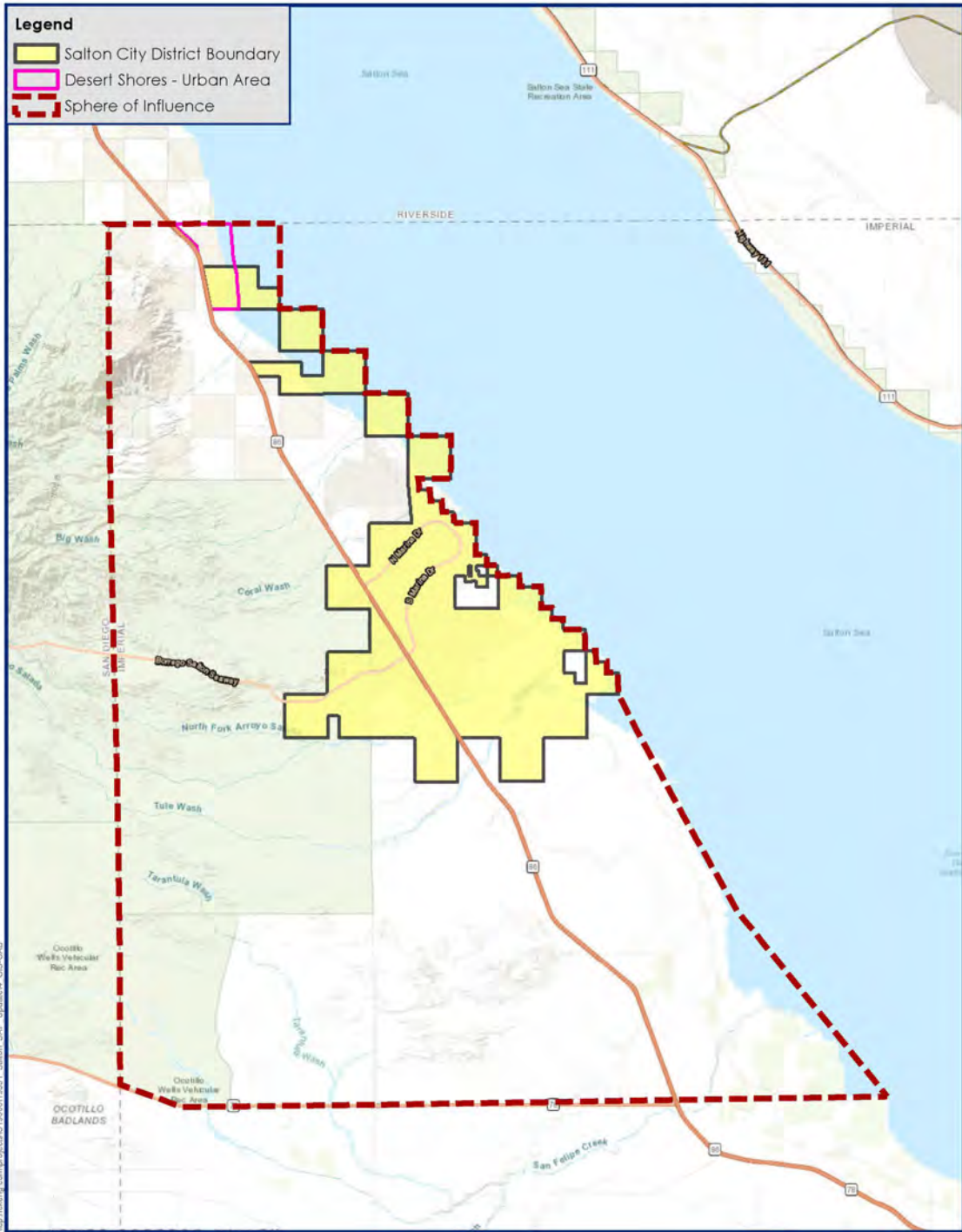


FIGURE 2
DISTRICT BOUNDARY & SPHERE OF INFLUENCE MAP

SALTON CITY SAP - 2/4/2021



2. GROWTH AND PHASING PROJECTIONS

Introduction

The phasing projections section provides an estimate for where and when development will occur within the District, including where annexation would extend the District's boundaries. Although phasing projections are difficult to predict with precision, they are beneficial to the process of planning of public facilities to ensure level of service standards are continually met.

The District includes approximately 20,480 acres with vacant lots located throughout the District. A large amount of developable land exists within the District boundaries.

Projected Population

Population projections are based on information provided by the Salton Community Services District and a review of historical and anticipated population growth rates in various communities in northern Imperial County. The population within the District is condensed mainly within the unincorporated communities of the Salton City Census Designated Place (CDP) and the Desert Shores CDP. The 2020 U.S. Decennial Census reported a population of 5,155 in Salton City and 1,128 in Desert Shores.

The population projections assume an average annual population growth rate of 0.1% for the Salton City and Desert Shores areas within the District, based upon research of projections for population provided by the California Department of Transportation (Caltrans)¹ and population estimates provided by the U.S. Census. Caltrans projections anticipate an annual average population rate of growth of 0.1 percent for Imperial County, between 2022 and 2027.

According to the U.S. Census Bureau, between 2010 and 2020, Imperial County experienced a 3% increase in population, growing from 174,528 to 179,702 residents over ten years.² This equates to an average annual growth rate of 0.3% for all of Imperial County. The majority of this growth occurred in the cities of El Centro and Brawley. Population forecasters anticipated Imperial County's growth to continue at the same rate between 2020 and 2030, however challenges associated with the COVID-19 pandemic led to population declines in Imperial County in recent years.¹ Due to pandemic restrictions between 2020 and 2022, net migration rates became negative, with residents moving out of the county or prevented from moving in from Mexico. Due to this and other factors, Caltrans projected an average annual population growth rate of 0.1 percent for Imperial County (overall) between 2022 and 2027.

¹ Imperial County Economic Forecast, California Department of Transportation, March 2023.

² 2020 U.S. Decennial Census, U.S. Census Bureau, April 2021

³ 2010 U.S. Decennial Census, U.S. Census Bureau, December 2010

Between 2010 and 2020, the U.S. Census Bureau reported that the Salton City CDP population increased from 3,763 to 5,155, a nearly 37% increase. This equates to an average annual growth rate of 3.7%. It was reported that the Desert Shores CDP population grew by approximately 7% over the ten-year period, equating to an average annual growth rate of 0.7%. U.S. Census American Community Survey (ACS) annual population estimates for Salton City and Desert Shores were not provided for years following the 2020 U.S. Decennial Census.

Population dynamics in Salton City and Desert Shores are subject to higher rates of change due to their smaller population size. Considering this, it is essential to incorporate modest growth rates which are more representative of population trends for the region as a whole. The population projections, outlined as follows, assume an average annual population growth rate of 0.1 percent, in line with Caltrans projections for Imperial County for the next four (4) years.

Over the years, various local and state agencies have developed and begun executing a number of plans and studies to revitalize the Salton Sea area, including the Salton Sea Master Development Plan and the Salton Sea Habitat Enhancement Project, launched by the California Department of Water Resources. In addition, various companies and organizations have considered the Salton Sea area for the mining of natural resources needed for renewable energy storage and for the production of legal cannabis.

While the District is aware of such plans, which could attract additional population and investment to the region if implemented, the implementation timelines for various rehabilitation and revitalization efforts and business ventures in the Salton Sea area remain uncertain. The population projections in this SAP were created independent of any other studies or plans at the local or regional levels and as noted, draw primarily from regional growth projections for the Imperial County area.

Year	Salton City Population	Desert Shores Population	Estimated/Projected Total Population
2020	5,155	1,128	6,283
2025	5,181	1,134	6,314
2030	5,207	1,139	6,346
2035	5,233	1,145	6,378
2040	5,259	1,151	6,410

Areas of Annexation

There are no current or pending areas of annexation within the District boundaries at the time this SAP was drafted, and no annexations have occurred since the previous (2006) SAP was published.

Existing Land Use

The County of Imperial has land use authority over the District. Existing land use in the District is guided by the West Shores / Salton City Urban Area Plan, which is incorporated to and implements the Land Use Element of the Imperial County General Plan. The District is located within the West Shores / Salton City Urban Area, which encompasses nearly 32,000 acres and includes the community of Salton City, the beach resorts of Vista Del Mar, Salton Sea Beach, and Desert Shores, and the proposed Habitat 2000 Specific Plan Area. The West Shores / Salton City Urban Area (Urban Area) is generally bound by the Riverside County line on the north, the Salton Sea on the east, the Navy's Salton Sea Test Base on the south, and State Highway 86 on the west, except for portions of Salton City which extend west of Highway 86. Portions of the Torres-Martinez Indian Reservation are located in the northern part of the Urban Area.

The Land Use Element of the County's General Plan indicates that Urban Areas will eventually be annexed or incorporated and should be provided with the full range of public infrastructure normally associated with cities. The General Plan indicates that any new development in Urban Areas shall provide for the extension or development of full urban services such as public sewer and water, drainage improvements, streetlights, fire hydrants, fully improved paved streets with curbs and, in many cases, sidewalks. Improvements shall be consistent with the County's development standards. Urban Areas may include a broad range of residential, commercial, and industrial uses.

Existing land uses in the District are governed by the provisions of the Imperial County Zoning Ordinance and are guided by the goals and policies presented in the County's Land Use Element of the General Plan and Urban Area Plan. By implementing the language from these documents, the District dictates the types of land uses that are allowed in specific areas within its boundaries. The West Shores / Salton City Urban Area Plan lists the following land use zones for Salton City and Desert Shores: Agriculture (A-1), Low Density Residential, Medium Density Residential, High Density Residential, Neighborhood Commercial, General Commercial, Light Industrial, Medium Industrial, and F (Recreation Zone). Figures 3 and 4, below, show the zoning for Desert Shores and Salton City derived from the Imperial County General Plan and Figures 5 and 6 detail the General Plan's guidance for land use and zoning in the Sphere of Influence. Figure 7 outlines the Salton City Airport land use compatibility zones.

The West Shore economy is based on employment in the various agricultural operations in Imperial County, as well as employment in retail and hospitality, serving local residents as well as highway travelers and seasonal visitors to the area. In the event there is a significant clean-up or rehabilitation of the Salton Sea, making the region more attractive to residents and recreational visitors, the economic development prospects of the District may improve significantly. In addition, investment in renewable energy and lithium industries may continue to support economic growth in this part of Imperial County.

Planned Land Use

Planning and development within the District boundaries is guided by the goals and policies of the General Plan Land Use Element of the County of Imperial, the West Shores / Salton City Urban Area Plan, and other General Plan elements. Through the implementation of these elements / plans and the application of the land use designations detailed above, the District is generally able to foresee where and to what extent growth will occur within its boundaries.

The SAP assumes that all of the land within the District's Sphere of Influence will one day be annexed into the District. The General Plan does not provide a schedule for annexation of land to the District.

Approved, Planned, and Proposed Development:

At the time this SAP started being drafted (2021), there were no proposed, pending, or planned developments within the Desert Shores or Salton City communities.

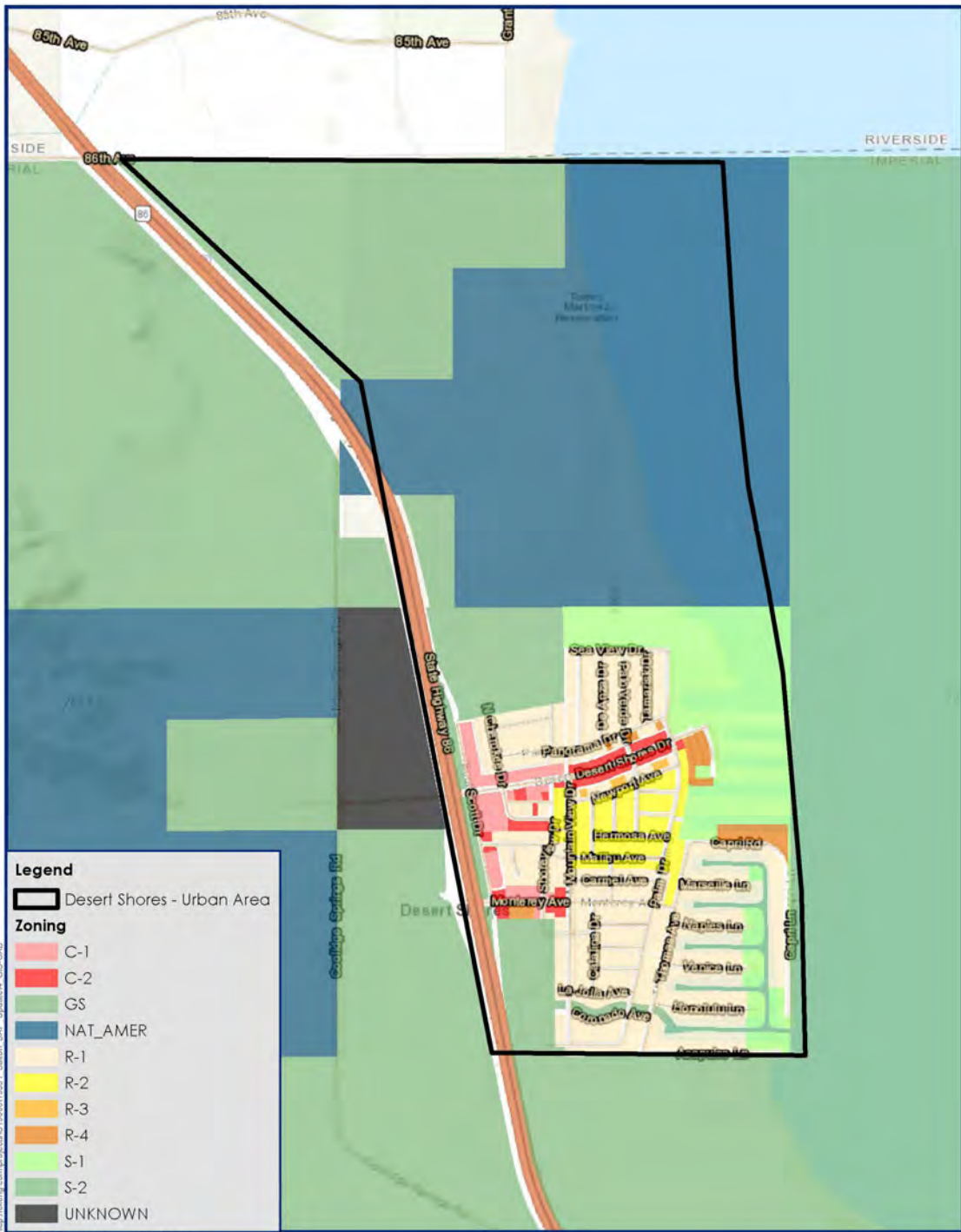
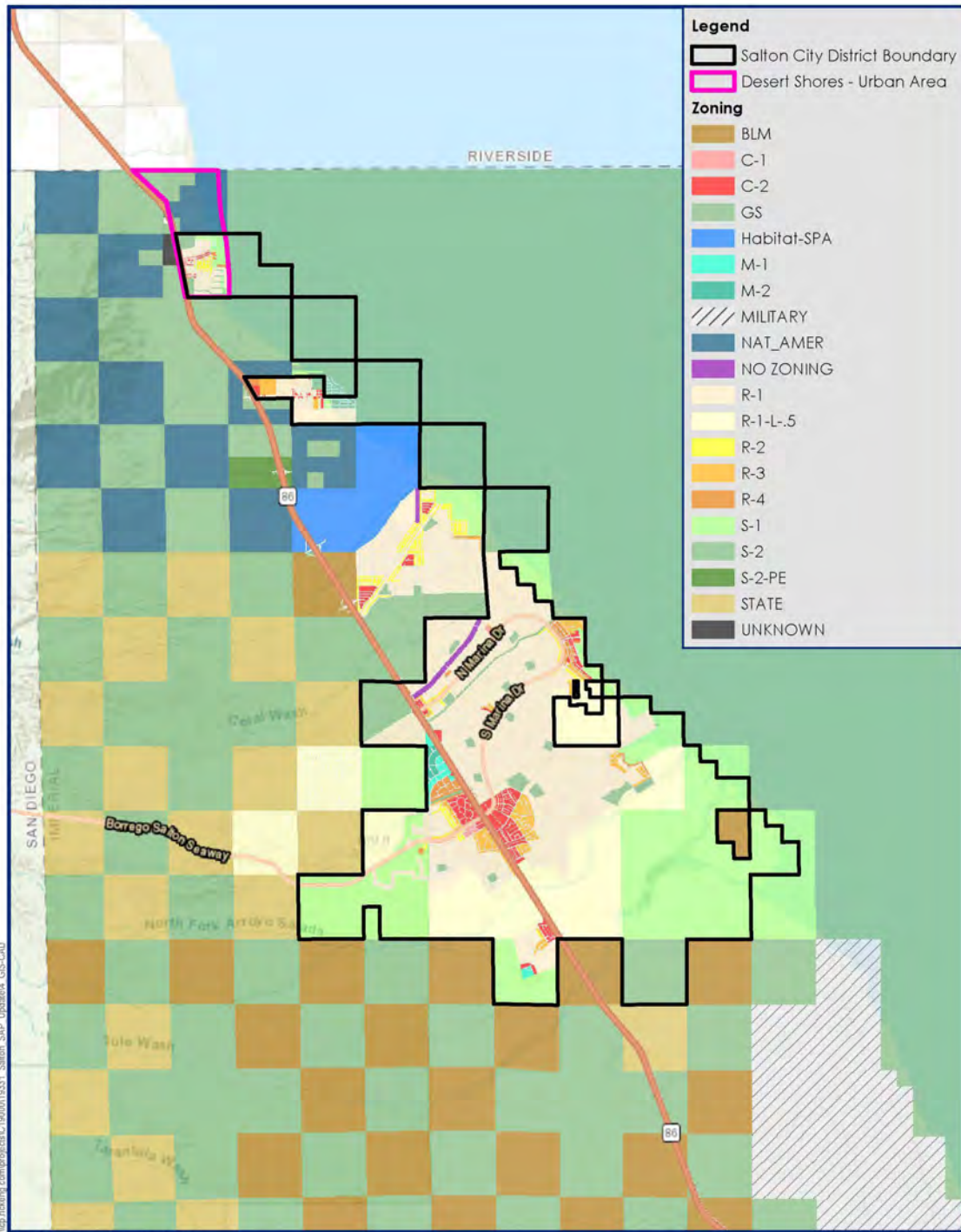


FIGURE 3
DESERT SHORES ZONING
 SALTON CITY SAP - 2/4/2021



SOURCES: Imperial County, SCAG, ESRI

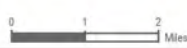


FIGURE 6
SALTON CITY ZONING

SALTON CITY SAP - 2/4/2021

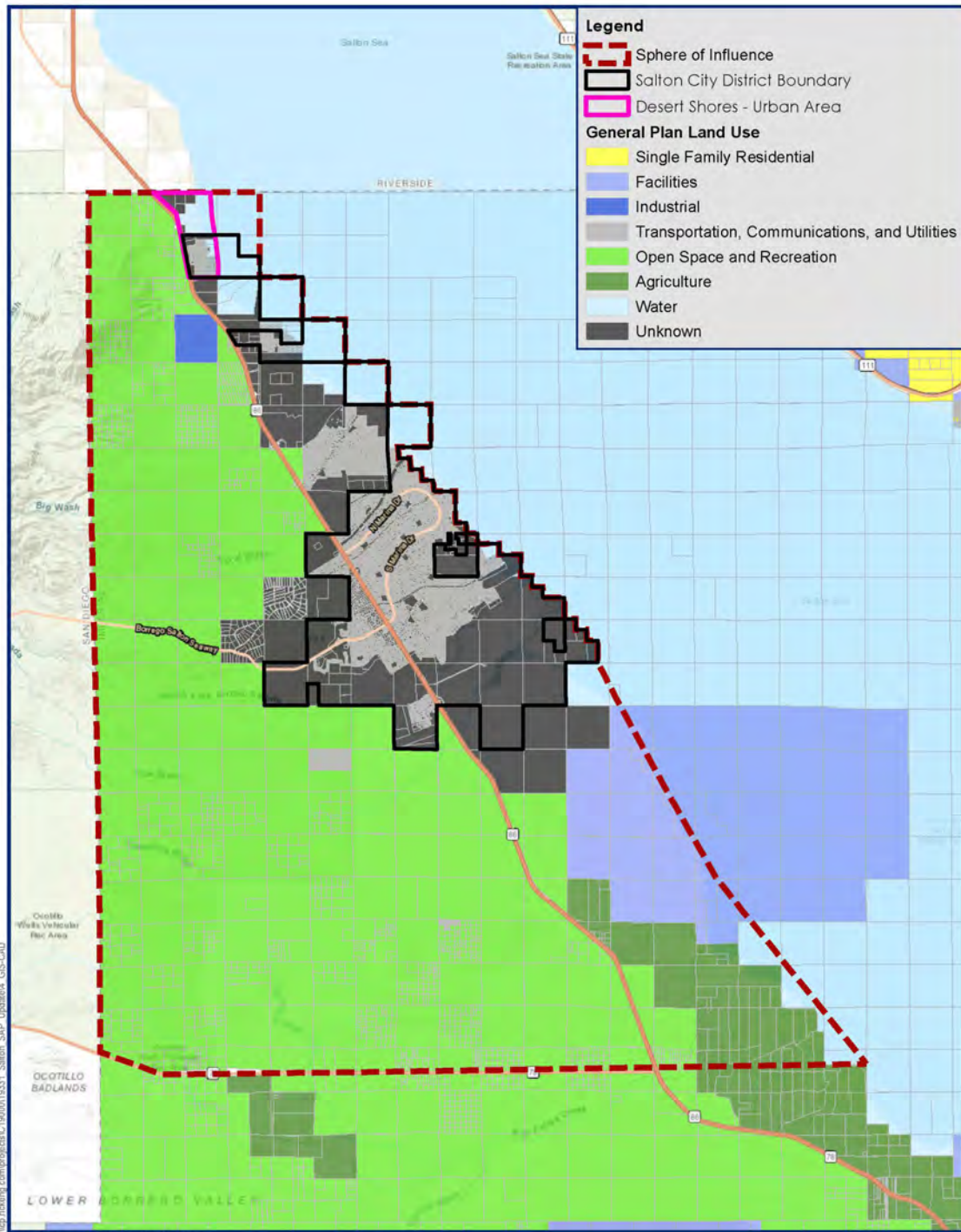
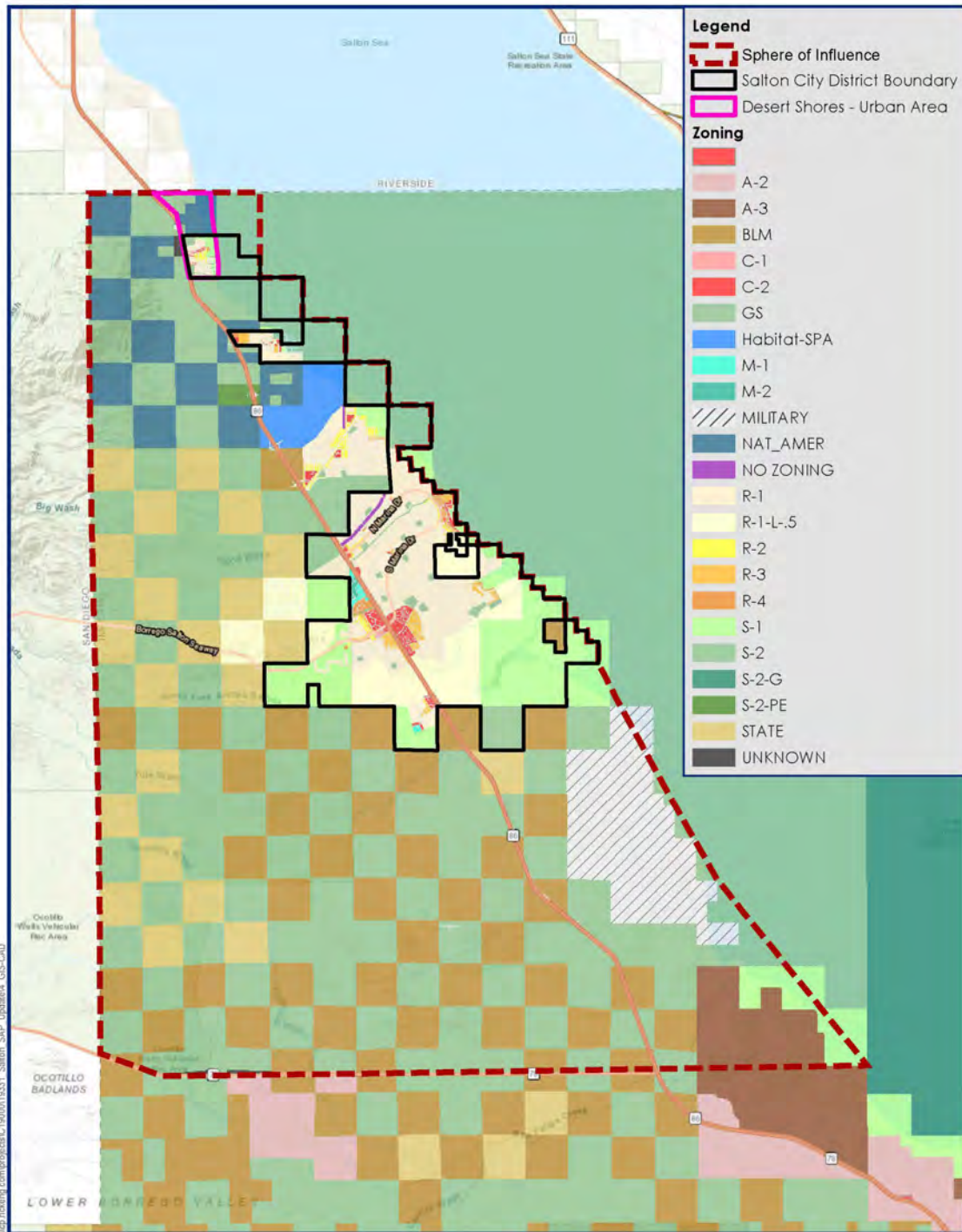


FIGURE 5

SALTON CITY SPHERE OF INFLUENCE GENERAL PLAN LAND USE

SALTON CITY SAP - 2/4/2021

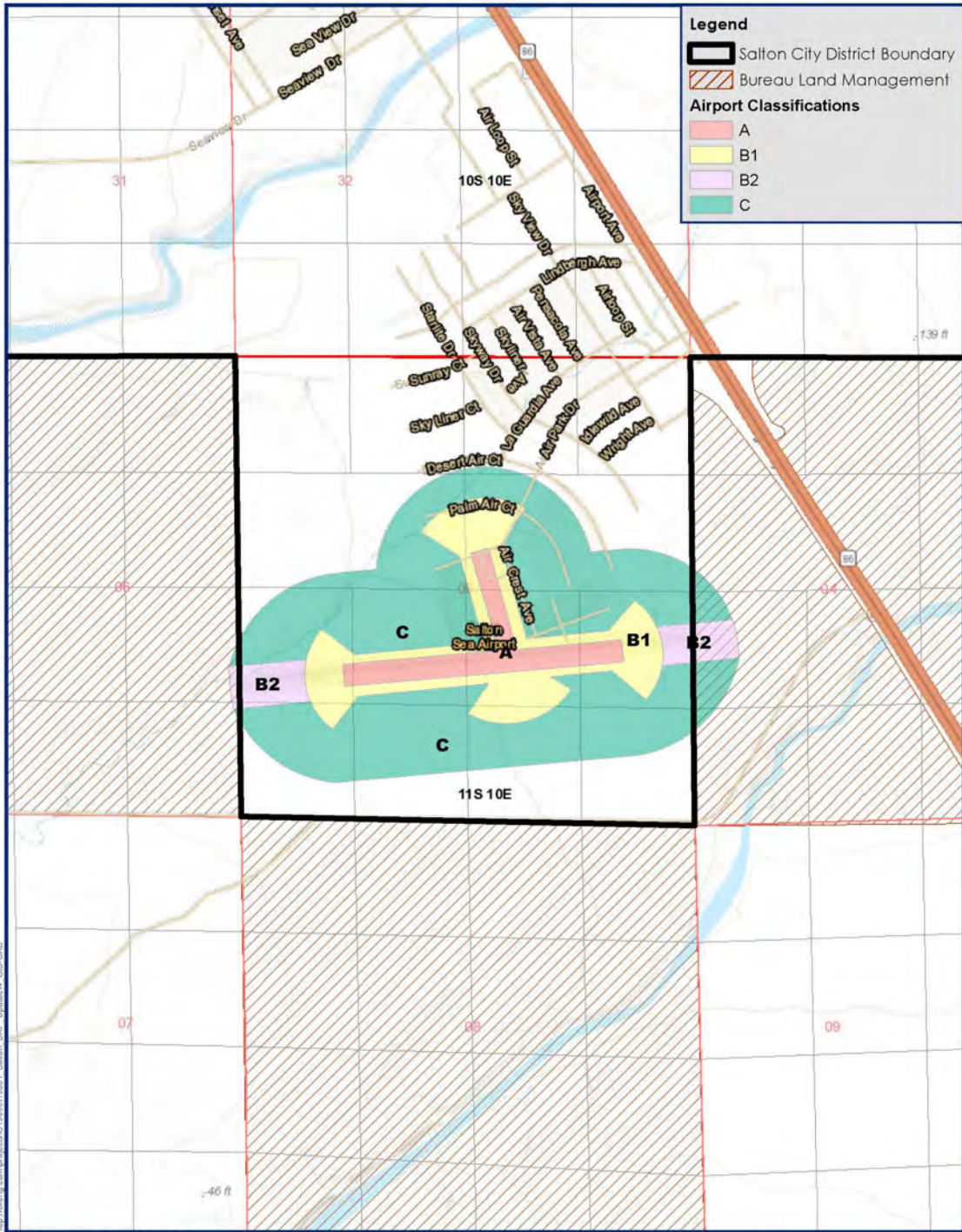


SOURCES: Imperial County, SCAG, ESRI



FIGURE 6
SALTON CITY SPHERE OF INFLUENCE ZONING

SALTON CITY SAP - 2/4/2021



SOURCES: Imperial County, SCAG, ESRI

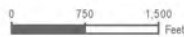


FIGURE 5
SALTON CITY AIRPORT COMPATIBILITY

SALTON CITY SAP - 2/5/2021

3.0 PUBLIC FACILITIES AND SERVICES

Introduction

The following chapter provides a detailed account of the various public services and facilities that are maintained and operated by the Salton Community Services District (District). This chapter discusses and evaluates administration, wastewater facilities, fire protection, recreational facilities, and solid waste services functions of the District. For each of these areas, an inventory of existing facilities is provided, and where applicable, performance standards are identified to gauge the effectiveness and adequacy of the facilities and services. The demands for future facilities and services are discussed relative to the projections for population growth outlined in Chapter 2. Where applicable, this chapter discusses plans for future facilities and services. This chapter outlines the current funding methods for each service area and the prospective sources of funding that could be used in the future. Finally, this chapter presents mitigation measures that would aid the District in ensuring future adequacy and efficiency of public facilities and services.

3.1 ADMINISTRATIVE FACILITIES

Performance Standard

There are no existing performance standards for administrative facilities for the Salton Community Services District. However, the District has indicated that the current facilities, encompassing 11,040 square feet of space, are sufficient to serve the existing population of 6,283 residents and provide room to accommodate population growth. Therefore, a performance standard of 1,300 square feet of administrative facilities per 1,000 residents may be applied.



Photo of District office sign

Facility Planning and Adequacy Analysis

This analysis provides an inventory of the existing District administrative facilities owned by the District, the existing and future demand for facilities as well as a projected phasing schedule. The purpose of this analysis is to determine whether the existing facilities are adequate and to identify approximately when additional facilities will be needed in order to meet future demand.

Inventory of Existing Facilities:

Administrative Office	7,640 sq. ft.
Service Garage with Storage	2,500 sq. ft.
Storage Building	900 sq. ft.
TOTAL	11,040 sq. ft.

The one-story administrative office was built in 2007 and purchased by the District in 2014. The new District administrative office building was purchased to provide adequate office space for administrative staff, to provide a dedicated board room to hold District board/committee meetings, to provide storage space for District record retention, and space to provide community services such as housing the Imperial County Free Library, as shown in the photo to the right. The old District office building was not adequate in providing office space, storage space, along with not having a dedicated board room to hold District meetings.



Photo of Library entrance located on the south side of the District office

The administrative office space is located off Service Road and Van Buren Street at 1209 Van Buren Street, Salton City, CA. The garage and storage facilities are located at 2194 and 2196 Cleveland Avenue, Salton City, CA.

The administrative office is staffed by the District’s Interim General Manager, Board Secretary, and Finance Officer, totaling 3 full-time office staff. The Field Foreman works part-time in the office and part-time in the field. Providing services for wastewater facilities, the District has 6 sewer maintenance crew members and 2 Public Works staff members, totaling 8 off-site staff.

A contract exists between the District and the Imperial Irrigation District (IID) for streetlight installation and maintenance. The District pays monthly electric fees for usage of the lights. Development within the District over the last 40 years has been very spread out, and as a result the lighting throughout the District is spread out as well. It is the District’s interest to install and maintain photovoltaic streetlights.

Adequacy of Existing Facilities:

In 2014 the District was able to upgrade the administrative office and purchase the current facility at 1209 Van Buren Street. The administrative office is now considered to be adequately sized based upon the performance standard of 1,300 square feet of administrative facilities per 1,000 residents. As a result of the administrative office upgrade, the Sheriff’s Station was relocated to 2101 South Marina Drive Suite 1, Salton City.

The existing quantities of office space and meeting space are currently acceptable to accommodate the employees, customers, and users of the District administrative facilities. The current square footage of administrative office space also allows for the continued accommodations of the adjacent library, located on the south side of the District office. Additionally, District staff has determined that the square footage of their existing service garage and storage is adequate.

The administrative office facilities currently withstand existing structural problems, demonstrated by damage visible within the District office. The District consulted with foundation contractor, Ram Jack Pacific, to assess the structural problems and provide a quote for repair and remediation. Upon performance of an informal manometer survey to assess elevation differences throughout the building, the contractor determined that the building requires additional inspection to determine repair costs.

The District later consulted with a Structural Engineer, Horrocks, who found the building did not appear to be an immediate threat to the safety of the occupants, but recommended consulting with a geotechnical engineer, Petra, regarding the expansive soils which have caused the buildings foundation to move significantly to provide a quote for repair and remediation. Petra took several core samples for testing, the samples confirmed expansive soils predominately within the south portion of the site appear to be high moisture content and soft. The District is awaiting a repair and remediation report.

The current layout of streetlights is very spread out across the District. With the recent increase in development, additional intersections now require streetlight installation. The District is considering installing photovoltaic streetlights around the District as well. Currently, the District needs 1 Administrative Assistant to provide support for office and off-site staff and accommodate service needs. Addition of this staff member would amount to 4 full-time District office staff and 8 off-site District staff.

Future Demand for Facilities:

As the Salton Community Service District continues to grow, so does the need for administrative facilities. With a population expected to reach 6,410 by the year 2040, it is projected that the current administrative facilities will be adequate to serve future residents. Application of the District's future performance standard suggests that 8,333 square feet of administrative facilities may be needed to adequately serve the projected 2040 population. Applying the recommended performance standard to population projections, the District will require the following square footage of administrative facilities in the coming years.

Year	Projected Population	Square Footage Demand
2020	6,283	8,168
2025	6,314	8,209
2030	6,346	8,250
2035	6,378	8,291
2040	6,410	8,333

The District is responsible for implementing a fully functional and qualified staffing level. Recent staffing changes have prompted a staffing transition period and the District has appointed an Interim General Manager (IGM) to continue operating and overseeing District services. The IGM is currently in an “at will contract” which continues at the pleasure of the Board and will remain in effect until a permanent, qualified General Manager is appointed to the District.

The IGM has worked with the District within the Sewer Maintenance Department for 11 years and is extremely familiar with the day-to-day operations of the sewer systems and treatment plants. The IGM’s responsibilities within the Department have increased incrementally throughout his tenure, as reflected by his positions held starting from Sewer Maintenance Worker I, Sewer Maintenance Supervisor, Field Foreman, until this most recent position as IGM. The IGM is highly knowledgeable about day-to-day operations, maintenance, field crew management, Regional Water Board compliance, budgeting, and plant operations. The IGM has actively cooperated with LAFCO throughout the interim and will lead a smooth transition for the successor in their role.

The District’s Finance Officer holds 15 years of experience managing accounting functions including AP/AR, payroll, ensuring integrity and accuracy of internal controls. The Financial Officer maintains financial books, prepares financial reports for month end, quarterly, and year end, prepares and files 571’s, quarterly payroll 941’s DE9-c’s, performs advanced reviews of business operational trends, prepares accurate forecasts, and conducts auditing. The Finance Officer has remained cooperative with LAFCO throughout the interim and will serve as a valuable resource to the upcoming General Manager to discuss cash flow, economic trends, existing challenges, and funding opportunities.

The District’s Board Secretary provides an advisory role on government rules and regulations for corporate policies and procedures for operations. The Board Secretary holds five years of experience as an administrative assistant performing data entry, drafting correspondence, drafting resolutions, agendas, and scheduling meetings. The Board Secretary is vital to the District’s record keeping processes and community public relations. Throughout the District’s remediation period, the Board Secretary will uphold the Board’s commitment to transparency by maintaining public access to board meeting minutes, agendas, and resolutions. The Board Secretary will also provide the District with clear guidance on the Board’s resolutions, proceedings, and action items.

The Field Foreman (Foreman) has worked with the District for 16 years serving in a variety of department roles between Public Works and Sewer Maintenance. The Foreman oversees maintenance of parks, offices, and public facilities. The Foreman previously worked in Sewer Maintenance, overseeing day-to-day maintenance and operations of sewer systems. The Foreman will leverage technical knowledge and experience to continue operations of the sewer system while the District undergoes this staffing transitional period.

Each District staff member plays an important role in maintaining the day-to-day operations and services of the District during the interim, while preparing for a smooth transition for the upcoming General Manager. The staff is committed to taking action to remedy the stated deficiencies of the District and providing quality services for District community residents. Staff will work together to engage a qualified and experienced professional to assume the role of District General Manager.

Opportunities for Shared Facilities:

In order to reduce administrative service costs, the District rents out a portion of the administrative offices for use by the County library. The tenant (the Imperial County Free Library) pays rent to the District for use of the facilities.

Photovoltaic (solar) streetlights maintained by IID are another possible cost saving mechanism for the District as well. The District upholds a Memorandum of Understanding (MOU) with the County of Imperial to allow County programs and departments to use space in the administrative building to provide community services to the local residents who cannot travel all the way to nearby cities. This includes space for Imperial County's Free Library, Behavioral Health Department, Probation Department and Smart Recovery Program.

Phasing:

The District does not have any plans for the phasing of new administrative facilities. As growth continues within the District, administrative facilities will continue to be reviewed to ensure that they are keeping pace with the performance standard projections and that they are adequate to serve the population. The following table provides an estimate of the phased demand associated with incremental growth within the planning horizon.

Funding

The new District administrative office building was purchased June 5, 2014, with sewer maintenance funds, in addition to the former District office building being exchanged as a down payment towards the new District office building.

The total cost for the new administrative office building amounted to \$1,000,000.00. The former administrative office building was exchanged as a down payment totaling \$500,000. This purchase resulted in an outstanding loan amount of \$587,473.28, which is paid by the District monthly, through payments from the Sewer Maintenance Fund (SM).

The District does not maintain a separate budget line item pertaining to Administrative Facilities. Instead, the SM provides funding to the General Fund, which in turn funds all items associated with the District administrative office building. Property taxes are not used to fund the District office building. The General Fund provides for streetlight installation, Parks, and Recreation as well as the ongoing electricity costs for operating streetlights, parks, water bills for parks, along with operations/maintenance of general fund buildings.

Per Capita Costs:

As stated above, the District does not maintain a separate budget line item pertaining to Administrative Facilities. The cost per capita for the administrative facilities is embedded within the General Fund.

Future Funding Costs:

In addition to the continued use of existing funding sources, development impact fees may be established to help fund potential expansions or updates to administrative facilities needed to provide services associated with future development. If additional funding is needed, bonds can be issued and/or special assessments can be implemented.

Mitigation

In order for the District to provide adequate administrative services to its residents and ensure that future demands for facilities are properly identified and addressed, the District should implement the following measures:

- Continue to periodically review the administrative facilities and personnel of the District through the preparation of annual reports. These reviews will identify staffing and budgetary concerns as District growth continues to increase the demand on facilities and staff.
- Maintain agreements and MOUs with the County to continue providing space for County activities, departments, and programs.
- Performance of a formal building structural inspection to identify necessary repairs for construction and associated costs to be incurred by the District.
- Develop a long-term street lighting and landscaping plan that also addresses the feasibility of photovoltaic (solar) streetlights.
- Engage and hire a qualified and experienced professional to take over the role of District General Manager. Maintain the IGM and existing staff for as long as possible to provide a smooth transition to the upcoming General Manager.

3.2 Wastewater Facilities

Introduction

In 1955, the Desert Shores Community Services District was chartered by the State of California through Articles A through H of Section 61601 of the Government Code. In 1957, the Salton City area was annexed to that District and the name of the District was changed to Salton Community Services District rather than going through the process of forming a new District to encompass both Desert Shores and Salton City. The District is empowered to construct, operate, maintain, repair, and replace wastewater system facilities as needed to provide wastewater service in compliance with applicable standards and regulations. The District routinely constructs new facilities, maintains them, and replaces them as necessary to maintain adequate, reliable, and safe wastewater service to its customers.

Performance Standard

Wastewater treatment is generally regulated by the State of California. The District is held responsible to the Waste Discharge Requirements by the California Regional Water Quality Control Board (Board Order No. 98-008). The State Water Quality Board (SWQB) sets a performance standard of 85 percent capacity, and by law the District must notify the SWQB upon reaching this level. Although no formal performance standards currently exist in terms of personnel required to maintain the wastewater treatment facilities, District representatives have suggested that at least 1.45 personnel per 1,000 population be staffed at all times. This is based on analyses of the adequacy of existing staffing conditions and discussions with the District.

Facility Planning and Adequacy Analysis

Inventory of Existing Facilities:

The District owns and operates a wastewater system comprised of the collection, conveyance, and treatment facilities for the communities of Salton City and Desert Shores. There are three wastewater treatment facilities (WWTFs) in operation within the District and the total peak capacity for the three facilities combined is 447,000 gallons per day (GPD). The District manages three wastewater treatment facilities (WWTFs) all utilizing evaporation-percolation ponds to support supplemental treatment processes: Desert Shores WWTF, Lansing WWTF, and Thomas R. Cannell (TRC) WWTF. A total of six (6) workers are employed to provide sewer maintenance to the three facilities.

Both the TRC and Lansing facility serve the Salton City community. In Salton City, there are a total of 16 active lift stations, one backup lift station, and one inactive lift station conveying wastewater from Salton City that is ultimately discharged into either the Lansing WWTF or Thomas R. Cannell WWTF. The Lansing facility was built in 1972 and shares sewer lines with the TRC facility. The original Salton City Wastewater Treatment Plant was decommissioned in October 2008, when the TRC facility was constructed. Since both facilities serve the same area and share sewer lines, only one facility operates at a time. Operators manually direct the flow between the two facilities which have a combined capacity of 305,000 GPD. Operators alternate between the two on a weekly basis, where the District runs a facility average of twelve days on a month and average of eighteen on the other facility.

The specifications for the TRC and Lansing facilities are detailed below:

TRC:

Includes the following:

- 2 Aeration Ponds
- 2 Polishing Ponds
- 4 Evaporation/Percolation Ponds
- 2 Clarifying Ponds
- 1 Emergency Pond
- Maximum capacity of 185,000 GPD (2016 SAP)
- Permitted flow of 185,000 GPD (RWQCB Board Order No. R7-2018-0013)
- Average daily flow of 172,000 GPD (2023)
- Peak flow of 172,200 GPD (2023)
- Average operation is estimated to be above 90% of capacity
- *Shares 430 miles of sewer lines shared with the Lansing facility
- **Note:** Lansing and TRC facilities serve the same area and use the same sewer lines.

Lansing:

Includes the following:

- 5 evaporation and percolation ponds
- Maximum capacity of 120,000 GPD (2016 SAP)
- Permitted flow of 120,000 GPD (RWQCB Board Order No. R7-2012-0035)
- Average daily flow of 114,000 GPD (2023)
- Peak flow of 114,800 GPD (2023)
- Average operation is estimated at 95% of capacity
- *Shares 430 miles of sewer lines with the TRC facility
- **Note:** Lansing and TRC facilities serve the same area and use the same sewer lines.

On average the TRC facility operates for an average of 18 days per month and Lansing operates for an average of 12 days per month. The Lansing facility consists of five (5) ponds and the TRC facility contains 11 ponds. Both the Lansing and TRC facilities are currently operating above the 85 percent capacity threshold at an average combined daily flow of 286,000 GPD.

The District will continue to coordinate with the SWQB and a qualified engineer to update its wastewater master plan in order to meet the expanding capacity needs of both the TRC and Lansing Facilities. The TRC and Lansing facilities are monitored daily with a portion of the maintenance crew on 24-hour standby duty on a rotational basis. Samples are taken monthly from the ponds and different surrounding locations and are analyzed at qualified laboratories, which submit reports to the SWQB.

The Desert Shores facility is located approximately 1.2 miles west of the Salton Sea. The facility is adjacent to Coolidge Springs Road, west of State Highway (SH) 86, and one mile southwest of the community of Desert Shores, California. The Anza-Borrego Desert State Park is located 15 miles to the southwest of the Desert Shores facility. The number of sewer accessible lots in Desert Shores is approximately 1,043.

The specifications for the Desert Shores facility are detailed below:

Desert Shores:

Includes the following:

- 7 evaporation and percolation ponds
- Maximum capacity of 200,000 GPD (2016 SAP)
- Permitted flow of 200,000 GPD (RWQCB Board Order No. R7-2014-0007)
- Average daily flow of 140,000 GPD (2016 SAP)
- Peak flow of 160,000 GPD
- Average operation is at 70% capacity
- 25 miles of sewer lines

The Desert Shores facility consists of seven (7) ponds and is located on approximately 14 acres of land. The ponds were constructed on artificial fill that ranges from 12 to 15 feet above the existing surface. The District estimates that Desert Shores facility operates at an average of 70 percent of capacity. The Desert Shores facility treats wastewater biologically. The ponds are used to treat influent by providing biological oxidation, evaporation and infiltration for treatment and final disposal. The ponds are aerated to achieve biological treatment of the influent and reduce objectionable odors. Disposal of the effluent is by evaporation and percolation. Due to the variety of sizes of the ponds at the facility, the level of treatment and disposal of effluent of each pond varies widely. The ponds have a large surface and a shallow depth, which promotes evaporation as well as growth of algae.

The Desert Shores collection system consists of a system of gravity line force mains and four active lift stations. The Desert Shores facility has approximately twenty-five (25) miles of sewer lines, 264 manholes, and six lift stations. Wastewater is collected from throughout the system by gravity sewer lines before discharging into the Desert Shores WWTF. The gravity lines range between 6, 8, and 10 inches in diameter and force mains range between 8 and 10 inches in diameter. Small submersible pump lift stations are used to convey wastewater to two main pump stations. Wastewater is pumped through force mains to the wastewater treatment plant, which consists of the aerated ponds previously described. Peak wastewater generation is approximately 160,000 GPD in Desert Shores. The Desert Shores facility does not currently exceed the SWQB 85 percent threshold.

The District supports approximately 455 miles of sewer lines, dated from the late 1950's to current day. In the 1950s, the Salton City and Desert Shores communities were developed, which included the construction of force main pipelines in the project area. Additionally, gravity sewer pipelines and manholes were built, connecting to both the entry and discharge points of these force main pipelines. These collection system components are now around 70 years old and are showing signs of aging.

Adequacy of Existing Facilities:

The District has a deteriorating, aging wastewater collection system that has experienced breaks and sewer spills, compromising ground and surface water quality in the Service Area. To provide more reliable sewer service to customers, minimize financial impacts to the community, and uphold compliance with Regional Water Board requirements, the District has leveraged government grant programs intended to fund infrastructure improvements in disadvantaged communities.

Under Proposition 1, intended for the allocation of funding for Small Community Wastewater Projects, the District entered a financing agreement with the California State Water Control Resources Board for sewer force main replacement and other conveyance system improvements. The District was awarded a planning study grant to assist with the planning, design and construction of the Desert Shores and Salton City Sewer Force Main Rehabilitation and Replacement Project.

Through the preparation of a Preliminary Engineering Report (PER), an engineering and design engineering firm evaluated and identified critical deficiencies in the wastewater collection system. As part of this project, additional monitoring for the wastewater quality in the conveyance system was performed at selected locations to collect data and review changes in wastewater quality from select lift stations and wastewater treatment plants. Results from this effort were incorporated into the analysis of the wastewater system to recommend design criteria for force main improvements to the District. The PER provided recommendations through a series of three alternatives evaluated in terms of feasibility and costs, ultimately to inform the District's selected construction project.

Water Quality Adequacy

District Wastewater Treatment Facilities (WWTFs) are under the regulatory oversight of the Colorado River Basin Regional Water Quality Control Board and are governed by specific board orders: No. R7-2014-0007, R7-2012-0035, and R7-2012-0034. The adequacy of the existing wastewater facilities can be evaluated based on the current self-monitoring reports generated by the California Water Board, the adequacy of employees available to service the facilities, and the capacity of the system.

The California Regional Water Quality Control Board (RWQCB), Colorado River Basin Region (Regional Water Board), is the public agency with primary responsibility for the protection of ground and surface water quality for all beneficial uses within Imperial County. The District is subject to the provision of Self-Monitoring Reports per authorization of the State Water Resources Control Board.

The District is authorized to discharge treated municipal wastewater from the Desert Shores, Lansing and TRC wastewater facilities under Waste Discharge Requirements (WDRs) regulated by the Regional Water Board. Under the terms of the WDRs, the District can discharge up to 0.20 million gallons per day of treated wastewater. To produce the Self-Monitoring Report, samples retrieved from the treated wastewater are analyzed to measure levels of pollutants in the water, to measure compliance with WDR Effluent Limitations.

The latest PER included a water quality and flow monitoring report which was included in the analysis to identify optimal locations for rehabilitation or reconstruction improvements. Following specified monitoring parameters, the District operator collected and tested samples from eleven locations throughout Desert Shores and Salton City for inclusion in the report.

During this sampling period, the WWTFs demonstrated they were generally capable of treating raw wastewater below effluent limits. PER didn't identify a consistent pattern of trends week to week which applied to all sample locations. As shown on the next table, in the month of May, Desert Shores and TRC WWTFs effluent exceeded the monthly average BOD the limit of 45 mg/L. All three WWTF's effluent levels were reduced below the monthly average BOD limit for the month of June. Note that BOD levels may be influenced by oversized pipes, long detention times, low flows and/or nitrification which can be caused by system deficiencies.

<i>Monthly Average Biochemical Oxygen Demand (BOD) for Effluent Sample Location</i>				
	BOD Limit (mg/L)	Monthly Average BOD (mg/L)		
Month		Desert Shores	Lansing	TRC
May	45	48.4*	41.8	49.8*
June	45	33.3	29.9	31.6

Note: "*" indicates BOD limit exceedance

Notice of Violations

Per the monthly reports provided by the District to the Regional Water Board, BOD effluent exceedances have occurred intermittently over the years at all three WWTFs, both on average weekly and average monthly intervals. In February 2021, the Regional Water Board issued three Notices of Violation (NOVs), upon review of the District's Self-Monitoring Reports for November 2020 through December 2020.

2021 Enforcement Documents from Regional Water Quality Control Board (RWQCB)			
Date	WWTF Name	Enforcement	Brief Description
11/19/2020	Desert Shores	NOV	BOD Exceedances July-Aug 2020
11/19/2020	Thomas R. Cannell	NOV	BOD Exceedance Aug 2020
11/19/2020	Lansing Avenue	NOV	BOD Exceedance Aug 2020

Desert Shores Facility

The Desert Shores facility received a NOV regarding noncompliance with the WDRs specified in Order R7-2014-0007, Effluent Limitations B.1 stating that wastewater discharge to disposal ponds shall not exceed a Biochemical Oxygen Demand (BOD) average monthly of 45 milligrams per liter (mg/L). In the Desert Shores facility's November 2020 SMR, the reported BOD in the sample collected exceeded the monthly limit with a detected concentration of 66 mg/L.

Lansing Facility

The Lansing facility received a NOV regarding noncompliance with the WDRs specified in Order R7-2012-0035, Effluent Limitations B.1 stating that wastewater discharge to disposal ponds shall not exceed a Biochemical Oxygen Demand (BOD) average monthly of 45 milligrams per liter (mg/L). In the Lansing facility's November 2020 SMR, the reported BOD in the sample collected exceeded the monthly limit with a detected concentration of 55 mg/L. In the December 2020 SMR, the reported BOD in the sample collected exceeded the monthly limit with a detected concentration of 49 mg/L.

TRC Facility

The TRC facility received a NOV regarding noncompliance with the WDRs specified in Order R7-2018-0013, Effluent Limitations B.1 stating that wastewater discharge to disposal ponds shall not exceed a Biochemical Oxygen Demand (BOD) average monthly of 45 milligrams per liter (mg/L). In the TRC facility's November 2020 SMR, the reported BOD in the sample collected exceeded the monthly limit with a detected concentration of 61 mg/L. In the December 2020 SMR, the reported BOD in the sample collected exceeded the monthly limit with a detected concentration of 56 mg/L.

NOV District Response

Upon notification of the BOD violations, the District immediately implemented corrective and preventative actions for each facility to bring the wastewater discharge into full compliance with WDRs. Since the issuance of the three Notices of Violation, the District has upheld compliance with wastewater discharge BOD levels and has not received Effluent Limit Violations from the Regional Water Board since. The District continues to coordinate with the Regional Water Board to ensure the BOD levels reach the appropriate limit of a monthly average of 45 mg/L.

Sanitary Sewer Overflow (SSO) Spill

In July 2021, the District notified the Regional Water Board of a Sanitary Sewer Overflow (SSO) spill caused by a force main rupture, which reportedly spilled untreated wastewater into a drainage channel. The discharge of untreated wastewater into the drainage channel, which is classified as a water body of the United States, resulted in the violation of Order 2006-0003-DWQ, Section C, Prohibition 1, California Water Code 13376, and Clean Water Act Section 301.

Upon delivery of the notice, the District completed and submitted a SSO Technical Report to the Regional Water Board identifying the causes and circumstances of the SSO, describing the District's response and explaining that the SSO liquid had not reached any waterways prior to cleanup of the site, therefore no water quality monitoring activities were undertaken.

The cause of the spill was best estimated to be a small earthquake causing a shear crack near the force main. Upon notification and verification of the spill, the crew was immediately dispatched to shut down pump stations and gather equipment for the repair. The crew dug up the sewer main, located the shear crack and immediately cleaned and repaired the pipe. The crew turned on the pump stations to confirm repair prior to backfilling.

Facility Plans and Upgrades

The District is working with agencies to seek grant funding to replace the entire force main. The proposed force main replacement project has been designed by a professional engineer in the State of California from TKE Engineering and the District expects to put the project out to bid soon.

In January 2023, the District updated the Sewer Rate Study previously completed in April of 2021. The updated rate study was completed by the Rural Community Assistance Corporation (RCAC) in early 2023, for faster implementation into existing District policy and pricing structures. According to the 2016 SAP and 2023 reports, the Lansing and TRC facilities are currently operating at above 85 percent capacity

and there is an immediate need to expand capacity of two facilities. In addition, the Desert Shores facility is operating at 70 percent capacity, it is recommended that the District include plans to expand all three wastewater facilities.

The District’s aging infrastructure requires a systematic and phased approach for restoration of historic infrastructure and construction service connections. Older infrastructure requires more maintenance and therefore is more costly to perform standard repairs. In addition, older infrastructure has a higher possibility for cracks and malfunctioning equipment. Rehabilitation of this infrastructure will be an ongoing process the District will perform to continue providing quality services to community members.

Employee Adequacy:

The District currently employs six (6) personnel to maintain the TRC, Lansing, and Desert Shores facilities. Using the performance standard below, the existing demand for personnel is as follows:

$$6,283 \text{ Existing Population} \times 1.45 \text{ personnel} / 1,000 \text{ population} = \mathbf{9 \text{ personnel demand}^*}$$

* Because a fraction of a person cannot exist, this number is always rounded down to the nearest whole number.

Capacity Adequacy:

The three facilities have a total peak capacity of 447,000 GPD. Since two of the three wastewater treatment facilities operate on alternating schedules the average, peak, and total capacities of the facilities were analyzed separately, as well as jointly for the TRC and Lansing Facilities, as outlined below. Both the TRC and Lansing facilities are operating above the 85 percent threshold. It is important to evaluate the adequacy of existing facilities now and into the future based on peak wastewater flows to accommodate for the worst-case scenario. The following analysis is based on peak wastewater generation numbers; however, average wastewater generation information is provided for informational purposes.

The District is currently applying for a separate planning study grant through the State Water Resources Control Board to evaluate the latest capacities of the WWTFs. Facility capacities listed below are from the District’s 2016 Service Area Plan and may not reflect current conditions of the wastewater system.

TRC and Lansing Facilities

The District currently consists of approximately 6,283 residents, which include 5,155 residents in Salton City and 1,128 residents in Desert Shores. Actual pumping records confirm that wastewater generation is peaking at approximately 287,000 GPD for the Lansing and TRC facilities combined. Approximate peak wastewater generation for residents in Salton City equates to roughly 56 GPD per person. Average wastewater generation for Lansing is 114,000 GPD and 172,000 for TRC, equating to approximately 22 – 33 GPD per person.

The following calculation shows the approximate peak wastewater disposal rate in Salton City:

$$5,155 \text{ population (2020)} \times 56 \text{ (peak GPD)/ population} = \mathbf{287,000 \text{ GPD}}$$

Desert Shores Facility

The current estimated population of Desert Shores is approximately 1,128 persons. Actual pumping records confirm wastewater generation is peaking at approximately 160,000 GPD. Peak wastewater generation for residents in Desert Shores equates to roughly 142 GPD per person. Average wastewater generation is approximately 140,000 GPD, equating to 124 GPD per person. The following calculation shows the approximate peak wastewater disposal in Desert Shores:

$$1,128 \text{ population (2020)} \times 142 \text{ (peak GPD)/ population} = \mathbf{160,000 \text{ GPD}}$$

This calculation shows that the Desert Shores wastewater treatment plant is currently below 85 percent of capacity. The District is currently in the process of rehabilitating check valves at the headworks of the wastewater system in these facilities. Check valves tightly seal to prevent backflow which causes double pumping, resulting in increased flow numbers. According to a visual inspection by maintenance crew staff, malfunctioning check valves have reported higher average daily flow rates. The District is seeking to replace and recalibrate flow meters to account for these circumstances.

Future Demand for Facilities:

According to the District, the Lansing and TRC facilities are currently operating at above 85 percent capacity and there is an immediate need to expand capacity of two facilities. In addition, the Desert Shores facility is operating on average at 70 percent capacity, it is recommended that the District include plans to expand and improve all three wastewater facilities.

The District identified key facilities which should be replaced to improve wastewater system operations, promote health and safety, and reduce effluent levels in treated wastewater discharge. Key facilities and improvements include: the force main from Lift Station 2 in Desert Shores; force mains from Lift Stations 16, 22, and 24 in Salton City; select manholes downstream of the discharge point of the force main from Lift Station 16; and the configuration of the cluster of Lift Stations 19, 19B, and 20. As part of the PER, a series of project alternatives were analyzed and compared to determine feasibility, construction costs and design criteria. The PER provided recommendations for key improvements and replacements for the wastewater collection system to improve discharge quality in compliance with State and Regional Water Board standards.

Based on these findings, the District decided to proceed with the following alternatives:

Proposed Project Components
Alternative DS-FM3 - 6-inch Replacement of Existing Force main from Lift Station 2
Alternative DS-WW1 - Lift Station 2 Improvements
Alternative SC-FM2 - 8-inch Force main Replacement for Lift Station 16
Alternative SC-WW1 - Lift Station 16 Improvements
Alternative SC-WW2 - Manhole Improvements Downstream of Lift Station 16's Force Main Discharge
Alternative SC-WW3A - Replace Lift Station 19 and Remove Lift Station 19B
Alternative SC-FM4 - 6-inch and 8-inch Force main Improvements for Lift Stations 22 and 24

The District's aging infrastructure requires a systematic and phased approach for restoration of historic infrastructure and construction service connections. Older infrastructure requires more maintenance and therefore is more costly to perform standard repairs. In addition, older infrastructure has a higher possibility for cracks and malfunctioning equipment. Rehabilitation of this infrastructure will be an ongoing process the District will perform to continue providing quality services to community members.

TRC and Lansing Facilities

The current TRC and Lansing facilities operate above the 85 percent threshold. The District has immediate plans to increase the capacity of these plants to their original rated capacity of 1,000,000 GPD with the help of TKE Engineering, whom the District accepted a proposal to Provide Professional Engineering Services for Waste Discharge Requirements Permit Amendments.

The District seeks to increase the estimated capacity of the TRC and Lansing facilities through a reassessment of the wastewater facilities to reevaluate their average daily peak flow capacity, which District maintenance crew members believe are underestimated. In addition, the District intends to replace and rehabilitate check valves to produce more accurate flow readings for SMRs. The proposed force main replacement project has been designed by a professional engineer in the State of California.

Desert Shores Facility

The Desert Shore facility has sufficient capacity to serve the existing population; however, the District recognizes the need for improved and updated facilities to meet needs of the Desert Shores Community and reduce the occurrence of effluent limit violations to comply with state water regulations. The 2007 Mitigate Negative Declaration (MND) discusses the impacts of implementation of a Clemson Treatment Process installed within two (2) of the existing ponds that are currently offline at Desert Shores.

Expansions and improvements to the current aeration ponds and collection system are necessary to accommodate near-term needs. An entirely new mechanical treatment plant may be necessary to accommodate the long-term facility demands in Desert Shores. The 2010 Sewer System Management Plan (SSMP) states that for any project beyond a 200-connection threshold, the District will initiate construction of a mechanical plant that will have design features enabling expansion to 1 MGD capacity.

In sum, the capacity of the current Desert Shores facility is sufficient. However, with new annexations or developments into the Desert Shores area the facility will soon approach 85% of capacity.

As of September 2022, the District Board has approved the resolution for District consent for authorized representatives to Develop Scope of Work for Professional Services for Clean Water State Revolving Fund (CWSRF) Planning Application for Plant Capacity Expansion. The delivery of this scope of work will enable the District to perform the necessary capital improvements to increase capacity in each facility.

Opportunities for Shared Facilities:

The District does not share wastewater treatment, storage or distribution facilities with other jurisdictions, and there is no opportunity to share such facilities.

Phasing:

Information on peak wastewater flows from pumping records are used to predict anticipated peak wastewater generation in both the Salton City and Desert Shores facilities. The future number of employees is based on the performance standard of 1.45 employees per 1,000 population as it applies to the total District population as it grows in the future.

Funding

In tandem with the preparation of the PER, the District began working with the Rural Community Assistance Corporation (RCAC) to help apply for grant funding and conduct an updated Wastewater Rate Study to ascertain rates that would meet its existing and future revenue needs. The Rate Study was intended to ensure compliance with California Proposition 218, also known as the "Right to Vote on Taxes Act," which mandates that local governments must obtain approval from affected property owners or ratepayers before imposing, increasing, or extending certain assessments, fees, and charges.

Under Prop 218, a specific procedure was followed by the District to formally adopt new fees:

1. Provision of Notice
2. Public Hearing
3. Ballot Protest Process
4. Majority Approval

The Wastewater Rate Study provided a rate schedule for a five-year period based on the costs to continue providing utility services, maintain an operating budget and prepare for future growth. The rate changes are intended to bolster the wastewater enterprise budget, balance expenditures and needed reserves and fund future capital improvements. The finalized Rate Study was provided to the public prior to the vote.

RCAC assisted the District in following the required Prop 218 procedure for notifying the public and informing them of their rights to protest future rate changes through a majority opt-in voting process. RCAC delivered this presentation to the community on May 17, 2023, which presented the findings of the Rate Study and ensured compliance with Prop 218.

The primary sources of revenue for wastewater treatment and collection facilities are the sewer capacity and connection fees for new developments along with yearly sewer user fees. Currently, a connection fee of \$3,700 per residential unit is required. Sewer user fees are currently \$640.74 per year/residential unit. With the proposed rate adjustment, in June of 2024, the user fee would increase to \$838.41 per year/residential unit. After the first year, this would be followed by an annual 4 percent increase to base and usage rates and 5 percent for the stand-by fees to offset the impact of inflation.

The proposed rate schedule is shown in the table below:

Adjusted Rate 5 Year Rate Schedule					
Rate Type	Year	Year 2	Year 3	Year 4	Year 5
Base Rate	\$838.41	\$871.95	\$906.82	\$943.10	\$980.82
Maintenance Standby Fees	\$16.99	\$17.84	\$18.73	\$19.67	\$20.65
Standby Fees	\$21.00	\$21.00	\$21.00	\$21.00	\$21.00
Usage Rate	\$10.08	\$10.48	\$10.90	\$11.34	\$11.79

On July 19, 2023, the District Board of Directors held a second public hearing at the District office to consider the proposed rates and gather protest ballots from users voting against the rate increase. From the collection of ballots, it was determined that a majority consensus from the community was not achieved, therefore the proposed rate increases were adopted by the District. In demonstrating the District's financial ability to function and become financially solvent over time, the Imperial Local Agency Formation Commission (LAFCO) notified the District that the previous determination for dissolution would be reconsidered if funding opportunities materialized.

Other sources of revenue are from interest income on accounts and equipment rental. The collected revenue is used for maintenance of the sewer system including vehicles and equipment, utilities, laundry, janitorial, salaries and other miscellaneous expenses. Capital purchases such as equipment, tools, and furniture, as well as pump stations, sewer lines, lumber, hardware, labs, and other professional and sewer project expenses are provided via these funds. The District will continue to utilize these funding sources in addition to searching for other sources to improve the existing system in order to meet future demand.

In order to reduce wastewater treatment facilities maintenance and capital improvement costs, the District completes most repairs in house and provides qualified staff for maintenance purposes. The maintenance crew takes care of most problems without having to seek outside assistance.

Reserve Funds

The District maintains reserve funds necessary to uphold credit worthiness and provide funding for infrastructure replacement, economic uncertainty, revenue loss, natural disasters, debt, cash flow requirements and to comply with unfunded mandates. Use of these reserve funds is procedural and closely monitored to ensure funds are use appropriately.

The District possessed reserve funds of \$222,000 as of December 2021. When a new board was elected, the former General Manager (GM) threatened litigation, then quit. One hour before the new board was sworn in, the former board granted the GM a \$192,000 amount of public funds "to settle the matter." The new board demanded the funds back. When the funds were not returned voluntarily, the District filed a civil complaint against the GM. The GM defaulted and the District is currently awaiting the determination of the amount of the award.

Per Capita Costs:

For the fiscal year of 2023-24, the District’s total costs for wastewater services are projected to be \$2,544,109.18.

The current estimated population in Desert Shores and Salton City is approximately 6,283 persons. Using the current population of 6,283, wastewater services costs equate to \$404.92 per resident. This data was calculated by dividing the annual budget for wastewater services by the existing population:

$$\$2,544,109.18 \text{ costs} / 6,283 \text{ population} = \text{\$404.92 per capita per year}$$

Future Funding Costs:

A cost estimate for future wastewater facilities is provided in the table below. These estimates were calculated by utilizing the existing per capita costs to determine future costs based on population projections.

Year	Projected Population	Costs for Wastewater Services
2023	6,302	\$2,544,109.18
2025	6,314	\$2,556,858.39
2030	6,346	\$2,569,668.27
2035	6,378	\$2,582,542.34
2040	6,410	\$2,595,480.90

Future Funding Sources:

The fee structure will need to be reviewed annually and during proposed annexations to ensure that there is sufficient funding to provide wastewater service to new developments. The rate increases outlined in the Salton Community Services District Sewer Rate Study should ensure that the District has sufficient funds to provide for sewer operations over the next five years and beyond.

The District retained the services of the Rural Community Assistance Corporation (RCAC) to finalize the Wastewater Rate Study to evaluate the existing needs and future needs of the sewer system, both on an infrastructure level and financial level. With greater income from the adopted sewer rate fee, the District became better equipped to perform necessary repairs, developments and expansions of the sewer and treatment systems.

The PER was finalized in September 2023 upon the District’s determination of the Selected Construction Project. With an improved financial outlook stemming from the increase in user fees, the District was also empowered to begin the process of applying for grants to fund the preferred capital improvements.

The Clean Water State Revolving Fund (CWSRF) is a federal-state partnership program designed to provide financial assistance for clean water infrastructure projects. It offers low-interest loans and grants to eligible entities like the SCSD, with the goal of improving water quality and environmental protection.

RCAC provided staff time, expertise and technical assistance to research and write grant applications on behalf of the District. The application provided a detailed project proposal, outlining the scope, objectives, and expected outcomes of the wastewater system project. The grant application also outlined how the District intends to manage and maintain the project after completion. This may include budget projections, rate increase plans, and strategies for covering ongoing operational costs.

RCAC ensured that the grant application adhere to all program requirements and guidelines set forth by CWSRF. Through collaboration between relevant agencies, stakeholders and the District, the grant application submitted may secure necessary funding to advance the Selected Construction Project.

Mitigation

Upon completion of the Rate Study, finalization of the PER and adoption of the Prop 218 rate increase, the District was given the opportunity to demonstrate their ability to continue providing wastewater services through the Municipal Services Review. This involves the preparation of the Service Area Plan (SAP), which also includes mitigation strategies to prevent future violations and ensure compliance with federal, state, and local standards.

To provide adequate service to its wastewater customers as development continues within its boundaries and within the Sphere of Influence, the District should implement the following measures:

- Continue to periodically review the wastewater rate and financing structure to ensure adequate funding for the implementation of new projects and the maintenance of existing facilities. The Salton Community Services District Wastewater Rate Study recommended an increase in sewer rates of 30 percent in June 2024 and incremental increases of 4 percent in the subsequent four years to ensure the system is financially viable. This study was updated in January 2023. Per Prop 218 requirements, the user rate increases were brought to the community for a vote in July 2023 and were ultimately adopted by the District.
- Establish District goals in terms of Biological Oxygen Demand (BOD) and total suspended solids (TSS) levels and continue to monitor activities at all three Wastewater Facilities. Implement best management practices (BMPs) for wastewater treatment to minimize pollutants and protect water quality.
- Prior to the recordation of a Final Map for a development project proposed within the District Sphere of Influence, the District shall require a development agreement enforced by the County Land Use Ordinance, indicating that adequate wastewater service would be available to the completed project.

- To meet the wastewater treatment needs of the existing population in Salton City, the District will construct an expandable ponding system per the design and specification requirements of a qualified engineering firm. Phase 1 for expanding the wastewater treatment needs include updating the TRC facility to a rated capacity of 1 MGD and Phase 2 would expand capacity to 3 MGD to accommodate future District demand.
- Implement a robust monitoring and reporting system complying with LAFCO guidelines to track the progress and effectiveness of mitigation measures. Regularly communicate findings and updates to the public and relevant authorities based on the requirements set forth in LAFCO's Staff Report for the District. Adhere to all direction from LAFCO throughout probationary status.
- Release bid packages and secure construction contracts to proceed with the selected alternative. Obtain necessary permits and provide required notifications to agencies to receive authorization for completing the improvements.
- Conduct biological and cultural resource studies to address the federal crosscutter requirements of the federal Clean Water State Revolving Funding program.
- With the assistance from RCAC, develop a Clean Water State Revolving Fund (CWSRF) Planning Application to fund the Selected Construction Project and promptly execute the bidder selection process to complete the improvements.
- Prepare detailed system maps of the sewer system, drainage basins, hydraulic models, or record drawings (as-builts) as required as part of the Sewer System Management Plan (SSMP) mandated by the Regional Water Quality Control Board.
- Apply for a separate planning grant through the State Water Resources Control Board to evaluate the capacities of the WWTFs.

3.3 FIRE FACILITIES

Introduction

As of November 2019, the District no longer provides fire protection/emergency medical services to the Service Area. In May 2019, the District Board voted to authorize an election for a Special Tax for Fire Protection Services. The election for the Fire Protection Parcel Tax did not pass with the required 2/3 vote. The District Fire Department resigned from their positions without a transition plan in place to continue fire protections in the Service Area.

In 2020, the Board motioned for the former General Manager to negotiate fire coverage for the District Service Area. However, LAFCO was not notified of the change in provision of services and County negotiations were never settled. The County of Imperial took action and stepped in to continue Fire Protection services for District residents. Currently, all fire personnel are staffed by the County of Imperial Fire Department.

Imperial County Fire Station #9 is located at the Imperial County Road District #3 Satellite Road Yard at 2256 West Cleveland Ave. Salton City, CA 92275. The County currently uses a mobile home structure for personnel and utilizes the yard to hold emergency vehicles.

Performance Standard

The District's authority to provide Fire Protection services has not yet been formally removed by LAFCO, however the County is currently providing those services to the residents in the unincorporated Service Area. County Fire Protection standards are currently being used as a substitute until the determination of long-term Fire Protection Service plans for the area are set in place. Historically, a goal of the staff was to make it to the emergency site within eight minutes of receiving notice. Another goal of the staff is a three-minute "out the door" response time. Therefore, the performance standard necessary to maintain the current level of service shall not exceed the eight-minute station to site response time, as well as the three-minute out the door time.

The District does not maintain performance standards for square footage of their facilities. Therefore, a future performance standard can be determined based on existing facility square footage and the existing population at the time of the preparation of the Service Area Plan. The total square footage of the Fire Station is approximately 1,850 square feet. Therefore, the performance standard for fire facilities for the District is **293 square feet per 1,000 population.** In the previously drafted 2006 SAP, the performance standard was based off of two fire facilities totaling 3,800 square feet, with a performance standard of 690 square feet per 1,000 population.

Similarly, although the District does not maintain a personnel standard for fire services, the adequacy of the existing staff suggests that a metric for staffing of 2.17 staff persons per 1,000 population is suitable.

Facility Planning and Adequacy Analysis

The District no longer provides fire protection/emergency medical services to the Service Area. As stated above, all fire personnel are currently staffed by the County of Imperial Fire Department. In addition to responding to fire related emergencies, the fire department responds to traffic collisions as well as medical emergencies to bridge the time gap until an ambulance/EMT arrives. The American Medical Response (AMR) Ambulance Service currently provides ambulatory services and operates out of the fire station in Salton City.

Inventory of Existing Facilities:

The District formerly operated one fire station located at 1520 Nile Drive in Salton City. The Station comprised approximately 1,850 square feet and included the following equipment:

- Two (2) fire trucks – One (1) given to the County and one (1) currently inoperable for emergency services
- One (1) ambulance (owned and operated by AMR)
- Two (2) defibrillators (one located at the District office, and the second one at the shop)

Imperial County Fire Station #9 is currently overseeing fire protection and emergency medical services to the District Service Area. The facility uses a mobile home structure for personnel and is located at the Imperial County Road District #3 Satellite Road Yard at 2256 West Cleveland Ave. Salton City, CA 92275. In 2022, the District formally transferred ownership of a fire engine to the County, which is now utilized for emergency response and is stored in the station yard. Firefighter staffing is provided by the Imperial County Fire Department. Fire staff are available seven days a week to respond to emergencies.

Adequacy of Existing Facilities:

The fire staff have a response time goal of eight minutes. However, meeting this response time goal is a challenge when servicing communities such as Vista Del Mar and other calls originating far from the station. Additionally, since the District's volunteer fire staff has been disbanded and firefighter staff are from the Imperial County Fire Department, there have been concerns over delayed response times due to the complex geography of the District and having the District served by non-local responders.

Future Demand for Facilities:

As the District continues to grow, so does the need for fire services and facilities. There is a present need for training County staff to achieve the response time goal of eight minutes to the site. Given the large service area covered by the District, the need for training to achieve adequate response times will only increase as growth occurs and presents additional demands for fire services. With a population expected to reach 6,410 by the year 2040, additional fire facilities and personnel will be needed to serve the future residents of the District. In order to meet this future demand, an additional 28 square feet of fire facilities and 14 personnel total will be needed.

Opportunities for Shared Facilities:

The District no longer provides fire protection/emergency medical services to the Service Area. The District’s authority to provide fire services has not yet been relinquished by LAFCO, however services have been taken over by the County. The District formally transferred a fire engine to the County to support their fire protection services for the Service Area. The District still owns the former fire station and protective equipment, which could be transferred to the County in the future.

Phasing:

The District no longer provides fire protection/emergency medical services to the Service Area. However, the following table provides an estimate of the phased demand associated with incremental growth within the planning horizon using the updated standard of providing 293 square feet of facility space per 1,000 population and 2.17 personnel per 1,000 population.

Year	Population	Personnel Demand	Square Footage Demand
2020	6,283	14	1,841
2025	6,314	14	1,850
2030	6,346	14	1,859
2035	6,378	14	1,869
2040	6,410	14	1,878

Funding

The District fire department personnel resigned from their positions upon the rejection of the Fire Protection Parcel Tax. This made the District lose authority to provide Fire Protection services to the County due to not having enough funding to operate and maintain the fire department. Imperial County began providing fire protection services to the Service Area in November 2019. To this date (2023), Imperial County has not scheduled or reached out to the District regarding payment toward fire protection services they are providing.

Mitigation

To provide adequate fire protection services as development continues within District boundaries and within the Sphere of Influence, the District should implement the following measures:

- Support the County’s fire protection services through negotiations and agreements to provide fire protection and emergency response services to the service area
- Facilitate shared use of facilities, vehicles, and protective equipment with the County

3.4 PARK AND RECREATIONAL FACILITIES

Introduction

The Salton Community Services District welcomes and encourages community groups and individuals to use parks and recreation facilities in the District. Certain parks and facility space may be reserved for various functions, provided that such use does not conflict with regularly scheduled District programs.

Performance Standard

Objective 8.2 of the Imperial County General Plan is to ensure that new developments provide improvements to meet the added demand for parks and recreational facilities. While no objectives or performance standards have been formally adopted by the District for park facilities, Imperial County General Plan's established recreation objective applies to the intent of the District, described below.

In order to assure consistency with Objective 8.2 and the goals of the District, when new residential developments are approved, developers are required to dedicate Open Space land such as parks to the District at a ratio of five acres per 1,000 projected residents, or pay a park impact fee to the District to help fund the maintenance of current parks and the expansion of the park system. This ensures a designated ratio of parks per population within a community and the adequacy of existing parks. This ratio is generally consistent with designated Urban Areas throughout Imperial County and meets state requirements.

$$6,283 \text{ Existing Population} \times 5 \text{ Acres} / 1,000 \text{ Population} = \mathbf{31 \text{ Acres}}$$

Facility Planning and Adequacy Analysis

Inventory of Existing Facilities:

The District maintains two constructed park facilities, the Salton City Community Park (10.5 acres) and the Desert Shores Soccer Park (4.59 acres). The opportunity exists for additional park development within the District on a total of 102.37 undeveloped acres, which brings the total possible combined park acreage within the District (including developed and undeveloped acreage) to 117.46 acres. The list of parks and possible park acres is as follows:

Park Acreage Owned by the District:

Salton City Community Park = 10.5 acres

Desert Shores Soccer Park = 4.59 acres

Undeveloped (possible) park/open space properties = 102.37

Total = 15.09 acres of developed park facilities and 117.46 acres of possible park space

At the time, this SAP has been amended, there are two designated Public Works employees responsible for maintaining the two public parks. The employee(s) are responsible for collecting any recreational fees, mowing the lawns, and providing general oversight over all the parks.

There are a number of privately owned and operated recreational activities and areas within the District as well, and these are discussed below.

Salton City Community Park

The Salton City Community Park is located in Salton City about one mile from the District administrative offices at the northwest corner of Harbor Drive and Iridescent Avenue. The picnic/activities area is open year-round. This area includes a basketball court, a covered patio area, picnic tables, barbeque stands, public restrooms, and playground equipment.



Photo of park entrance at Harbor Dr and Iridescent Ave

Desert Shores Soccer Park

The Desert Shores Soccer Park is located in the Community of Desert Shores. It covers nearly five acres and includes a baseball field, basketball courts, and playground equipment. The park has ample parking and includes public restrooms. A soccer field will be constructed at the park in 2023-2024.



Desert Shores Community Park

Additional Recreation Resources:

West Shores RV Park and Storage: The West Shores RV Park and Storage is located at the north end of Sea Garden Avenue, just east of North Marina Drive. Features 108 spaces with FHU, 30 Dry camp sites with full 30/50-amp hookup sites.

Ocotillo Wells State OHV Recreation Area: Located off State Route 22 approximately 85,000 acres of magnificent desert are open for off-highway exploration and recreation.

Adequacy of Existing Facilities:

Applying the performance standard of five acres per 1,000 residents to the estimated District population of 6,283, the District should include a minimum of 31 acres of parkland. The current park acreage of 16.91 acres falls below this standard.

$$6,283 \text{ Existing Population} \times (5 \text{ acres} / 1,000 \text{ Population}) = \mathbf{31 \text{ acres}}$$

$$15.09 \text{ acres of developed park facilities} - 31 \text{ acres of current demand} = \mathbf{15.91\text{-acre deficit}}$$

Future Demand for Park and Recreation Facilities Staff:

Based on the 2040 population projection of 6,410, the District will need 32 acres of recreational open space in order to be consistent with the performance standard objective. This indicates that the District will have a deficit of parkland by the year 2040. This figure was determined as follows:

$$5 \text{ Acres}/1,000 \text{ Population} \times 6,410 \text{ Population} = \mathbf{32 \text{ acres of future demand}}$$

$$15.09 \text{ acres of developed park facilities} - 32 \text{ acres of future demand} = \mathbf{16.91\text{-acre deficit}}$$

Opportunities for Shared Facilities:

It is common for municipalities to share recreational facilities with school districts, making school related fields and playgrounds accessible to the public. At the time this SAP was published, the District has not investigated resource sharing with the Coachella Valley Unified School District.

Phasing:

To enhance the District's park facilities, the District will perform a landscape redevelopment project for Salton City Community Park, to assist in dust depression and air pollution controls. This project will be designed and completed by June 2024.

In addition, the District will perform a phased redevelopment of Desert Shores Community Park to provide an open green space for residents to enjoy known as Desert Shores Soccer Park. The District is performing landscape and irrigation installation, in addition to other facilities to support the upcoming development.

The District will coordinate with the Imperial County Air Pollution Control District (ICAPCD) to perform incremental improvement projects in Desert Shores Community Park. Upon completion of each phase of the project, the District will engage ICAPCD to perform inspection and review of the redevelopment, to ensure compliance with funding requirements.

Additional parks will gradually be required in order to continue to meet the adopted standard as the District’s population grows. Based on the standard of providing 5.0 acres of park land per 1,000 population, the following table represents the demand for parkland acreage for the next 20 years in five-year increments. As the table shows, the District currently has enough park land to accommodate projected population growth through the year 2040.

Year	Projected Population	Park Acreage Required
2020	6,283	31
2025	6,314	32
2030	6,346	32
2035	6,378	32
2040	6,410	32

Funding

Parks and Recreation funding comes from the General Fund, California State Parks Grants, and interest on these grants. It is recommended the District investigate the process of relinquishing all responsibilities for Parks and Recreation to the County of Imperial due to lack of reliable and reoccurring funding sources.

Per Capita Costs:

The District’s expenditures on parks in the 2022-2023 fiscal year totaled \$84,709.26. Projected expenditures on parks for 2023-2024 show an increase in expenditures, primarily associated with park improvement expenses \$273,176.72 (Desert Shores) and \$177,952.00 (Salton City) for the year, compared to 2021-2022 \$ 356.35 (Desert Shores) and \$392.64 (Salton City). However, park improvement expenses for parks are projected to decrease after completion of both park grant projects.

Using the 2020 population of 6,283 residents in the District, park and recreation services costs are \$13.48 per resident. This data was calculated by dividing the actual parks and/ recreation expenses from 2022-2023 by the existing population.

$$\$84,709.26 \text{ cost} / 6,283 \text{ residents} = \mathbf{\$13.48 \text{ per capita}}$$

Future Funding Costs:

It is recommended the District start the process of relinquishing all responsibilities for Parks and Recreation to the County of Imperial due to lack of reliable and reoccurring funding sources. If the District does continue to manage Parks and Recreation, it is essential that the District require developers of new residential developments to dedicate parkland and/or pay development impact fees for the improvement and expansion of existing park and recreational facilities in accordance with applicable State statutes. It would also be critical that the District develop and implement a long-term maintenance and improvement plan for all park and recreational facilities within the District.

Awarded Grants

The District has received two grants in support of Parks and Recreation projects in the Service Area. The State of California Department of Parks and Recreation, in accordance with the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018, awarded the District with a \$177,952 grant to support the redevelopment and restoration of the Salton City Community Park.

The District will use the grant funds to restore the Salton City Community Park by contracting landscape architects and engineers to assist in the design and redevelopment of the landscaping. Landscape architects will conceptualize an updated site plan which will implement dust control measures to assist with dust pollution challenges faced by community residents. The District will meet the project performance period to have the project designed and completed by June 2024. As of November 2022, the District Board approved to direct staff to commence applications to begin the improvements to the Salton City Park for Landscaping grant funding.

The District also received a funding project grant from the Imperial County Air Pollution Control District (ICAPCD) as part of the Clean Air Trust Fund. In order to reduce particulate matter (PM₁₀), ICAPCD awarded a \$200,000 grant to the District to install 33,000 square feet of real grass in Desert Shores Community Park. The Funding Agreement states that the project must be funded and fully executed by the District prior to review, inspection, and reimbursement by ICAPCD.

The District intends to adopt a phased approach to completing the green space project, through incremental contributions by the District to perform the work, until ICAPCD performs their inspection and approves the reimbursement. This is the most feasible and cost-effective approach for the District to leverage the total amount of funds while maintaining necessary reserves and ensuring the work is completed to the standard of ICAPCD.

As of September 2022, the District Board authorized to proceed with the preparation of the contract documents and bidding of the Desert Shores Community Park Project and gave direction to staff for use of real grass under the Clean Air Trust Fund Grant.

Mitigation

In order for the District to provide to its residents' adequate park land that is efficiently managed and maintained as growth continues within the District, the following measures should be implemented:

- Leverage State and County grants to perform capital improvement projects in the Salton City Community Park and Desert Shores Community Park. Ensure compliance with grant funding requirements and meet the standards necessary for expenditures and reimbursements.
- Implement reliable and reoccurring funding sources to finance park and recreational facilities. If budget cannot be made available, it is recommended the District relinquish its rights to service parks and recreation to the County.
- Require developers of new residential developments to dedicate parkland and/or pay development impact fees for the improvement and expansion of existing park and recreational facilities.
- Develop a maintenance and improvement plan for all park and recreational facilities within the District taking into consideration the results of the questionnaire distributed by the Community Recreation Complex Commission.

3.5 SANITATION AND SOLID WASTE DISPOSAL

Introduction

The District maintains an agreement with Burrtec for the collection and disposal of all commercial, residential, industrial, and construction refuse within the jurisdictional boundaries of the District. Every year, the District and Burrtec renew a ten-year contract. District and Burrtec participate in a ten-year agreement which is reassessed every year to determine rates based on operating costs and participating users. The exclusive franchise agreement for solid waste and recycling services between Burrtec and the District became effective in September of 2009 and was amended in December of 2019.

Performance Standard

The California Integrated Waste Management Board (IWMB) is the designated State agency to oversee and manage California's waste resources generated each year. The Imperial County Integrated Waste Management Board is tasked with ensuring the proper disposal of solid waste within the District. The IWMB sets a waste diversion rate goal of 50 percent, which means Imperial County must divert 50 percent of the waste generated within its jurisdiction. Special Districts are not held individually responsible for this goal but do contribute to the overall ratio of solid waste diversion in the County of Imperial.

The IWMB typically requires a 15-year planning capacity for landfills that do not have diversion plans in place. District residents may independently dispose of solid waste at the Salton City Landfill, which has a closure date in excess of 50 years. Burrtec disposes District waste at the Imperial County Landfill located in Salton City.

Facility Planning and Adequacy Analysis

An agreement exists between Burrtec and the District for the collection and disposal of all commercial, residential, industrial, and construction refuse within the jurisdictional boundaries of the District (see Appendix A). Burrtec provides all labor, material, and equipment necessary for the collection and disposal of all refuse within the District, as well as the collection and payment of these services. Burrtec, or delegated agents, also collects and removes all rubbish, waste material,



Sign for the Salton City Landfill. Photo from Jay Calderon, August 2014

construction material, hazardous waste and rubble as outlined and defined in the service agreement. Per District approval, Burrtec may collect and dispose of dirt, sod, rock, or other bulky heavy objects for an additional service charge. All commercial waste must be collected in bins at locations approved by the District and that provide clear access.

Burrtec has an established route and schedule for collection of refuse and provides each individual a collection schedule, including alternative days for holidays. All operations are conducted in the least obstructive means possible. Burrtec disposes District waste at the Imperial County Landfill located in Salton City.

All residents of Imperial County, inclusive of all District residents, can independently dispose of solid waste at the Salton City Landfill, which is a Class III landfill. The Salton City Landfill is permitted for up to 6,000 tons per day and/or 498 vehicles and is open on Saturdays from 7am to 4pm. Disposal of hazardous wastes is not permitted. Since 1994, the burying of any metal with recyclable value has been prohibited. A bin exists on site for white goods such as refrigerators, stoves, etc. for transport elsewhere.

Inventory of Existing Facilities:

The District’s contract with Burrtec ensures the adequacy of solid waste disposal facilities and services. This includes provision for bins, trucks, and associated equipment as well as adequate collection and disposal capacity. Residents of the District may opt to dispose of solid waste at the Salton City Landfill, which is located seven miles west of Highway 86, south of Salton City.



Photo of a Burrtec Vehicle

Adequacy of Existing Facilities:

The commercial bins maintained by Burrtec are in a satisfactory condition as guaranteed per the solid waste contract. All collection trucks are in good mechanical condition and washed once each week per the contract as well. All trucks are watertight and leak-proof with adequate coverings to prevent refuse spillage. As stated above, the contract with Burrtec ensures the adequacy of solid was disposal facilities and services.

The Salton City Landfill, which is primarily used by residents that do not subscribe to services via Burrtec, has capacity in excess of 50 years. The site is approximately 300 acres, of which only seven acres are currently disturbed. The site continues to have adequate capacity to meet the needs of District residents.

Future Demand for Facilities:

As the District continues to grow, so does the need for solid waste disposal services and facilities. The ten-year franchise agreement for Solid Waste and Recycling Services with Burrtec was amended as of December 2019 to include collection services for residents on the Imperial County Tax Roll.

The Salton City Landfill has a closure date in excess of 50 years. This site will continue to suffice for District needs now and into the future.

Opportunities for Shared Facilities:

The District has a contract with Burrtec for solid waste disposal services.

Phasing:

The District has no phasing plans for sanitation/solid waste services. As growth continues within the District, solid waste services will continue to be reviewed to ensure that they are keeping pace with the performance standard projections and that they are generally adequate to serve the population. A study of the long-term implications of mandatory trash collection pick-up and the implication of in-house trash collection would be useful to provide concrete phasing plans for future facilities development.

Funding

Burrtec performs all residential, commercial, industrial, construction, and roll-off billing per the conditions of the solid waste agreement signed by the District. To assist with the collection of funds, Burrtec and the District agreed to place all District Residents on the Imperial County Tax Roll for Solid Waste and Recycling Services, with the option to “opt-out” for direct billing or perform their own Self-Hauling. Direct costs billed to end users at rates determined by Burrtec. Each year, rates are assessed by Burrtec based on operating costs and are defined in the annual renewal agreement negotiated by the District. The District takes 5% of the annual revenue for administering the solid waste services.

Future Funding Costs:

Refuse collection rates are pre-determined in the contract between Burrtec and the District. Rate increases may only be made by a resolution passed by the Board of Directors of the District. As stated in the contract, commencing on the anniversary date of the agreement, the rates set forth shall be adjusted upward or downward to reflect changes in the cost of doing business, as measured by fluctuations in the consumer price index (CPI). In addition, Burrtec may petition the District with written requests for rate adjustments on the basis of changes in the cost of doing business, such as labor, fuel, insurance, etc. All costs are subject to change upon contract expiration. The land use fee on property taxes will continue to be used as a funding source for operation of the Salton City landfill.

4. FINANCING

Introduction

This section of the Service Area Plan (SAP) discusses various financing mechanisms available to the District. It also describes how each existing facility is currently financed and how future financial demands for these facilities can be satisfied. This section also discusses recommended finance plans and available financing options.

In 1996, Proposition 218, a Constitutional amendment, was enacted. Prop 218 clearly defined general taxes and special taxes and set guidelines on the issuance, use, and implementation of taxes, fees, and charges. Proposition 218 applies to local governments in California, including Special Districts. General taxes must be approved by a majority of voters before they can be imposed, extended, or increased. Special taxes require an approval by a two-thirds vote of voters.

Financing Opportunities and Constraints

The following list presents sources of revenue that are currently utilized by the Salton Community Services District to accumulate funds necessary to develop and operate the various facilities and services discussed within the Service Area Plan.

A. General Taxes

General taxes generate revenue that is deposited in a District's General Fund and can be used to support various improvements and services including general government operations, development services, public safety services, and community services. These revenues can also be used to construct public facilities. Per Proposition 13 (1978) the District General Fund earns one-half of 1 percent of the property taxes collected by the County of Imperial. The District General Fund is maintained via taxes, fees, and interest on accounts. The District essentially resembles an enterprise district in which the residents are charged a fee for services used, and the fees provide the funding reflected in the General Fund. The District is not as reliant on general taxes for day-to-day operations as it is on service fees; however, with some growth anticipated within the District over the next 20 years, the District may need to obtain additional sources of funding for its operations.

B. Local Bond Issues

The District can issue general obligation (GO) bonds to finance the acquisition and construction of public capital facilities and real property. These bonds cannot be used for operations and maintenance or to purchase equipment. GO bond measures must be approved by two-thirds of the jurisdiction's voters.

C. Development Impact Fees

Development Impact Fees can be a significant funding source to finance large scale public facilities and services. These fees are intended to ensure that new development pays its proportional share of costs for public facilities and services based on the impacts created by the new development. In concept, the District charges the development community a series of fees, which provide the source of income to pay for capital projects and services. When enough cash has been assembled, the District constructs capital facility projects in order of priority. Development Impact Fees can be used for the following public facilities:

- Fire Protection
- Streetlights
- Sewer Services
- General Facilities
- Open Space Acquisition
- Park Land & Facilities

D. Developer / Builder Contribution

Many of the sewer, fire, park, solid waste services, and administrative improvements required as a result of new development can be directly funded and constructed by the developer and/or builder(s) through private funding sources. Facilities earmarked for developer / builder funding are typically those which normally would have been imposed as a condition of approval of a tentative map under the existing development review process.

E. User Fees

User fees are usually authorized by statute for specific uses and are typically required for monthly services. The fees are used as a revenue source to maintain the systems in proper operating condition and for the construction of facilities needed to meet demand.

F. Special Assessments

Districts can charge benefit assessments to pay for public works such as sewers and parks. Property owners pay benefit assessment only for the projects or services that directly benefit their property. The amount of the assessment must be directly related to the benefit received. As a result, a Community Services District may be broken into zones, which only pay for those facilities and services that provide a benefit to that zone. Proposition 218 (1996) required local governments, including Districts, to get weighted ballot approval from property owners before they can create assessment districts and levy benefit assessments.

G. Fire Suppression Assessment Act (Government Code Section 500078 et seq.)

Under this act, a special district is allowed to levy assessments on specific parcels or zones for the provision of fire suppression services. A fire suppression assessment does not require the formation of an assessment district but requires the adoption of an ordinance or resolution in which the parcels or zones subject to the assessment must be identified. In addition, all requirements of Proposition 218 must be met when imposing a fire suppression assessment.

H. Community Facilities District

A Community Facilities District (CFD), not to be confused with a Community Services District, falls under the 1982 Mello-Roos Community Facilities Act. This Act allows a CFD to be established by cities, counties, special districts, and school districts to fund a variety of facilities and services. Note that the boundaries of a CFD are not required to be contiguous to any other jurisdiction, as they are for a CSD. In order for a CFD to be formed, a public hearing must occur, and an election (with a two-thirds affirmative vote) be held to authorize the specified tax levy. The special tax levy (Mello-Roos tax) is used to either provide direct funding or pay off bonds. The facilities being funded are not required to be physically located within the boundaries of the CFD.

I. Federal Funding

Various government programs are available at the State and Federal levels to assist local jurisdictions in financing public facilities and services. Most funding sources at the State level require an application requesting assistance and specify the projects or purposes for which the funds can be used. Financial assistance from the state can include grants, low interest loans and matching funds. At the Federal level financial assistance includes grants and federal matching funds for state run assistance programs. State and Federal funding sources include the following:

Community Development Block Grants (CDBG)

CDBG funds must be used within a broad functional area, such as community development. These Federal funds are distributed to local governments through a local clearinghouse. The allocation amount is based on a formula.

Fixing America's Surface Transportation (FAST) Act

Under this act, Federal funding is available for street and road improvements and repairs.

USDA Water and Waste Disposal Loans and Grants

Rural municipalities with a population of 10,000 or less are eligible for Water and Waste Disposal Loans and Grants from the USDA. These loans are for the purpose of developing water and waste disposal systems in rural areas. Funds may be used to finance the acquisition, construction, or improvement of drinking water sourcing, treatment, storage, and distribution; sewer collection, transmission, treatment, and disposal; solid waste collection, disposal, and closure; and storm water collection, transmission, and disposal. In some cases, funding may also be available for related activities such as legal and engineering fees; land acquisition, water, and land rights, permits and equipment; start-up operations and maintenance; interest incurred during construction; and the purchase of facilities to improve service or prevent loss of service. A 40-year maximum repayment period has been set for the loans.

Economic Development Administration (EDA) – Public Works Program

EDA's Public Works program helps distressed communities revitalize, expand, and upgrade their physical infrastructure. This program enables communities to attract new industry; encourage business expansion; diversify local economies; and generate or retain long-term, private-sector jobs and investment through the acquisition or development of land and infrastructure improvements needed for the successful establishment or expansion of industrial or commercial enterprises. Through the program, EDA invests in traditional public works projects, including water and sewer systems improvements, industrial parks, business incubator facilities, expansion of port and harbor facilities, skill-training facilities, and brownfields development.

Environmental Protection Agency

The Environmental Protection Agency makes low interest loans to communities to assist in the construction of new or upgraded water and wastewater treatment facilities, through the Water Infrastructure Finance and Innovation Act of 2014 (WIFIA).

J. State Funding

California Infrastructure and Economic Development Bank

This agency of the State of California offers a range of funding sources, including:

Clean Water State Revolving Fund (CWSRF)

The State Water Resources Control Board (SWRCB) is responsible for managing the state's water resources and implementing programs to ensure the availability and quality of water for California residents. One of the funding sources administered by the SWRCB is the Clean Water State Revolving Fund (CWSRF). The CWSRF provides low-interest loans and grants to

assist communities in financing the planning, design, and construction of wastewater treatment and water quality improvement projects.

The availability of CWSRF funding can significantly benefit the District in implementing mitigation measures and wastewater facility upgrades outlined in the Service Area Plan (SAP). This funding source can help finance critical infrastructure upgrades and mitigation measures outlined in the SAP, contributing to the District's long-term sustainability and compliance with regulatory requirements. Access to CWSRF funding can also enable the development of higher capacity wastewater treatment facilities, which can, in turn, accommodate population growth and expanding service areas.

The application process for CWSRF grants can be highly competitive and the availability of funds may be limited. While CWSRF loans offer favorable terms, they are still loans that need to be repaid and compliance with regulatory requirements is necessary to maximize the benefits of CWSRF funding. The District must plan for the long-term financial commitment associated with loan repayment. The CWSRF application review and approval process can be time-consuming, which may delay project implementation.

Infrastructure State Revolving Fund

Special districts in California may obtain loans for a range of infrastructure, including:

- City streets
- County highways
- State highways
- Drainage, water supply and flood control
- Educational, cultural, and social facilities
- Environmental mitigation measures
- Goods movement-related infrastructure
- Parks and recreational facilities
- Public transit
- Sewage collection and treatment
- Solid waste collection and disposal
- Water treatment and distribution
- Public safety facilities

Eligible costs covered by the Infrastructure State Revolving Fund include:

- All or any part of the cost of construction, renovation, and acquisition of all lands, structures, and real or personal property
- Rights, rights of way, franchises, licenses, easements, and interests acquired or used for a project

- The cost of demolishing or removing any buildings or structures
- Cost of machinery and equipment
- Other expenses necessary for a project
- The soft costs associated with a project (including architectural, engineering, legal, and related costs)
- Interest prior to, during, and for a period after, completion of construction, renovation, or acquisition, as determined by the Infrastructure Bank
- Reserves for principal and interest and for extensions, enlargements, additions, replacements, renovations, and improvements

CLEEN Program: California Lending for Energy and Environmental Needs

The CLEEN Center provides direct public financing to help meet the goals of the State of California for greenhouse gas reduction, water conservation and environmental preservation. The CLEEN Center offers the Statewide Energy Efficiency Program (SWEET) and the Light Emitting Diode Street Lighting Program (LED). Financing through these programs can be made through direct loans with the Infrastructure State Revolving Fund in amounts from \$500,000 to \$30 million.

Eligible SWEET projects could include:

- Advanced metering systems to support conversion of master-meter buildings to sub-metering
- Data center, information technology, and communications energy efficiency
- Energy management and/or control systems, including continuous commissioning
- Demand response programs
- Water conservation, wastewater management, pipeline, mining / extraction and similar end-use processes, facilities, buildings, and infrastructure
- Lighting and control systems
- Heating, ventilation, and air conditioning systems (HVAC)
- Building envelope improvements
- Occupant plug load management systems
- Other electrical load reduction
- Thermal and electric energy storage

The LED program helps to fund the installation of LED streetlights as another energy efficiency strategy for the State of California.

Public Agency Revenue Bonds (PARBs)

The California Infrastructure and Economic Development Bank provides bond financing to expand various programs of specific local government agencies for qualified purposes

including the construction of transportation and transit facilities, water and wastewater systems, power generation and transmission systems, sewer systems, and related facilities.

Transformative Climate Communities

This Transformative Climate Communities (TCC) Program funds community-led development and infrastructure projects that achieve major environmental, health, and economic benefits in the state’s most disadvantaged communities. The TCC is funded by California’s Cap-and-Trade Program, and eligible programs must reduce greenhouse gas emissions significantly over time, leverage additional funding sources, and provide additional health, environmental, and economic benefits. Examples of eligible projects include, but are not limited to, the following:

- Bicycle and car share programs
- Water-energy efficiency installations
- Urban greening projects
- Bicycle and pedestrian facilities
- Health and well-being projects

The monitoring and reporting of TCC projects is conducted using a quantification methodology certified by the California Air Resources Board.

Urban Greening Program

This program provides grant funding to disadvantaged communities for projects designed to reduce greenhouse gas emissions. Eligible projects acquire, create, enhance, or expand community parks and green spaces, and/ or use natural systems (or systems that mimic natural systems) to achieve multiple benefits.

K. Lease Financing

Instead of purchasing or issuing bonds, agencies can enter into a lease agreement to acquire and dispose of property. Generally, one or two types of lease agreements is entered. The first type is a “lease-purchase” agreement, where an agency leases a facility while purchasing it. The second type is a “sale-leaseback” agreement, where a facility is sold to a lessor by an agency, which immediately leases the facility back to the agency. Leases are designed to be tax-exempt investments and a properly constructed lease is not considered a public debt. Lease financing requires finding an investor or group of investors to invest in the return from the agency’s lease payments.

Certificates of Participation

Certificates of participation (COPs) have become a popular financing method for cities, counties, school districts, and other public entities. They offer officials a way to obtain funding to build capital improvement projects without having to obtain a vote of the public,

while complying with California debt limitation laws. All certificates of participation are structured so that the ownership of the project being financed is vested in a third-party entity that then leases the project back to the District, thus providing the District the use of the project in return for lease payments from its general fund. The third-party entity assigns the lease payments on the project to a trustee, who then remits the lease payments to investors in the COPs. The COPs are ultimately sold to investors.

If projects are too small to attract investors or to be feasible for lease financing, local agencies can pool COPs. Pooling COPs allows agencies to minimize the costs of initiating and issuing a COP and may reduce the interest required to be paid on the lease. Entities involved with a pooled COP must form a Joint Powers Authority to oversee the pooled COP.

L. Channel Maintenance Fund

Channel Maintenance services were historically provided by the District and included in past Service Area Plans, prior to 2006. All Channel Maintenance Funds that were held by the District were released to three (3) POA's that oversee the channels, the POA's are as follows; Riviera Keys Property Owners Association, Bahia Del Mar Estates Property Owner's Association, and Pelican Island Property Owner's Association. The District plans to renew the Channel Maintenance Fund next fiscal year (2023-2024) to aid with an upcoming project in Desert Shores. The Channel Maintenance Fund is a self-financed program which should be fully funded by user fees. The District's self-financed programs are to be fully funded by the user fees including overhead, equipment replacement, debt financing, transfers to reserves and capital expenditures.

Facility Financing

The following list presents sources of revenue that are currently utilized by the Salton Community Services District to accumulate finances necessary to develop and operate the various facilities and services discussed within the Service Area Plan.

A. Administrative Facilities

Current Funding

The District does not maintain a separate budget line item pertaining to Administrative Facilities. Instead, Sewer Maintenance Funds (SM) pay for and fund all items associated with the District office building. Property taxes are not used to fund the District office building. Instead, the District office building is funded by sewer user fees and rental income.

Cost Avoidance Opportunities

In order to reduce administrative service costs, the District completes most maintenance and repairs in-house prior to taking them out for bid. The District also takes part in the Special District Risk Management Authority (SDRMA) Credit Incentive Program, which can provide credit incentives of up to 15 percent towards Property and Liability and Workers Compensation Programs.

Recommended Funding

In addition to the continued use of existing funding sources, development impact fees may be established to help fund demand for future administrative facilities created by future development. If additional funding is needed, General Obligation Bonds may be issued, or a community facilities district can be formed.

B. Wastewater Facilities

Current Funding

The primary sources of revenue for wastewater treatment and collection facilities are the sewer capacity and connection fees for new developments along with yearly sewer user fees. Other sources of revenue are from interest income on accounts and equipment rentals.

Cost Avoidance Opportunities

In order to reduce wastewater treatment facility and capital improvement costs, the District completes most repairs in house and maintains a qualified staff for maintenance purposes without having to seek outside assistance.

The primary advantage of the Clean Water State Revolving Fund (CWSRF) program is access to low-interest loans. These loans often offer significantly lower interest rates than traditional financing options, which can result in substantial cost savings over the life of a project. In addition to loans, some portions of CWSRF funding may be available as grants. These grants do not need to be repaid and can provide essential financial assistance for projects.

Recommended Funding

The current fee structure will need to be reviewed periodically and during any proposed annexations in the future to ensure that there is sufficient funding to provide wastewater service to new developments. The Salton Community Services District Sewer Rate Study recommended an increase in sewer rate charges of 30 percent in the first year, followed by

incremental increases of 4 percent in subsequent years for rate fees so that the system becomes financially viable, without causing undue burden on customers. Funding responsibilities for project-related facilities shall remain with the developers and secured prior to construction.

The District is eligible to apply for the CWSRF to finance wastewater system improvement projects recommended in the PER. Alternative state and federal grant and loan programs are available such as USDA Water and Waste Disposal Loans and Grants for Public Works and Infrastructure Development. The District should consider these programs for additional assistance in providing for adequate wastewater facilities to the residents of the District.

C. Fire Facilities

Current Funding

The District fire department personnel resigned from their positions upon the rejection of the Fire Protection Parcel Tax. This made the District lose authority to provide fire protection services to the County due to not having enough funding to operate and maintain the fire department. Imperial County began providing fire protection services to the Service Area in November 2019. To this date (2022), Imperial County has not scheduled or reached out to the District regarding payment toward fire protection services they are providing. The District Board approved donating the District's fire truck to Imperial County.

Cost Avoidance Opportunities

To reduce fire protection services costs, the District and Imperial County maintain an agreement for fire dispatch services.

Recommended Funding

The District should cooperate with the County in providing the necessary buildings, machinery, and equipment for the County Fire Department to continue providing fire protection services to the Service Area. The District should seek long-term solutions and reach an agreement with the County to sustain services.

D. Parks and Recreational Facilities

Current Funding

Parks and Recreation funding comes from the General Fund, California State Parks Grants, and interest on these grants. Park fees generally consist of park reservations (refundable \$100.00 deposit) and \$50.00 light fee for providing lighting for organized events.

Cost Avoidance Opportunities

The District employs two Public Works Employees for the maintenance and operation of all parks in the District.

Recommended Funding

Current funding sources for parks and recreation should continue to be used. In addition, it is essential that the District require developers of new residential developments to dedicate park land and/or pay development impact fees for the improvement and expansion of existing park and recreational facilities.

E. Sanitation / Solid Waste Disposal

Current Funding

Burrtec performs all residential, commercial, industrial, construction, and roll-off billing per the conditions of the solid waste agreement signed by the District. Funding comes from a direct cost billed to the end user. Effective 2023 residential rates average \$81.33 per 3 months of service. Commercial rates are conditional on the frequency of collection and container size.

Cost Avoidance Opportunities

Burrtec provides collection services to District facilities including the District office, fire stations, parks, and maintenance yard at no charge to the District.

Recommended Funding

The District passed on August 5th, 2020, Ordinance 2020-01 requiring that all residences within the District's boundaries to subscribe to curbside solid waste collection services. The District collects a 5% franchise fee per the franchise agreement.

5. AVAILABILITY OF SERVICES NOT PROVIDED BY THE DISTRICT

Introduction

As indicated in the previous sections, the provision of services to the population of the Salton Community Services District is shared with other agencies. This section addresses the availability of services not provided by the District.

Law Enforcement

Law enforcement is provided by the Imperial County Sheriff's Department, which is divided into Patrol Divisions. The North County Patrol Division is headquartered in Brawley and services Bombay Beach, Niland, Palo Verde, Salton City, and rural areas of Brawley, Calipatria, and Westmorland. The Department includes two (2) full-time Sheriff Deputies per shift, with eight (8) Sheriff Deputies in total, 1 Investigator, and 1 Sergeant. Due to the large service area of the Sheriff's department, no specific response time goals exist. Deputies try to keep response times at a minimum and are monitored for improvements in service. Law enforcement services are financed via Imperial County's General Fund.

Water Services

The Coachella Valley Water District (CVWD) is a public agency, established by voters in 1918, that provides irrigation water and agricultural drainage, domestic water, wastewater treatment and recycled water, regional stormwater protection, groundwater management and water conservation across 1,000 square miles, primarily in Riverside County, but also in portions of Imperial and San Diego counties.

CVWD provides urban water to most of the Coachella Valley and along both sides of the Salton Sea in the Imperial Valley. CVWD's domestic water service area includes a population of around 290,000 people, stretching from Cathedral City to the Salton Sea. The CVWD operates 95 active wells to meet the needs of the more than 108,000 homes and businesses within its service boundary. The entire Salton Community Services District falls within the boundary of CVWD services. The agency obtains domestic water from its own aquifer system. Its water is pumped from wells up to 1,200 feet deep and stored until needed in more than 63 distribution reservoirs. A network of nearly 2,015 miles of distribution piping delivers the domestic water to end users.

An ongoing concern of the District is the ability of a privately built delivery system, which dates to the late 1950s and early 1960s, to provide water to new residents in the western Salton Sea communities. The District is located within the CVWD's Improvement District No. 11 (ID-11). The CVWD's domestic water supply for the ID-11 distribution system is located at the County Line Well Field on Avenue 86 on the west side of Highway 86. The CVWD is currently planning a \$2.1 billion water pipeline to the local area that should solve most of the water capacity problems in the vicinity of the Salton Community Services District and accommodate additional growth in the area.

Electricity

The Imperial Irrigation District (IID), a community-owned utility, provides irrigation water and electric power to the lower southeastern portion of California's desert. Once electricity leaves the power plant it becomes part of the transmission system and gets carried to local substations. All homes and businesses are served from one of several substations within the District. The IID policy is to extend its electrical facilities to those developments that have obtained the approval of the District or governmental authority having jurisdiction over said developments.

IID has promoted and expanded its renewable energy programs significant over the last decade. The organization launched a community solar project for low-income communities in its service area in 2019, serving 12,000 customers in economically distressed areas. Many of IID's customers have seen their monthly electric bills reduced under IID's Residential Energy Assistance Program and the District's eGreen Program. The program provides annual savings of over \$1 million annually to low-income customers in the District. Energy from renewables accounted for 31 percent of all electric energy produced by IID in 2019, and energy from geothermal sources represented 13 percent of IID's total energy load. IID continues to explore how to expand renewable energy operations in the Salton Sea area, including exporting energy to other areas across the country and in Mexico.

Additions or upgrades of electric facilities is dependent upon the requirements of new development.

Coachella Valley School District

The District is served by the Coachella Valley United School District (School District). This School District is based out of Riverside County, but also has facilities within Imperial County. It encompasses 1,200 square miles of rural farmland and desert and includes over 17,200 students. The School District operates 21 schools: 14 elementary schools that serve Transitional Kindergarten through 6th Grade; three middle schools (serving 7th and 8th grades); one high school serving 7th through 12th grades; two comprehensive high schools serving 9th through 12th grades; and one continuation high school serving adult learners. The schools are located throughout Coachella, Thermal, Mecca, Indio, and Salton City. Around 40 percent of students in the District are English language learners, 11 percent are migrant students, and 90 percent of students qualify for free or reduced lunch programs.

Within the District are Sea View Elementary, which serves children from grades K-6, and West Shores High School, which services grades 7-12. The high school is located at 2381 Shore Hawk in Salton City and the elementary school is located at 2381 Sea Hawk Avenue, Salton City, CA 92274. West Shores High School has an enrollment of 357 students for the 2020-21 school year, and Sea View Elementary has an enrollment of 612 students for the 2020-21 school year. The Sea View Elementary School facility is relatively new, however some buildings at West Shores High School were built before 1968. It does not appear that the District has capacity issues in serving additional students in the Salton CSD area.



Colorado River Basin Regional Water Quality Control Board

CERTIFIED MAIL: 7020 0640 0002 2643 9177

February 18, 2021

Mitch Mansfield, General Manager
Salton Community Services District
P.O. Box 5268
Salton City, CA 92275
mmansfield@saltoncsd.ca.gov

SUBJECT: NOTICE OF VIOLATION, NOVEMBER 2020 THROUGH DECEMBER 2020 SELF-MONITORING REPORT, ORDER R7-2012-0035

FACILITY: SALTON COMMUNITY SERVICES DISTRICT, LANSING AVENUE WASTEWATER TREATMENT FACILITY (WWTF), SALTON CITY, IMPERIAL COUNTY

Dear Mr. Mansfield:

The California Regional Water Quality Control Board, Colorado River Basin Region (Regional Water Board), is the public agency with primary responsibility for the protection of ground and surface water quality for all beneficial uses within Imperial County as well as portions of Riverside, San Diego and San Bernardino County, including the referenced property above.

Salton Community Services District (SCSD) is authorized to discharge treated municipal wastewater under Waste Discharge Requirements (WDRs) contained in Order R7-2012-0035, adopted by the Regional Water Board on June 21, 2012. Order R7-2012-0035 contains WDRs and a Monitoring and Reporting Program (MRP) for waste discharges by SCSD, from the facility referenced above. Under the terms of the WDRs, SCSD can discharge up to 0.12 million gallons per day of treated wastewater. This wastewater contains pollutants which can degrade water quality, adversely impact beneficial uses of the groundwater and which are defined as wastes under the Porter-Cologne Water Quality Control Act (CWC § 13000 et seq.). The wastewater is discharged into five unlined aeration ponds and final disposal of wastewater is through evaporation and percolation in Salton City, within the West Salton Sea Hydrologic Unit.

NANCY WRIGHT, CHAIR | PAULA RASMUSSEN, EXECUTIVE OFFICER

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The Regional Water Board has reviewed the November and December 2020 Self-Monitoring Reports (SMRs) submitted for your facility pursuant to Order R7-2012-0035. The review resulted in the following findings.

YOU ARE HEREBY NOTIFIED that SCSD is in noncompliance with the WDRs specified in **Order R7-2012-0035**, and has violated **California Water Code (CWC) section 13350** as follows:

Effluent Limit Violations

- **Order R7-2012-0035**, Effluent Limitations B.1 states that the discharge to the disposal ponds shall not exceed a Biochemical Oxygen Demand (BOD) average monthly of 45 milligrams per liter (mg/L) and an average weekly of 65 mg/L.
 - **In November 2020**, the reported BOD in the sample collected on November 4, 2020 exceeded the monthly limit with a detected concentration of 55 mg/L.
 - **In December 2020**, the reported BOD in the sample collected on December 2, 2020 exceeded the monthly limit with a detected concentration of 49 mg/L.

A total of two (2) BOD violations of the monthly effluent limitations are noted for November through December 2020. SCSD is required to immediately implement corrective and preventative actions to bring the discharge into full compliance with all requirements of Order R7-2012-0035.

Please be advised, failure to comply with Order R7-2012-0035 is a violation of state law that may result in further enforcement action including the imposition of administrative civil liability claims.

For violations listed above, pursuant to CWC section 13350 (e), you are subject to penalties of up to \$5,000 for each day in which the violation occurs or \$10 for each gallon of waste discharged, but not both. These administrative civil liabilities may be assessed by the Regional Water Board beginning the date that the violations first occurred and without further warning. This matter may be referred to the Office of the Attorney General for further enforcement. The Regional Water Board reserves its right to take any further enforcement action authorized by law.

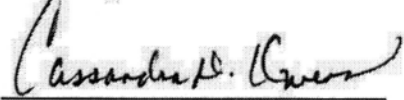
Mitch Mansfield
SCSD Lansing WWTF

- 3 -

February 18, 2021

If you have any questions concerning this matter, please contact the Case Manager Adriana Godinez at (760) 346-6585 (Adriana.Godinez@waterboards.ca.gov) or the Land Disposal Unit Chief, Jose Cortez at (760) 776-8963 (Jose.Cortez@waterboards.ca.gov).

Sincerely,



Cassandra Owens
Assistant Executive Officer
Colorado River Basin
Regional Water Quality Control Board

AG/jc

cc: Via email
Robert Dunning, SCSD (rdunning@saltoncsd.ca.gov)

File: 7A130110011, SCSD Lansing Avenue WWTF, Order R7-2012-0035

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Salton Community Services District

P.O. Box 5268

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Mitch Mansfield, General Manager
Salton Community Services District
P.O. Box 5268
Salton City, CA 92275



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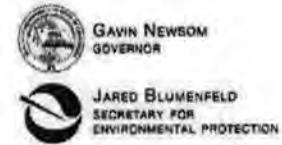
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Colorado River Basin Regional Water Quality Control Board

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February 18, 2021

Mitch Mansfield
General Manager
Salton Community Services District
P.O. Box 5268
Salton City, CA 92275
mmansfield@saltoncsd.ca.gov

SUBJECT: NOTICE OF VIOLATION, NOVEMBER 2020 THROUGH DECEMBER 2020 SELF-MONITORING REPORT, ORDER R7-2018-0013

FACILITY: SALTON COMMUNITY SERVICES DISTRICT, THOMAS R. CANNELL WASTEWATER TREATMENT FACILITY (WWTF), SALTON CITY, IMPERIAL COUNTY

Dear Mr. Mansfield:

The California Regional Water Quality Control Board, Colorado River Basin Region (Regional Water Board), is the public agency with primary responsibility for the protection of ground and surface water quality for all beneficial uses within Imperial County as well as portions of Riverside, San Diego and San Bernardino County, including the referenced property above.

Salton Community Services District (SCSD) is authorized to discharge treated municipal wastewater under Waste Discharge Requirements (WDRs) contained in Order R7-2018-0013, adopted by the Regional Water Board on November 8, 2018. Order R7-2018-0013 contains WDRs and a Monitoring and Reporting Program (MRP) for waste discharges by SCSD, from the facility referenced above. Under the terms of the WDRs, SCSD can discharge up to 0.185 million gallons per day of treated wastewater. This wastewater contains pollutants which can degrade water quality, adversely impact the beneficial uses of the groundwater and which are defined as wastes under the Porter-Cologne Water Quality Control Act (CWC § 13000 et seq.). The wastewater is

NANCY WRIGHT, CHAIR | PAULA RASMUSSEN, EXECUTIVE OFFICER

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TRC

discharged to four evaporation/percolation ponds in Salton City, within the West Salton Sea Hydrologic Unit.

The Regional Water Board has reviewed the **November** and **December 2020 Self-Monitoring Reports (SMRs)** submitted for your facility pursuant to **Order R7-2018-0013**. The review resulted in the following findings.

YOU ARE HEREBY NOTIFIED that SCSD is in noncompliance with the WDRs specified in **Order R7-2018-0013**, and has violated **California Water Code (CWC) section 13350** as follows:

Effluent Limitations

- **Order R7-2018-0013**, Effluent Limitations B.1 states that the discharge to the disposal ponds shall not exceed a Biochemical Oxygen Demand (BOD) average monthly of 45 milligrams per liter (mg/L) and an average weekly of 65 mg/L.
 - In **November 2020**, the reported **BOD** in the sample collected on **November 4, 2020** exceeded the monthly limit with a detected concentration of 61 mg/L.
 - In **December 2020**, the reported **BOD** in the sample collected on **December 2, 2020** exceeded the monthly limit with a detected concentration of 56 mg/L.

A total of two (2) BOD violations of the monthly effluent limitations are noted for **November through December 2020**. SCSD is required to immediately implement corrective and preventative actions to bring the discharge into full compliance with all requirements of **Order R7-2018-0013**.

Please be advised, failure to comply with **Order R7-2018-0013** is a violation of state law that may result in further enforcement action including the imposition of administrative civil liability claims.

For violations listed above, pursuant to **CWC section 13350 (e)**, you are subject to penalties of up to \$5,000 for each day in which the violation occurs or \$10 for each gallon of waste discharged, but not both. These administrative civil liabilities may be assessed by the Regional Board beginning the date that the violations first occurred and without further warning. This matter may be referred to the Office of the Attorney General for further enforcement. The Regional Board reserves its right to take any further enforcement action authorized by law.

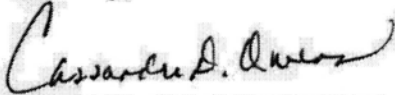
Mitch Mansfield
SCSD Thomas R. Cannell WWTF

- 3 -

February 18, 2021

If you have any questions concerning this matter, please contact the Case Manager Adriana Godinez at (760) 346-6585 (Adriana.Godinez@waterboards.ca.gov) or the Land Disposal Unit Chief, Jose Cortez at (760) 776-8963 (Jose.Cortez@waterboards.ca.gov).

Sincerely,



Cassandra Owens
Assistant Executive Officer
Colorado River Basin
Regional Water Quality Control Board

AG/jc

cc: Via email
Robert Dunning, SCSD (rdunning@saltoncsd.ca.gov)

File: 7A130117001, SCSD Thomas R. Cannell WWTF, Order R7-2018-0013

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Salton Community Services District
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Salton Community Services District
P.O. Box 5268
Salton City, CA 92275



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2. Article Number (Transfer from service label)

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COMPLETE THIS SECTION ON DELIVERY

A. Signature

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- Agent
 Addressee

B. Received by (Printed Name)

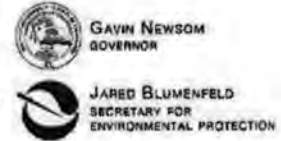
C. Date of Delivery

2/19/21

- D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
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- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery
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- Registered Mail Restricted Delivery
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Colorado River Basin Regional Water Quality Control Board

CERTIFIED MAIL: 7020 0640 0002 2643 9153

February 18, 2021

Mitch Mansfield, General Manager
Salton Community Services District
P.O. Box 5268
Salton City, CA 92275
mmansfield@saltoncsd.ca.gov

SUBJECT: NOTICE OF VIOLATION, NOVEMBER 2020 SELF-MONITORING REPORT, ORDER R7-2014-0007

FACILITY: SALTON COMMUNITY SERVICES DISTRICT, DESERT SHORES WASTEWATER TREATMENT PLANT (WWTP), DESERT SHORES, IMPERIAL COUNTY

Dear Mr. Mansfield:

The California Regional Water Quality Control Board, Colorado River Basin Region (Regional Water Board), is the public agency with primary responsibility for the protection of ground and surface water quality for all beneficial uses within Imperial County as well as portions of Riverside, San Diego and San Bernardino County, including the referenced property above.

Salton Community Services District (SCSD) is authorized to discharge treated municipal wastewater from the Desert Shores Wastewater Treatment Plant under Waste Discharge Requirements (WDRs) contained in Order R7-2014-0007, adopted by the Regional Water Board on September 18, 2014. Order R7-2014-0007 contains WDRs and a Monitoring and Reporting Program (MRP) for waste discharges by SCSD, from the Desert Shores Wastewater Treatment Plant. Under the terms of the WDRs, SCSD can discharge up to 0.20 million gallons per day of treated wastewater. This wastewater contains pollutants which can degrade water quality, adversely impact the beneficial uses of the groundwater and which are defined as wastes under the Porter-Cologne Water Quality Control Act (CWC § 13000 et seq.). The wastewater is discharged into

NANCY WRIGHT, CHAIR | PAULA RASMUSSEN, EXECUTIVE OFFICER

DESERT SHORES

five unlined aeration ponds and final disposal of wastewater is through evaporation and percolation in Desert Shores, within the West Salton Sea Hydrologic Unit.

The Regional Water Board has reviewed the **November 2020 Self-Monitoring Report (SMR)** submitted, for your facility pursuant to Order R7-2014-0007. The review resulted in the following findings.

YOU ARE HEREBY NOTIFIED that SCSD is in noncompliance with the WDRs specified in **Order R7-2014-0007**, and has violated **California Water Code (CWC) section 13350** as follows:

Effluent Limit Violation

- **Order R7-2014-0007**, Effluent Limitations B.1 states that the discharge to the disposal ponds shall not exceed a Biochemical Oxygen Demand (BOD) average monthly of 45 milligrams per liter (mg/L) and an average weekly of 65 mg/L.
 - **In November 2020**, the reported BOD in the sample collected on November 4, 2020 exceeded the monthly and weekly limits with a detected concentration of 66 mg/L.

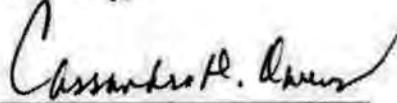
A total of two (2) BOD violations of the effluent limitations are noted for November 2020. SCSD is required to immediately implement corrective and preventative actions to bring the discharge into full compliance with all requirements of Order R7-2014-0007.

Please be advised, failure to comply with Order R7-2014-0007 is a violation of state law that may result in further enforcement action including the imposition of administrative civil liability claims.

For violations listed above, pursuant to CWC section 13350 (e), you are subject to penalties of up to \$5,000 for each day in which the violation occurs or \$10 for each gallon of waste discharged, but not both. These administrative civil liabilities may be assessed by the Regional Water Board beginning the date that the violations first occurred and without further warning. This matter may be referred to the Office of the Attorney General for further enforcement. The Regional Water Board reserves its right to take any further enforcement action authorized by law.

If you have any questions concerning this matter, please contact the Case Manager Adriana Godinez at (760) 346-6585 (Adriana.Godinez@waterboards.ca.gov) or the Land Disposal Unit Chief, Jose Cortez at (760) 776-8963 (Jose.Cortez@waterboards.ca.gov).

Sincerely,



Cassandra Owens
Assistant Executive Officer
Colorado River Basin
Regional Water Quality Control Board

AG/jc

cc: Via email
Robert Dunning, SCSD (rdunning@saltoncsd.ca.gov)

File: 7A130110031, SCSD Desert Shores WWTP, Order R7-2014-0007

7020 0640 0002 2643 9153

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ACI 2/18

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Street and

City, State

Mitch Mansfield, General Manager
 Salton Community Services District
 P.O. Box 5268
 Salton City, CA 92275

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mitch Mansfield, General Manager
Salton Community Services District
P.O. Box 5268
Salton City, CA 92275



9590 9402 5676 9346 5983 25

2. Article Number (Transfer from service label)

7020 0640 0002 2643 9153

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X

CP

- Agent
 Addressee

B. Received by (Printed Name)

C. Date of Delivery

2/19/21

- D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type

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| <input checked="" type="checkbox"/> Certified Mail® | <input type="checkbox"/> Registered Mail Restricted Delivery |
| <input type="checkbox"/> Certified Mail Restricted Delivery | <input checked="" type="checkbox"/> Return Receipt for Merchandise |
| <input type="checkbox"/> Collect on Delivery | <input type="checkbox"/> Signature Confirmation™ |
| <input type="checkbox"/> Collect on Delivery Restricted Delivery | <input type="checkbox"/> Signature Confirmation Restricted Delivery |



Colorado River Basin Regional Water Quality Control Board

CERTIFIED MAIL: 7022 1670 0001 2589 1843

August 10, 2022

David Dale, General Manager
Salton Community Services District
1209 Van Buren Avenue, Suite 1
Salton City, CA 92274
ddale@saltoncsd.ca.gov

**SUBJECT: NOTICE OF VIOLATION, GENERAL ORDER 2006-0003-DWQ
7SSO10538**

**FACILITY: SALTON COMMUNITY SERVICES DISTRICT COLLECTION SYSTEM,
SALTON CITY, IMPERIAL COUNTY**

Dear Mr. Dale,

The California Regional Water Quality Control Board, Colorado River Basin Region (Regional Water Board), is the public agency with primary responsibility for the protection of ground and surface water quality for all beneficial uses within Imperial County, including the referenced property above. Salton Community Services District (SCSD) is authorized to convey domestic and municipal wastewater to its publicly owned treatment facilities under Waste Discharge Requirements (WDRs) contained in Order 2006-0003-DWQ adopted by the State Water Resources Control Board on May 2, 2006.

On July 30, 2021, at approximately 8:15 am, SCSD notified the Regional Water Board of a Sanitary Sewer Overflow (SSO). The SSO occurred near Evans Ave at Lido Ave in Salton City. The SSO spill was caused by a force main rupture, which spilled into a drainage channel. The total volume of the spill was reported to be 55,000 gallons.

JAYNE POWELL, CHAIR | PAULA RASMUSSEN, EXECUTIVE OFFICER

The discharge of untreated wastewater into the drainage channel, which is classified as a water of the United States, is a violation of Order 2006-0003-DWQ, Section c, Prohibition 1¹.

YOU ARE HEREBY NOTIFIED that SCSD is not in compliance of Order 2006-0003-DWQ, and has violated California Water Code (CWC) section 13376 and Clean Water Act section 301 as follows:

- Unauthorized discharge of untreated wastewater into waters of the United States

SCSD is required to comply with the following tasks:

1. Ensure full implementation of all requirements contained in Order 2006-0003-DWQ.
2. Submit a complete and adequate SSO Technical Report to the Regional Water Board within 10 days of receipt of this NOV. Although supporting documents² regarding the spill were submitted, the lack of detail in those documents deemed the information insufficient to fulfill the SSO Technical Report requirement of Order 2006-0003-DWQ, and corresponding Monitoring and Report Program Order WQ 2013-0058-EXEC.

The SSO Technical Report shall include at a minimum, the following:

- a. Causes and Circumstances of the SSO
 - i. Complete and detailed explanation of how and when the SSO was discovered.
 - ii. Diagram showing the SSO failure point, appearance point(s), and final destination(s).
 - iii. Detailed description of the methodology employed, and available data used to calculate the volume of the SSO and, if applicable, the SSO volume recovered.
 - iv. Detailed Description of the cause(s) of the SSO.
- b. The City's Response to the SSO
 - i. Chronological narrative description of all actions taken by enrollee to terminate the spill.
 - ii. Explanation of how the Sewer System Management Plan including the Overflow Emergency Response Plan was implemented to respond to and mitigate the SSO.

¹ Any SSO that results in a discharge of untreated or partially treated wastewater to waters of the United States is prohibited.

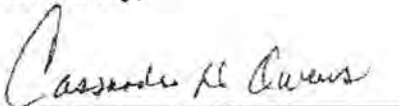
² An SSO Letter, Spill Diagram, and Station Readings/Daily Sheets were submitted by the Discharger on September 17, 2021. The supporting documents are provided as attachments.

- iii. Final corrective action(s) completed and/or planned to be completed, including a schedule for actions not yet completed.
- c. Water Quality Monitoring
 - i. Description of all water quality sampling activities conducted including analytical results and evaluation of the results.
 - ii. Detailed location map illustrating all water quality sampling points.

Please be advised, failure to comply with Order 2006-0003-DWQ is a violation of state law that may result in further enforcement action including the imposition of administrative civil liability claims. Pursuant to CWC section 13350, subdivision (e), you are subject to penalties for violation of Order 2006-0003-DWQ of up to \$5,000 for each day in which the violation occurs or \$10 for each gallon of waste discharged, but not both. Similarly, pursuant to Water Code section 13385, subdivision (c), you are subject to penalties for violation of Water Code section 13376 and Clean Water Act section 301 of up to \$10,000 for each day in which the violation occurs plus \$10 for each gallon of waste discharged, but not cleaned up, that exceeds 1,000 gallons. These administrative civil liabilities may be assessed by the Regional Water Board beginning with the date that the violations first occurred and without further warning. This matter may be referred to the Office of the Attorney General for further enforcement. The Regional Water Board reserves its right to take any further enforcement action authorized by law.

If you have any questions concerning this matter, please contact the Case Manager Adriana Godinez at (760) 346-6585 (Adriana.Godinez@waterboards.ca.gov) or the Land Disposal Unit Chief, Jose Cortez at (760) 776-8963 (Jose.Cortez@waterboards.ca.gov).

Sincerely,



Cassandra Owens
Assistant Executive Officer
Colorado River Basin
Regional Water Quality Control Board

AG/jc

cc: (Via email)
Emmanuel Ramos, SCSD Chief Plant Operator (eramos@saltoncsd.ca.gov)
Christopher Murillo, SCSD Comptroller (cmurillo@saltoncsd.ca.gov)
Oracio Lemus, SCSD Lead Man (olemus@saltoncsd.ca.gov)
Kailyn Ellison, SWRCB Office of Enforcement
(kailyn.ellison@waterboards.ca.gov)



1209 VAN BUREN AVE.
POST OFFICE BOX 5268
SALTON CITY, CALIFORNIA 92275-5268
TELEPHONE: (760) 394-4446
scsd@saltoncsd.ca.gov

8/11/22

RE: SSO Technical Report Spill Event ID: 875781

Causes and Circumstances of the SSO

On the morning of 7-30-2021 at 7:28 a.m. district staff received notification from Coachella Valley Water District that there was a potential sewer leak at Lido Avenue at Evans Avenue in Salton City, California. Upon arriving at the site, staff noticed a small stream of liquid along the east side of Lido Avenue, from Evans Avenue to Edwards Avenue. It was determined that the cause of the spill was from a ruptured 10" diameter sewer force main pipeline.

The District's Response to the SSO

Since the leak was from a force main from a pump station, Staff was able to shut down the pump station to eliminate any further sewer spillage. The crew was dispatched to get equipment and vacuum trucks. As staff arrived on scene, the force main was excavated at the rupture site. Staff was able to locate the shear crack, cleaned the pipe and placed a stainless steel repair clamp on the cracked pipe.

Staff began to recover the liquid into two vacuum trucks with approximately 1,500 gallons capacity each. There were seven loads per truck. Therefore, the recovered volume was approximately 21,000 gallons. The recovered liquid was taken to the Lansing wastewater plant for treatment. Daily meter readings were used to calculate the volume.

After the repair was made the pump stations were turned back on to confirm the repair. Staff wrapped the clamp with a Visqueen material and commenced backfilling.

The district is working with agencies for grant funding to replace the entire force main. The proposed force main replacement project has been designed by a profession engineer in the State of California and the district expects to the put the project out to bid soon.

Water Quality Monitoring

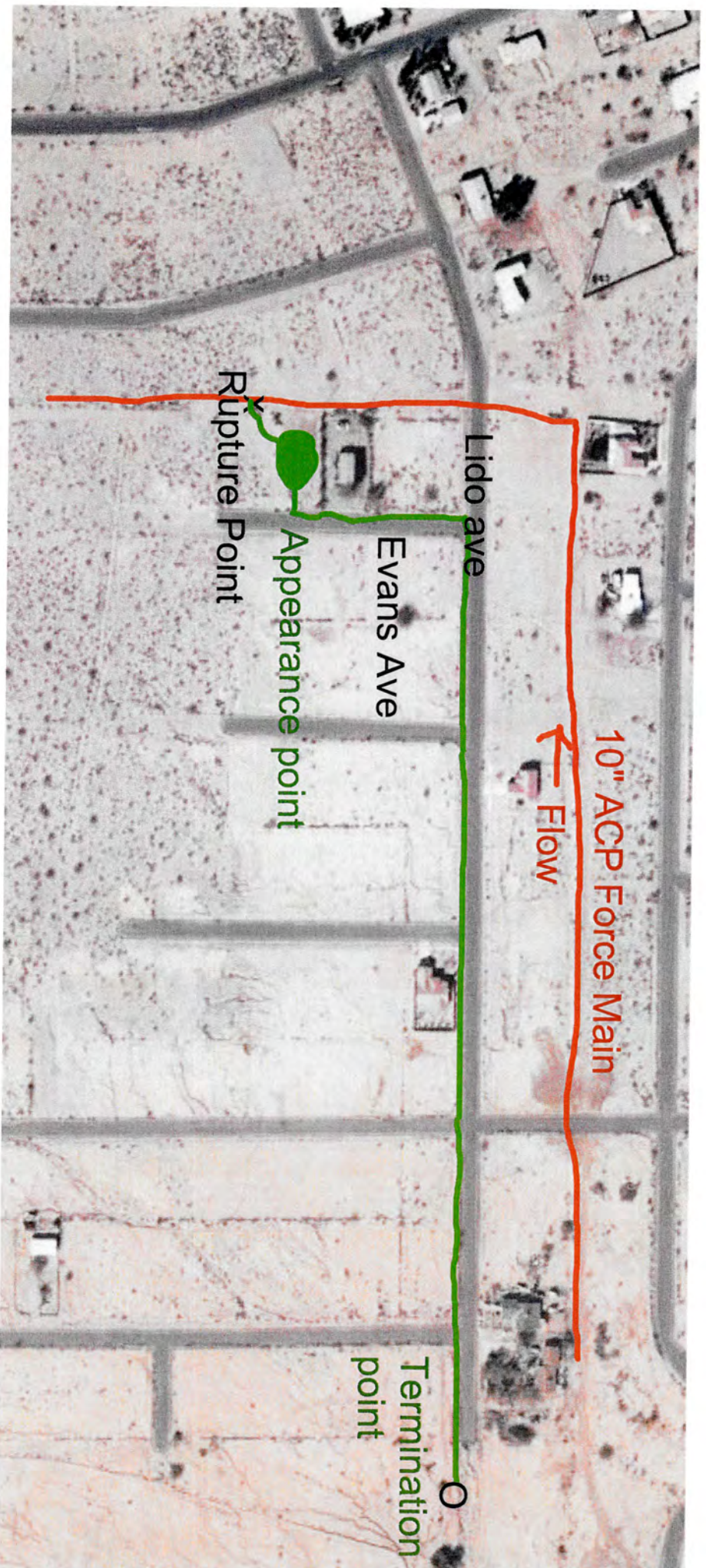
The SSO liquid was contained in the shoulder of Lido Avenue and did not reach any water ways. Staff was able to stop the leak and clean up the site before any contamination was made. Therefore, no water quality monitoring was completed.

Should you have any questions, feel free to contact me at (760) 883-9302.

A Diagram showing the SSO failure point and final destination is included with this letter.

Sincerely,

Robert L. Dunning
Field Foreman





Colorado River Basin Regional Water Quality Control Board

CERTIFIED MAIL: 7022 1670 0001 2589 1843

August 10, 2022

David Dale, General Manager
Salton Community Services District
1209 Van Buren Avenue, Suite 1
Salton City, CA 92274
ddale@saltoncsd.ca.gov

**SUBJECT: NOTICE OF VIOLATION, GENERAL ORDER 2006-0003-DWQ
7SSO10538**

**FACILITY: SALTON COMMUNITY SERVICES DISTRICT COLLECTION SYSTEM,
SALTON CITY, IMPERIAL COUNTY**

Dear Mr. Dale,

The California Regional Water Quality Control Board, Colorado River Basin Region (Regional Water Board), is the public agency with primary responsibility for the protection of ground and surface water quality for all beneficial uses within Imperial County, including the referenced property above. Salton Community Services District (SCSD) is authorized to convey domestic and municipal wastewater to its publicly owned treatment facilities under Waste Discharge Requirements (WDRs) contained in Order 2006-0003-DWQ adopted by the State Water Resources Control Board on May 2, 2006.

On July 30, 2021, at approximately 8:15 am, SCSD notified the Regional Water Board of a Sanitary Sewer Overflow (SSO). The SSO occurred near Evans Ave at Lido Ave in Salton City. The SSO spill was caused by a force main rupture, which spilled into a drainage channel. The total volume of the spill was reported to be 55,000 gallons.

JAYNE POWELL, CHAIR | PAULA RASMUSSEN, EXECUTIVE OFFICER

73-720 Fred Waring Drive, Suite 100, Palm Desert, CA 92260 | www.waterboards.ca.gov/coloradoriver

The discharge of untreated wastewater into the drainage channel, which is classified as a water of the United States, is a violation of Order 2006-0003-DWQ, Section c, Prohibition 1¹.

YOU ARE HEREBY NOTIFIED that SCSD is not in compliance of Order 2006-0003-DWQ, and has violated California Water Code (CWC) section 13376 and Clean Water Act section 301 as follows:

- Unauthorized discharge of untreated wastewater into waters of the United States

SCSD is required to comply with the following tasks:

1. Ensure full implementation of all requirements contained in Order 2006-0003-DWQ.
2. Submit a complete and adequate SSO Technical Report to the Regional Water Board within 10 days of receipt of this NOV. Although supporting documents² regarding the spill were submitted, the lack of detail in those documents deemed the information insufficient to fulfill the SSO Technical Report requirement of Order 2006-0003-DWQ, and corresponding Monitoring and Report Program Order WQ 2013-0058-EXEC.

The SSO Technical Report shall include at a minimum, the following:

- a. Causes and Circumstances of the SSO
 - i. Complete and detailed explanation of how and when the SSO was discovered.
 - ii. Diagram showing the SSO failure point, appearance point(s), and final destination(s).
 - iii. Detailed description of the methodology employed, and available data used to calculate the volume of the SSO and, if applicable, the SSO volume recovered.
 - iv. Detailed Description of the cause(s) of the SSO.
- b. The City's Response to the SSO
 - i. Chronological narrative description of all actions taken by enrollee to terminate the spill.
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¹ Any SSO that results in a discharge of untreated or partially treated wastewater to waters of the United States is prohibited.

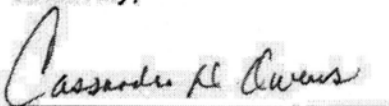
² An SSO Letter, Spill Diagram, and Station Readings/Daily Sheets were submitted by the Discharger on September 17, 2021. The supporting documents are provided as attachments.

- iii. Final corrective action(s) completed and/or planned to be completed, including a schedule for actions not yet completed.
- c. Water Quality Monitoring
 - i. Description of all water quality sampling activities conducted including analytical results and evaluation of the results.
 - ii. Detailed location map illustrating all water quality sampling points.

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If you have any questions concerning this matter, please contact the Case Manager Adriana Godinez at (760) 346-6585 (Adriana.Godinez@waterboards.ca.gov) or the Land Disposal Unit Chief, Jose Cortez at (760) 776-8963 (Jose.Cortez@waterboards.ca.gov).

Sincerely,



Cassandra Owens
Assistant Executive Officer
Colorado River Basin
Regional Water Quality Control Board

AG/jc

cc: (Via email)
Emmanuel Ramos, SCSD Chief Plant Operator (eramos@saltoncsd.ca.gov)
Christopher Murillo, SCSD Comptroller (cmurillo@saltoncsd.ca.gov)
Oracio Lemus, SCSD Lead Man (olemus@saltoncsd.ca.gov)
Kailyn Ellison, SWRCB Office of Enforcement
(kailyn.ellison@waterboards.ca.gov)

David Dale
SCSD Collection System

- 4 -

August 10, 2022

Attachments: 7-30-2021 SSO Letter to the Water Boards
7-30-2021 SSO Spill Diagram
Station Readings/Daily Sheets

File: 7SSO10538, Salton Community Services District, Board Order 2006-0003-DWQ



1209 Van Buren Avenue, Suite 1
POST OFFICE BOX 5268
SALTON CITY, CALIFORNIA 92275-5268
TELEPHONE: (760) 394-4446
FAX: (760) 394-4242
scsd@saltoncsd.ca.gov

Serving the West Shores of the Fabulous Salton Sea

September 16, 2021

RE: SSO Technical Report Spill Event ID: 875781

To Whom It May Concern:

On the morning of 7-30-2021 at 7:28am we received notification from Coachella Valley Water District that there was a sewer leak. Diagram showing the SSO failure point and final destination is included with this letter. Daily meter readings were used to calculate the volume. Recovered volume was two vacuum trucks with approximately 1,500 gallons capacity each with six to seven loads per truck. The best estimation on the cause of the spill was a possible small earthquake causing a shear crack.

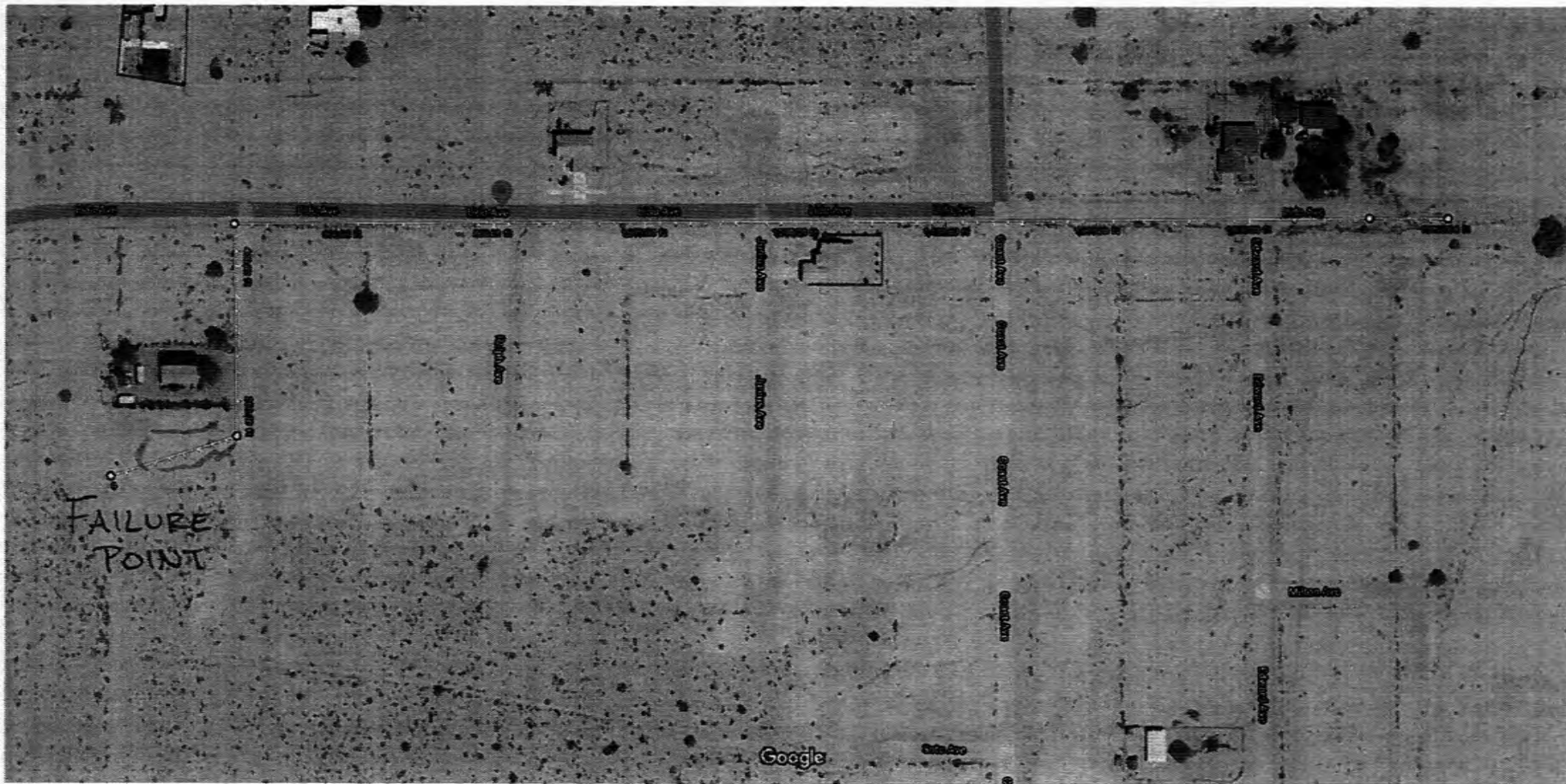
Steps taken to terminate the spill was after receiving notification and upon verification, dispatched crew to shut down pump stations, gathered materials and tools to make the repair. Dispatched the crew to get equipment and vacuum trucks. As everybody arrived on scene, everyone commenced to dig it up. Located the shear crack, cleaned the pipe and placed a stainless steel repair clamp. Turned pump stations back on to confirm the repair. Wrapped the clamp with visqueen. Commenced backfilling.

Corrective actions in progress. We are working with NV5 and RCAC for total replacement of the force main.

Should you have any questions, feel free to contact me at (760) 883-9302.

Regards,

Robert Dunning



Imagery ©2021 Maxar Technologies, U.S. Geological Survey, USDA Farm Service Agency, Map data ©2021 100 ft

Measure distance
Total distance: 2,063.64 ft (629.00 m)

The green square on the map is where the spill pooled before falling into the street.

STATION READINGS

STATION #24

MONTH: July

YEAR 2021

FLOW	FLOW MAG	FLOW CPU	PUMP# 1	PUMP# 2	TIME	NAME	
1	263700	9977940	253900	15531.9	16892.9	657	RH
2	267300	9980577	219445	15536.0	16896.6	624	JT
3	273400	9982250	215341	15539.4	16899.9	603	SRP
4	253400	9985984	190623	15542.9	16903.0	601	SRP
5	235800	9988518	167451	15545.9	16905.8	559	SRP
6	268900	9990876	208318	15548.4	16908.2	659	RH
7	265100	9993565	265248	15551.0	16910.8	6:25	JT
8	263500	9996216	259581	15553.4	16913.3	6:29	RH
9	217000	9998851	258155	15555.9	16915.8	700	Q
10	274300	10001021	235157	15559.5	16919.2	722	Q
11	261300	10003764	212789	15563.8	16923.3	726	Q
12	280100	10006377	248660	15567.3	16926.7	6:43	MOS
13	271500	10008878	254114	15569.7	16929.0	6:30	ZR
14	271400	10001593	268614	15572.1	16931.6	6:23	MOS
15	267700	10014307	254862	15574.6	16934.1	7:39	MOS
16		10016954		15576.8	16936.4	7:31	RH
17							
18			0				
19		10016969	0	15576.9	16936.5	7:14	JT
20		10016969	0	15576.9	16936.5	653	Q
21		10016969	0	15576.9	16936.5	700	Q
22		10016969	0	15576.8	16936.5	6:24	MOS
23	214,900	10016969	127536	15576.8	16936.5	6:24	MOS
24	245900	10019118	254515	15578.0	16939.2	6:50	ZR
25	270900	10021577	254618	15580.8	16942.3	6:30	ZR
26	253100	10024286	252987	15583.1	16945.4	6:56	JT
27	262300	10026817	255804	15585.3	16948.3	6:33	MOS
28	244000	10029440	248901	15587.6	16951.2	7:37	MOS
29	164300	10031880	215049	15591.5	16955.4	6:38	JT
30	217800	10033523	178814	15594.2	16957.9	6:26	JT
31	258100	10035696	233908	15597.7	16961.9	5:43	MOS

1		10038277		156015	16964.6	5:46	MOS
---	--	----------	--	--------	---------	------	-----

23 10017109 257 15576.9 16936.6 5:39 Q



SALTON COMMUNITY SERVICES DISTRICT

1209 Van Buren Avenue

Post office Box 5268

Salton City, California 92275-5268

760-394-4446

PROJECT STATUS REPORT

PROJECT SUMMARY		
Report Date	Project Name	Prepared By:
7-30-2021		Robert L. Heinze

STATUS SUMMARY
Failed main Break off Harbor - 2 Lease + Repair

Project Overview			
Task Performed	Hours on Job	Equip. Number	Notes
	8		
Parts Supplier Used			

BUDGET OVERVIEW				
Pick up #	Mileage Start	Mileage End	Fuel Gallons	Signature
10	68640.8	68659.1		Robert L. Heinze



SALTON COMMUNITY SERVICES DISTRICT
 1209 Van Buren Avenue
 Post office Box 5268
 Salton City, California 92275-5268
 760-394-4446

PROJECT STATUS REPORT

PROJECT SUMMARY			
Report Date	7/30/21	Project Name	Prepared By: MDS
		Station Run	
		Pressure line rupture repair S.C.	

STATUS SUMMARY

Project Overview			
Task Performed	Hours on Job	Equip. Number	Notes

Parts Supplier Used

BUDGET OVERVIEW				
Pick up #	Mileage Start	Mileage End	Fuel Gallons	Signature
2	42687.1	42879.1		MDS

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Total Postage and Fees

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AG 8/10

Sent To

David Dale, General Manager

Street and Apt. No., or PO Box No.

Sakun Community Services District

City, State, ZIP+4®

209 Van Buren Ave, Suite 2, Serran City, CA 92274

7022 1670 0001 2589 1843
E49T 6952 T000 029T 2202

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 - Return receipt service, which provides a record of delivery (including the recipient's signature). You can request a hardcopy return receipt or an electronic version. For a hardcopy return receipt, complete PS Form 3811, *Domestic Return Receipt*; attach PS Form 3811 to your mailpiece;

for an electronic return receipt, see a retail associate for assistance. To receive a duplicate return receipt for no additional fee, present this USPS®-postmarked Certified Mail receipt to the retail associate.

- Restricted delivery service, which provides delivery to the addressee specified by name, or to the addressee's authorized agent.
- Adult signature service, which requires the signee to be at least 21 years of age (not available at retail).
- Adult signature restricted delivery service, which requires the signee to be at least 21 years of age and provides delivery to the addressee specified by name, or to the addressee's authorized agent (not available at retail).
- To ensure that your Certified Mail receipt is accepted as legal proof of mailing, it should bear a USPS postmark. If you would like a postmark on this Certified Mail receipt, please present your Certified Mail item at a Post Office™ for postmarking. If you don't need a postmark on this Certified Mail receipt, detach the barcoded portion of this label, affix it to the mailpiece, apply appropriate postage, and deposit the mailpiece.

IMPORTANT: Save this receipt for your records.

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

David Dale, General Manager
Salton Community Services District
1209 Van Buren Ave, Suite 21
Salton City, CA 92274



9590 9402 7687 2122 2078 48

2. Article Number (Transfer from service label)

7022 1670 0001 2589 1843

COMPLETE THIS SECTION ON DELIVERY

A. Signature

X MA R17C19

- Agent
- Addressee

B. Received by (Printed Name)

Robert Dunning

C. Date of Delivery

8/15

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

AUG 17 2022

REGION 7

3. Service Type

- Adult Signature
- Adult Signature Restricted Delivery
- Certified Mail®
- Certified Mail Restricted Delivery
- Collect on Delivery
- Collect on Delivery Restricted Delivery

- Priority Mail Express®
- Registered Mail™
- Registered Mail Restricted Delivery
- Signature Confirmation™
- Signature Confirmation Restricted Delivery

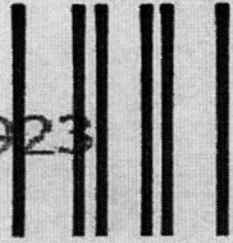
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USPS TRACKING #



SN BERNARDINO CA 923

15 AUG 2022 PM 4 L



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Postage & Fees Paid
USPS
Permit No. G-10

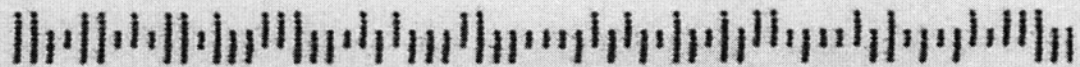
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**United States
Postal Service**

• Sender: Please print your name, address, and ZIP+4® in this box•

CALIFORNIA REGIONAL WATER QUALITY
CONTROL BOARD
COLORADO RIVER BASIN REGION
73-720 FRED WARING DR., SUITE 100
PALM DESERT, CA 92260

ATTN: Adriana Godinez





IMPERIAL COUNTY AIR POLLUTION CONTROL DISTRICT

CLEAN AIR TRUST FUND FUNDING PROJECT

EXHIBIT "A" DESERT SHORES COMMUNITY PARK. ("SCSD")

This Exhibit "A" is intended to provide direction and specific requirements necessary to fully execute the proposed project described as the following:

Upgrade of the Desert Shores Community Park located at 57 Palm Dr. Desert Shores, CA 92274, by, leveling and grading and layout real grass.

NOW THEREFORE, SCSD agrees with the following:

1. PM₁₀ Reduction Project: SCSD agrees that Project was approved by the ICAPCD for funding. The following information describes the PM₁₀ reduction project(s):

PROJECT NAME AND DESCRIPTION	REQUESTED GRANT AMOUNT
Site Preparation: prepare area by leveling dirt, check the slope and compaction. Layout real grass Provide all the necessary equipment, material and labor to perform the job. Total of new grass area 33,600 sf. Prevailing wages applied.	\$200,000

2. SCSD agrees that if the Project identified and set forth in Section No. 1 is funded or considered for funding by any other incentive program sponsored by either State, federal, or any local jurisdiction, another ICAPCD or State program, SCSD will notify the ICAPCD immediately.
3. SCSD agrees that the ICAPCD will be contacting the SCSD to set up a pre- inspection of the Project described and set forth in Section No.1. The inspection is composed of the following:



IMPERIAL COUNTY AIR POLLUTION CONTROL DISTRICT

- a. Photographic evidence sufficient to identify the Project as that described in Section No. 1. The photographic evidence may include but is not limited to the photographing of different angular directions identifying the roads, public access ways, signs etc. such that the location of the Project is clearly identifiable.
 - b. Formal Notice of Pre-Inspection Completeness. The ICAPCD will inform SCSD when the pre-inspection process has been completed in the following manner.
 - i. In person
 - ii. Electronic Mail with a request "Request a Read Receipt" and/or request within the body of the electronic mail for verification of receipt.
4. SCSD agrees that time is of the essence and that an essential part of the funding process is the verification of continued progress towards the completion of the Project described and set forth in Section No.1.
- a. Tentative Timeline. SCSD shall provide to the ICAPCD a tentative timeline indicating the process required for the completion of the Project. The tentative timeline may be remitted in the following manner:
 - i. In person
 - ii. Electronic Mail with a request "Request a Read Receipt" and/or request within the body of the electronic mail for verification of receipt.
 - b. Periodic Updates. SCSD shall remit to the ICAPCD periodic updates that indicate whether the Project described and set forth in Section No.1 is on schedule or are delayed. Periodic updates shall be remitted on a monthly basis beginning one month after the execution of the Funding Agreement. Should a delay occur or is anticipated to occur SCSD shall remit the following information:
 - i. Reasonable Delays. SCSD agrees that there are circumstances beyond their reasonable control that may cause an inadvertent delay towards completion of the Project. Reasonable delays are delays that occur which cause the Project not to conform to its tentative timeline by days but not months. Such reasonable delays shall be included within the periodic update with a brief summary describing the delay. Depending on the nature of the delay the ICAPCD may request from SCSD the remittance of an adjusted "Timeline".
 - ii. Long Term Delays. Long-term delays are delays that occur which cause the Project not to conform to its tentative timeline by months as opposed to days. Such long term delays shall be included within the periodic update with a brief summary describing



IMPERIAL COUNTY AIR POLLUTION CONTROL DISTRICT

the delay and the submission of an extension of time (form provided by the ICAPCD), approvable by the Air Pollution Control Officer.

- c. Remittance of the Periodic Update. The periodic update described in this Section shall be remitted in the following manner to the ICAPCD:
 - i. In person
 - ii. Electronic Mail with a request "Request a Read Receipt" and/or request within the body of the electronic mail for verification of receipt.
5. SCSD agrees that the following provisions apply with respect to the Final Inspection:
 - a. Notification by SCSD, SCSD agrees to notify the ICAPCD of the completion of the described Project set forth in Section No. 1. This will allow the ICAPCD an opportunity to schedule and conduct a final inspection. Notification by SCSD may be in the following manner:
 - i. In person
 - ii. Electronic Mail with a request "Request a Read Receipt" and/or request within the body of the electronic mail for verification of receipt.
 - b. Final Inspection. SCSD agrees that vital to the final inspection is the verification of the completion of the Project as described and set forth in Section No.1. Once notice has been received by SCSD, that the Project has been completed, the ICAPCD shall conduct a final inspection which shall include but is not limited to:
 - i. Photographic evidence sufficient to identify the Project as the original complete Project described in Section No.1. The photographic evidence may include but is not limited to the photographing of different angular directions identifying the roads, public access ways, signs etc., such that the location of the Project is clearly identifiable.
 - c. Formal Notice of Final Inspection Completeness. SCSD agrees that once the ICAPCD receives verification from the inspector that all material aspects of the newly completed Project, as described and set forth in Section No.1, are true and correct, notification by the ICAPCD to SCSD that the Project is complete shall be in the following manner:
 - i. In person
 - ii. Electronic Mail with a request "Request a Read Receipt" and/or request within the body of the electronic mail for verification of receipt.



IMPERIAL COUNTY AIR POLLUTION CONTROL DISTRICT

6. SCSD affirmatively states that he or she has legal authority to agree sign to the terms of this Agreement.

SALTON COMMUNITY
SERVICES DISTRICT

Date: 04/16/2022

Rogelio Flores

~~Dale Johnson~~, President

Rogelio Flores SCSD

AIR POLLUTION CONTROL DISTRICT

Date: 12-15-21

Matt Dessert

Matt Dessert

Air Pollution Control Officer

OFFICIAL BUDGET AMENDMENT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF IMPERIAL, AUTHORIZING AN AMENDMENT TO THE FINAL BUDGET FOR FISCAL YEAR 2021-2022 FOR Air Pollution Control District DEPARTMENT

BUDGET AMENDMENT RESOLUTION NO. 21-22-045

The Final Budget for Fiscal Year 2021-2022 was duly adopted by *Resolution No. 2021-090*, of the Board of Supervisors on September 21, 2021 in accordance with the State of California Government Code; and

The Board of Supervisors has determined it is appropriate to amend the Final Budget, in accordance with proper governmental accounting and financial reporting practices; and

Funds are available, as designated in the requested action; and

Therefore, the Board of Supervisors approves the following action(s):

BUDGET ADJUSTMENTS:

Section 1. Record Revenue Estimate(s):

Fund No.	Fund Title	Object Code	Object Code Title	Amount	
1596001	Air Pollution Control District	491135	Contribution from Trust	\$200,000	00
Total				\$200,000	00

Section 2. Authorize Appropriation(s):

Fund No.	Fund Title	Object Code	Object Code Title	Amount	
1596001	Air Pollution Control District	530080	Special Department Expense – Other	\$200,000	00
Total				\$200,000	00

Section 3. Authorize Transfer of Funds from the following source(s):

FROM:

Fund No.	Fund Title	Object Code	Object Code Title	Amount	
1648000	Clean Air Fund	301000	Fund Balance	\$200,000	00
Total				\$200,000	00

CAPITAL EXPENDITURE AUTHORIZATION:

Section 4. Authorize Specific Capital Item(s) or Project:

Fund No.	Fund Title	Object Code	Object Code Title	Qty	Description	Amount	
Total							

1. Purpose of Budget Amendment:

Appropriate funds from Clean Air Trust for the creation and enhancement of the green space at Desert Shores Community Park, per the agreement with Salton Community Services District.

THE ABOVE AMENDMENT RESOLUTION WAS APPROVED BY ACTION OF THE BOARD at a regular meeting of the Board of Supervisors of the County of Imperial held on the 21st day of December, 2021 by the following vote, to-wit:

AYES: Escobar, Plancarte, M. Kelley, R. Kelley, Castillo
NOES: None
ABSTAINED: None
ABSENT: None

Blanca Acosta
Blanca Acosta, Clerk of the Board of Supervisors
County of Imperial, State of California

cc: Department
Auditor-Controller
CEO
GSA-Budget Fiscal



I hereby certify that the foregoing instrument is a correct copy of the original on file with this office.

Date: 12/21/21 Approved by the Board of Supervisors
Clerk of the Board of Supervisors: [Signature] Date: 12/21/21 Minute Order # 16
County of Imperial

BY: [Signature]
Deputy

FUNDING AGREEMENT

DESERT SHORES COMMUNITY PARK

THIS AGREEMENT FOR FUNDING ("Agreement"), made and entered into this 21 day of December, 2021, by and between the **IMPERIAL COUNTY AIR POLLUTION CONTROL DISTRICT**, an air pollution control district formed and existing pursuant to California Health and Safety Code section 40002 ("ICAPCD"), and the **SALTON COMMUNITY SERVICES DISTRICT** ("SCSD"), a California community services district formed and existing pursuant to Government Code §§ 61000 *et seq.* which owns and operates the Desert Shores Park ("DSP") (individually, "Party" collectively, "Parties") shall be as follows:

RECITALS

WHEREAS, SCSD submitted a project request to the ICAPCD seeking funding assistance from ICAPCD for a community project consisting of the paving of the parking lot and driveway and upgrades to the lower lot of the DSP located at 1209 Van Buren Avenue, Ste. 1 Salton City, CA 92275 ("Project") in an attempt to mitigate PM₁₀ pollutants resulting from DSP; and

WHEREAS, SCSD has requested funding through the ICAPCD's Clean Air Trust Fund in the amount of two hundred thousand dollars (\$200,000) to carry out the Project; and

WHEREAS, ICAPCD desires to provide such funding to SCSD, subject to the terms and conditions provide for herein; and

WHEREAS, ICAPCD is authorized to enter into this Agreement under the provisions of California Health and Safety Code section 40701.

WHEREAS, GRANTEE submitted a request letter to ICAPCD seeking funding in the amount of two hundred thousand dollars (\$200,000) for a community greening project, consisting of approximately 33,600 SQFT of green space to be created and/or enhanced at DSP in an attempt to mitigate PM₁₀; and

NOW THEREFORE, for and in consideration of the mutual promises set out herein, ICAPCD and SCSD have and hereby agree as follows:

///

RECEIVED

APR 1 4 2022

AIR POLLUTION
CONTROL DISTRICT

1. INCORPORATION OF RECITALS.

1.1. PARTIES hereby certify that to the best of their knowledge, the above recitals are true and correct.

1.2. The above recitals are hereby adopted and incorporated within this Agreement.

2. DEFINITIONS.

"Scope of Work" shall mean that document that describes the Project and project requirements.

The Scope of Work is attached hereto as Exhibit "A" and incorporated herein by this reference.

3. CONTRACT COORDINATION.

3.1. The Air Pollution Control Officer, or his/her designee, shall be the representative of ICAPCD for all purposes under this Agreement. The Air Pollution Control Officer, or his/her designee, is hereby designated as Contract Manager for ICAPCD. He/she shall supervise the progress and execution of this Agreement.

3.2. SCSD shall assign a single Contract Manager to have overall responsibility for the progress and execution of this Agreement. Should circumstances or conditions subsequent to the execution of this Agreement require a substitute Contract Manager for any reason, the Contract Manager designee shall be subject to the prior written acceptance and approval of ICAPCD's Contract Manager.

4. SCOPE OF WORK.

SCSD shall provide all materials and labor to perform this Agreement consistent with the Scope of Work, attached hereto as Exhibit "A." In the event of a conflict amongst this Agreement and the Scope of Work, this Agreement shall take precedence.

5. WORK TO BE PERFORMED BY SCSD

5.1. SCSD shall comply with all terms, conditions, and requirements of the Scope of Work and this Agreement.

5.2. SCSD shall perform such other tasks as necessary and proper for the full performance of the obligations assumed by SCSD hereunder.

5.3. SCSD shall:

- 5.3.1. Procure all permits and licenses, pay all charges and fees, and give all notices that may be necessary and incidental to the due and lawful prosecution of the work to be performed by SCSD under this Agreement;
- 5.3.2. Keep itself fully informed of all existing and proposed federal, State and local laws, ordinances, regulations, orders and decrees which may affect those under this Agreement;
- 5.3.3. At all times observe and comply with, and cause all of its employees to observe and comply with all of said laws, ordinances, regulations, orders and decrees mentioned above; and
- 5.3.4. Immediately report to ICAPCD's Contract Manager in writing any discrepancy or inconsistency it discovers in said laws, ordinances, regulations, orders, and decrees mentioned above in relation to any provisions of this Agreement.

6. **REPRESENTATIONS BY SCSD**

- 6.1. SCSD represents and warrants that it is a lawful entity possessing all required licenses and authorities to do business in the State of California and perform all aspects of this Agreement.
- 6.2. SCSD represents and warrants that the person or people executing this Agreement on behalf of SCSD have the authority of SCSD to sign this Agreement and bind SCSD to the performance of all duties and obligations assumed by SCSD herein.
- 6.3. SCSD represents and warrants that any employee, contractor, and/or agent who will be performing any of the duties and obligations of SCSD herein possess all required licenses and authorities, as well as the experience and training, to perform such tasks.
- 6.4. SCSD understands that ICAPCD considers the representations made herein to be material and would not enter into this Agreement with SCSD if such representations were not made.
- 6.5. SCSD understands and agrees that in the course of performance of this Agreement, SCSD may be provided with information or data considered by ICAPCD to be confidential. ICAPCD shall clearly identify such information and/or data as confidential. SCSD shall

take all necessary steps necessary to maintain such confidentiality, including but not limited to restricting the dissemination of all material received to those required to have such data in order for SCSD to perform under this Agreement.

7. **TERM OF AGREEMENT.**

This Agreement shall become effective upon the date first written above and shall remain in effect until the work to be performed under Exhibit "A" is completed, unless otherwise terminated as provided for herein.

8. **FUNDING.**

8.1. The total funding under this Agreement shall not exceed two hundred thousand dollars (\$200,000).

8.2. Except as provided in Paragraph 8.1, ICAPCD shall not be responsible to pay SCSD any additional funding, compensation, out-of-pocket expenses, fees, or other remuneration.

9. **PAYMENT OF FUNDING.**

9.1 GRANTEE shall submit a final invoice for reimbursement of work performed upon completion of the Project. GRANTEE shall receive funding for the Project after a final invoice has been received by ICAPCD and the work performed has been reviewed, inspected and approved to be in accordance with Exhibit "A" and Exhibit "B" by ICAPD.

9.2 ICAPCD shall not provide funding for work that is not included in the final invoice unless otherwise agreed to in writing by both Parties.

9.3 ICAPCD shall not be responsible to pay SCSD any funding if SCSD fails to complete the Project or the work performed has not been reviewed, inspected and approved to be in accordance with Exhibit "A" and Exhibit "B" by ICAPCD.

10. **METHOD OF PAYMENT.**

Upon the satisfactory completion of the Project, SCSD may expect to receive funding within a reasonable time thereafter, and in any event, in the normal course of business, within thirty (30) days

after ICAPCD has approved the completion of the Project in accordance with Exhibit "A and Exhibit "B."

11. PREVAILING WAGE, REGISTRATION, APPRENTICESHIP, AND OTHER REQUIREMENTS.

11.1. SCSD is hereby on notice that the work to be performed under this Agreement in connection with the Project may be subject to the prevailing wage, registration, apprenticeship, and other provisions of the California Labor Code.

11.2. In the event a determination is made by the California Department of the Industrial Relations ("DIR") that said Work is "public works" within the meaning of the California Labor Code, the SCSD agrees to the fullest extent permitted by law to indemnify, defend, protect and hold ICAPCD and its representatives, officers, directors, designees, employees, agents, successors and assigns harmless from any and all claims, expenses, liabilities, causes of action, demands, losses, penalties, attorneys' fees and costs, in law or equity, of every kind and nature whatsoever arising out of or in connection with such a determination, and further agrees to abide by the following provisions:

11.2.1. Prevailing Wage. SCSD and its subcontractors shall pay all workers employed on the Project the higher of either the rates determined by the Director of DIR, or when applicable, the Davis-Bacon Federal wage rates as supplemented by the Department of Labor regulations.

- (a)** Copies of the State prevailing rate of per diem wages are on file with the Department of Industrial Relations, Division of Apprenticeship Standards, 445 Golden Gate Avenue, San Francisco, California, and at the Imperial County Department of Public Works, and are available to SCSD and any other interested party upon request.
- (b)** SCSD shall post the prevailing rate of per diem wages at the Project work site.
- (c)** SCSD is responsible for compliance with the provisions herein.

11.2.2. Mandatory Registration with the Department of Industrial Relations - NEW REQUIREMENTS PURSUANT TO SB 854.

- (a) SCSD and its subcontractors shall register with the DIR and pay all applicable fees as set forth in Labor Code section 1725.5.
- (b) SCSD and its subcontractors acknowledge that they shall not be listed on any bid proposal for a public works project (submitted on or after March 1, 2015) unless registered with the DIR pursuant to Labor Code section 1725.5. The requirements of this section shall apply unless one of the limited exceptions provided under Labor Code Section 1771.1(a) applies.
- (c) SCSD and its subcontractors acknowledge that they shall not be awarded any contract for public work on a public works project (awarded on or after April 1, 2015) unless registered with the DIR pursuant to Labor Code section 1725.5.
- (d) The work on the Project described herein may be subject to compliance monitoring and enforcement with the DIR.
- (e) For further information concerning compliance with SB 854, please visit: <http://www.dir.ca.gov/Public-Works/SB854.html>.

11.2.3. Cognizance of Violations by ICAPCD.

- (a) SCSD understands and agrees that ICAPCD shall take cognizance of violations of Chapter 1 of Part 7 of Division 2 of the California Labor Code committed in the course of the execution of this Agreement, and shall promptly report any suspected violations to the Labor Commissioner.
- (b) If applicable, SCSD may bring an action in a court of competent jurisdiction to recover from ICAPCD the difference between the wages actually paid to an employee and the wages that were required to be paid to an employee pursuant to Chapter 1 of Part 7 of Division 2 of the California Labor Code, any penalties required to be paid pursuant to

Chapter 1 of Part 7 of Division 2 of the California Labor Code, and costs and attorney's fees related to the action, if either of the following is true:

- (i) ICAPCD previously affirmatively represented to SCSD in writing, in the call for bids, or otherwise, that the work was not a "public work," as defined in Chapter 1 of Part 7 of Division 2 of the California Labor Code; or
- (ii) ICAPCD received actual written notice from the Department of Industrial Relations that the work is a "public work," as defined in Chapter 1 of Part 7 of Division 2 of the California Labor Code, and failed to disclose that information to SCSD before the bid opening or award.

11.2.4. Prevailing Wage Rates and Payroll Records.

- (a) SCSD agrees to comply with §§ 1775 and 1776 of the California Labor Code relating to the payment of prevailing wage and the maintenance of certified payroll records and to make the certified payroll records available for inspection at all reasonable hours at SCSD' principal office. The responsibility for compliance with these provisions is fixed with SCSD. SCSD understands and agrees that it shall, as a penalty to ICAPCD, forfeit specific monetary fines for each worker paid less than the prevailing wage rates as determined by the Labor Commissioner for the work or craft in which the worker is employed for any work done pursuant to this Agreement.
- (b) SCSD shall be liable for penalties when a subcontractor fails to pay its workers the general prevailing rate of per diem wages and any of the following conditions are met:
 - (i) SCSD had knowledge of the failure of the subcontractor to pay the specified prevailing rate of wages to those workers; or

- (ii) SCSD fails to comply with the following requirement: The contract executed between SCSD and the subcontractor for the performance of work on the Project shall include a copy of the provisions of California Labor Code §§ 1771, 1775, 1776, 1777.5, 1813 and 1815; and
- (iii) SCSD fails to comply with the following requirement: SCSD shall monitor the payment of the specified general prevailing rate of per diem wages by the subcontractor to the employees, by periodic review of the certified payroll records of the subcontractor; and
- (iv) Upon becoming aware of the failure of the subcontractor to pay his or her workers the specified prevailing rate of wages, SCSD shall diligently take corrective action to halt or rectify the failure, including, but not limited to, retaining sufficient funds due the subcontractor for work performed on the Project; and
- (v) Prior to making final payment to the subcontractor for work performed on the Project, SCSD shall obtain an affidavit signed under penalty of perjury from the subcontractor that the subcontractor has paid the specified general prevailing rate of per diem wages to his or her employees on the Project work and any amounts due pursuant to California Labor Code § 1813.

11.2.5. Work Day and Work Week Requirements.

- (a) SCSD agrees to comply with §§ 1810 through 1815 of the California Labor Code and, when applicable, sections 103 and 107 of the Contract Work Hours and Safety Standards Act, 40 U.S.C. §§ 3700 et seq., as supplemented by the Department of Labor regulations, which provide that SCSD's workers and their subcontractors' workers may not be required or permitted to work more than eight (8) hours in any one (1) calendar day and forty (40) hours in any one (1) calendar week.

- (b) Work performed by employees of SCSD or their subcontractor in excess of eight (8) hours per day, and forty (40) hours during any one (1) week, shall be compensated for all hours worked in excess of eight (8) hours per day at not less than one and one-half (1½) times the basic rate of pay.
- (c) The responsibility for compliance with these provisions is fixed with SCSD understand and agree that they shall, as a penalty to ICAPCD, forfeit specific monetary fines to ICAPCD should SCSD or their subcontractors fail to comply with the provisions contained within this paragraph.

11.2.6. Apprenticeship Requirements.

- (a) SCSD agree to comply with §§ 1777.5, 1777.6 and 1777.7 of the California Labor Code relating to the employment of apprentices and to provide ICAPCD with copies of any contract award information and verified statements of the journeyman and apprentice hours performed pursuant to this Agreement as required by § 1777.5(e).
- (b) The responsibility for compliance with these provisions is fixed with SCSD for all apprenticeable occupations, where journeymen in the craft are employed on the public work, in a ratio of not less than one (1) apprentice for each five (5) journeymen (unless an exemption is granted in accordance with § 1777.5) and SCSD and their subcontractors shall not discriminate among otherwise qualified employees as indentured apprentices on any public work solely on the ground of race, religious creed, color, national origin, ancestry, sex, or age, except as provided in California Labor Code § 3077.
- (c) If the Project work falls within the jurisdiction of California Labor Code § 1777.5, ICAPCD shall, within five (5) days of the award, send a copy of the award to the Division of Apprenticeship Standards. In addition, ICAPCD shall notify the Division of Apprenticeship Standards of a

finding of any discrepancy regarding the ratio of apprentices to journeymen within five (5) days of the finding.

11.2.7. Labor Standards Compliance Requirements.

- (a) It is SCSD's responsibility to provide all labor compliance documentation from their subcontractors completely and accurately in a timely manner. SCSD are responsible to review promptly and then forward on all required documentation to ICAPCD per the time schedules in the Labor Compliance Handout.

12. TIME FOR COMPLETION OF THE WORK.

12.1. The Parties agree that time is of the essence in the performance of this Agreement.

12.2. Time extensions may be allowed for delays caused by ICAPCD, other governmental agencies, or factors not directly brought about by the negligence or lack of due care on the part of SCSD

12.2.1. Such requests for extension shall be in writing and shall be forwarded to the attention of the ICAPCD Contract Manager.

12.2.2. All requests for extension outline the factual bases for the request.

13. MAINTENANCE AND ACCESS OF BOOKS AND RECORDS.

SCSD shall maintain books, records, documents, reports and other materials developed under this Agreement as follows:

13.1. SCSD shall maintain all reports, documents, and records, which demonstrate performance under this Agreement for a minimum period of five (5) years, or for any longer period required by law, from the date of termination or completion of this Agreement.

13.2. Any records or documents required to be maintained by SCSD pursuant to this Agreement shall be made available to ICAPCD for inspection or audit at any time during SCSD's regular business hours; provided that ICAPCD provides SCSD with seven (7) days advanced written or e-mail notice. Copies of such documents shall, at no cost to ICAPCD, be provided to ICAPCD for inspection at SCSD's address indicated for receipt of notices under this Agreement.

14. SUSPENSION OF AGREEMENT.

ICAPCD's Contract Manager shall have the authority to suspend this Agreement, in whole or in part, for such period as deemed necessary due to unfavorable conditions or to the failure on the part of SCSD to perform any provision of this Agreement.

15. TERMINATION.

15.1. Any failure by either Party to perform any term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure from the other Party, unless such period is extended by mutual written consent, shall constitute a default under this Agreement. Any notice given pursuant to this section shall specify the nature of the alleged failure and, where possible, the manner in which the failure may be satisfactorily cured.

15.2. Upon failure to cure as herein provided, the Party alleging the failure may institute legal or equitable proceedings to enforce this Agreement.

16. INSPECTION.

SCSD shall furnish ICAPCD with every reasonable opportunity for ICAPCD to ascertain that the work being performed by SCSD is in accordance with the requirements and intentions of this Agreement. The inspection of such work shall not relieve SCSD of any of its obligations to fulfill its Agreement as prescribed.

17. INTEREST OF SCSD.

17.1. SCSD covenants that it presently has no interest, and shall not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the services hereunder.

17.2. SCSD covenants that, in the performance of this Agreement, no subcontractor or person having such an interest shall be employed.

17.3. SCSD certifies that no one who has or will have any financial interest under this Agreement is an officer or employee of ICAPCD.

18. INDEMNIFICATION.

To the greatest extent permitted by law, SCSD agrees to indemnify, defend, protect and hold harmless ICAPCD and its representatives, officers, directors, designees, employees, successors and assigns from and against any and all claims, actions, demands, liabilities, damages, losses, and expenses of whatever kind, which are in any manner in whole or in part, or which are caused or contributed to in whole or in part, or which are claimed to be caused or contributed to in whole or in part even though such claims may be groundless, false, or fraudulent, by any willful misconduct or negligence, whether active or passive of SCSD, or anyone acting under his direction in connection with or incident with the services provided hereunder, unless the same be caused by the sole or concurrent negligence or willful misconduct of ICAPCD.

19. INSURANCE REQUIREMENTS.

19.1. SCSD hereby agrees, at its sole cost and expense, to obtain and maintain in full force during the entire term of this Agreement (or extended term thereof) the following types of insurance as detailed below:

19.1.1. Commercial General Liability. Coverage in a minimum amount of one million dollars (\$1,000,000) combined single limit to any one person, and two million dollars (\$2,000,000) aggregate for any one accident, including personal injury, death, and property damage.

19.1.2. Commercial Automobile Liability.

(a) Coverage in a minimum amount of one million dollars (\$1,000,000) combined single limit and one million dollars (\$1,000,000) aggregate, including owned, non-owned, and hired vehicles.

(b) Commercial Automobile Liability coverage shall not be required if SCSD does not, at any time, own or rent any automobile during the term of this Agreement, and any extension thereof.

(i) If SCSD does not own or rent an automobile, initial here _____.

(ii) Should this status change, SCSD shall immediately notify ICAPCD in writing and comply with the insurance requirements above.

19.1.3. Workers' Compensation.

- (a) Coverage, if applicable, in full compliance with California statutory requirements, for all employees of SCSD
- (b) Prior to the commencement of any work, SCSD shall sign and file with ICAPCD the following certification: "I am aware of the provisions of California Labor Code §§3700 et seq. which require every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the work of this contract."
- (c) This certification is included in this Agreement and signature of the Agreement shall constitute signing and filing of the certificate.
- (d) SCSD understands and agrees that any and all employees, regardless of hire date, shall be covered by Workers' Compensation pursuant to statutory requirements prior to beginning any work on the Project.
- (e) Worker's Compensation coverage shall not be required if SCSD does not, at any time, have any employees during the term of this Agreement, and any extension thereof.
 - (i) If SCSD does not have any employees, initial here _____.
 - (ii) Should status change, SCSD shall immediately notify ICAPCD in writing and comply with the insurance requirements above.

19.1.4. Employers Liability.

- (a) Coverage, if applicable, in the minimum amount of one million dollars (\$1,000,000) per accident for bodily injury and disease.
- (b) Employer's Liability coverage shall not be required if SCSD does not, at any time, have any employees during the term of this Agreement, and any extension thereof.
 - (i) If SCSD does not have any employees, initial here _____.

- (ii) Should this status change, SCSD shall immediately notify ICAPCD in writing and comply with the insurance requirements above.

19.2. Special Insurance Requirements. All insurance required shall:

19.2.1. Be procured from California admitted insurers (licensed to do business in California) with a current rating by Best's Key Rating Guide, acceptable to ICAPCD. A rating of at least A-VII shall be acceptable to ICAPCD; lesser ratings must be approved in writing by ICAPCD.

19.2.2. Be primary coverage as respects ICAPCD and any insurance or self-insurance maintained by ICAPCD shall be in excess of SCSD's insurance coverage and shall not contribute to it.

19.2.3. Name the Imperial County Air Pollution Control District and the County of Imperial and their officers, employees, and volunteers as additional insured on all policies, except Workers' Compensation insurance, and provide that ICAPCD may recover for any loss suffered by ICAPCD due to SCSD's negligence.

19.2.4. State that it is primary insurance and regards ICAPCD and County of Imperial as additional insureds and contains a cross-liability or severability of interest clause

19.2.5. Not be canceled, non-renewed or reduced in scope of coverage until after thirty (30) days written notice has been given to ICAPCD. SCSD may not terminate such coverage until it provides ICAPCD with proof that equal or better insurance has been secured and is in place. Cancellation or change without prior written consent of ICAPCD shall, at the option of ICAPCD, be grounds for termination of this Agreement.

19.3. Additional Insurance Requirements.

19.3.1. ICAPCD is to be notified immediately of all insurance claims. ICAPCD is also to be notified if any aggregate insurance limit is exceeded.

19.3.2. The comprehensive or commercial general liability shall contain a provision of endorsements stating that such insurance:

- (a) Includes contractual liability;
- (b) Does not contain any exclusions as to loss or damage to property caused by explosion or resulting from collapse of buildings or structures or damage to property underground, commonly referred to by insurers as the "XCU Hazards;"
- (c) Does not contain a "pro rata" provision which looks to limit the insurer's liability to the total proportion that its policy limits bear to the total coverage available to the insured;
- (d) Does not contain an "excess only" clause which require the exhaustion of other insurance prior to providing coverage;
- (e) Does not contain an "escape clause" which extinguishes the insurer's liability if the loss is covered by other insurance;
- (f) Includes ICAPCD and County of Imperial as additional insureds.
- (g) States that it is primary insurance and regards ICAPCD and County of Imperial as additional insureds and contains a cross-liability or severability of interest clause.

19.4. Deposit of Insurance Policy. Promptly on issuance, reissuance, or renewal of any insurance policy required by this Agreement, SCSD shall, if requested by ICAPCD, provide ICAPCD satisfactory evidence that insurance policy premiums have been paid together with a duplicate copy of the policy or a certificate evidencing the policy and executed by the insurance company issuing the policy or its authorized agent.

19.5. Certificates of Insurance. SCSD agrees to provide ICAPCD with the following insurance documents on or before the effective date of this Agreement:

19.5.1. Complete copies of certificates of insurance for all required coverages, including additional insured endorsements, shall be attached hereto as Exhibit "B" and incorporated herein.

19.5.2. The documents enumerated in this Paragraph shall be sent to the following:

County of Imperial
Risk Management Department
940 Main Street, Suite 101
El Centro, CA 92243

and

Imperial County Air Pollution Control District
150 South 9th Street
El Centro, CA 92243

- 19.6. Additional Insurance. Nothing in this, or any other provision of this Agreement, shall be construed to preclude SCSD from obtaining and maintaining any additional insurance policies in addition to those required pursuant to this Agreement.
20. INDEPENDENT CONTRACTOR.
- 20.1. Nothing contained herein shall be construed to create, and the Parties hereto expressly disclaim any intent to create, any form of agency relationship, joint venture, or partnership.
- 20.2. SCSD on its own behalf, and on the behalf of its agents and employees, agrees that SCSD is acting as an independent contractor, and not as an agent, officer or employee of ICAPCD.
- 20.3. SCSD is not an employee of ICAPCD and is only responsible for the requirements and results specified by this Agreement.
- 20.4. SCSD shall be responsible to ICAPCD only for the requirements and results specified by this Agreement and except as specifically provided in this Agreement, shall not be subject to ICAPCD's control with respect to the physical actions or activities of SCSD in fulfillment of the requirements of this Agreement.
- 20.5. SCSD is not, and shall not be, entitled to receive from, or through, ICAPCD, and ICAPCD shall not provide, or be obligated to provide, SCSD with Workers' Compensation coverage or any other type of employment or worker insurance or benefit coverage required or provided by any federal, state or local law or regulation for, or normally afforded to, an employee of ICAPCD.

- 20.6. SCSD shall not be entitled to have ICAPCD withhold or pay, and ICAPCD shall not withhold or pay, on behalf of SCSD, any tax or money relating to the Social Security Old Age Pension Program, Social Security Disability Program, or any other type of pension, annuity, or disability program required or provided by any federal, state, or local law or regulation.
- 20.7. SCSD shall not be entitled to participate in, or receive any benefit from, or make any claim against any ICAPCD fringe benefit program, including, but not limited to, ICAPCD's pension plan, medical and health care plan, dental and eye care plan, life insurance plan, or any other type of benefit program, plan, or coverage designated for, provided to, or offered to ICAPCD's employees.
- 20.8. ICAPCD shall not withhold or pay, on behalf of SCSD, any federal, state, or local tax, including, but not limited to, any personal income tax, owed by SCSD
- 20.9. SCSD is, and at all times during the term of this Agreement, shall represent and conduct itself as an independent contractor, not as an employee of ICAPCD.
- 20.10. SCSD shall not have the authority, express or implied, to act on behalf of, bind, or obligate ICAPCD in any way without the written consent of ICAPCD.

21. **ASSIGNMENT.**

Neither this Agreement nor any duties or obligations hereunder shall be assignable by SCSD without the prior written consent of ICAPCD.

22. **NON-DISCRIMINATION.**

- 22.1. During the performance of this Agreement, SCSD and its subcontractors SCSD shall not unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over forty (40)), marital status and denial of family care leave.

- 22.2. SCSD and its subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment.
- 22.3. SCSD and its subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12990 (a-f) et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, §7285 et seq.).
- 22.4. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code §12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full.
- 22.5. The applicable regulations of §504 of the Rehabilitation Act of 1973 (29 U.S.C. §794 (a)) are incorporated into this Agreement by reference and made a part hereof as if set forth in full.
- 22.6. SCSD and its subcontractors shall give written notice of their obligations under Section 22 to labor organizations with which they have a collective bargaining or other agreement.
- 22.7. SCSD shall include the nondiscrimination and compliance provisions of Section 22 in all subcontracts to perform work under this Agreement.

23. NOTICES.

- 23.1. Any notice by either party to the other shall be personally delivered to the party or sent by certified mail, return receipt requested, to the addresses set forth below:

ICAPCD:
Imperial County Air Pollution Control District
150 South 9th Street
El Centro, CA 92243

SCSD:
Salton Community Services District
1209 Van Buren Avenue, Ste 1
Salton City, CA 92275

and

Imperial County Air Pollution Control District
Clerk of the District Board of Directors
940 West Main Street, Suite 209
El Centro, CA 92243

23.2. Notice shall be deemed to have been delivered only upon receipt by the Party, seventy-two (72) hours after deposit in the United States mail, or twenty-four (24) hours after deposit with an overnight carrier.

23.3. The addressees and addresses for purposes of this Section may be changed to any other addressee and address by giving written notice of such change. Unless and until written notice of change of addressee and/or address is delivered in the manner provided in this Section, the addressee and address set forth in this Agreement shall continue in effect for all purposes hereunder.

24. **ENTIRE AGREEMENT.**

This Agreement contains the entire contract between ICAPCD and SCSD relating to the transactions contemplated and supersedes all prior or contemporaneous agreements, understandings, provisions, negotiations, representations, or statements, either written or oral.

25. **MODIFICATION.**

No modification, waiver, amendment, discharge, or change of this Agreement shall be valid unless the same is in writing and signed by both Parties.

26. **CAPTIONS.**

Captions in this Agreement are inserted for convenience of reference only and do not define, describe, or limit the scope or the intent of this Agreement or any of the terms thereof.

27. **PARTIAL INVALIDITY.**

If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

28. **GENDER AND INTERPRETATION OF TERMS AND PROVISIONS.**

28.1. As used in this Agreement, and whenever required by the context thereof, each number, both singular and plural, shall include all numbers, and each gender shall include all genders.

28.2. SCSD as used in this Agreement or in any other document referred to in or made a part of this Agreement shall likewise include the singular and the plural, a corporation, a partnership, individual, firm or person acting in any fiduciary capacity as executor, administrator, trustee or in any other representative capacity or any other entity.

28.3. All covenants herein contained on the part of SCSD shall be joint and several if more than one person, firm, or entity executes the Agreement.

29. **WAIVER.**

No Waiver of any breach or of any of the covenants or conditions of this Agreement shall be construed to be a waiver of any other breach or to be a consent to any further or succeeding breach of the same or any other covenant or condition.

30. **CHOICE OF LAW.**

This Agreement shall be governed by the laws of the State of California. This Agreement is made and entered into in Imperial County, California. To the extent permitted by law, any action brought by either Party with respect to this Agreement shall be brought in a court of competent jurisdiction within said County.

31. **AUTHORITY.**

31.1. Each individual executing this Agreement on behalf of SCSD represents and warrants that:

31.1.1. He/She is duly authorized to execute and deliver this Agreement on behalf of SCSD; and

31.1.2. Such execution and delivery is in accordance with the terms of any Articles of Incorporation or Partnership, by-laws, or Resolutions of SCSD and;

31.2. This Agreement is binding upon SCSD accordance with its terms.

31.3. SCSD shall deliver to ICAPCD evidence acceptable to ICAPCD of the foregoing within thirty (30) days of execution of this Agreement.

32. **COUNTERPARTS.**

This Agreement (as well as any amendments hereto) may be executed in any number of counterparts, each of which when executed shall be an original, and all of which together shall

constitute one and the same Agreement. No counterparts shall be effective until all Parties have executed a counterpart hereof.

33. REVIEW OF AGREEMENT TERMS.

This Agreement has been reviewed and revised by legal counsel for both ICAPCD and SCSD, and no presumption or rule that ambiguities shall be construed against the drafting party shall apply to the interpretation or enforcement of the same or any subsequent amendments thereto.

34. NON-APPROPRIATION.

This Agreement is based upon the availability of public funding. In the event that public funds are unavailable and not appropriated for the performance of the work set forth in this Agreement, the Agreement shall be terminated without penalty after written notice to SCSD of the unavailability and/or non-appropriation of funds.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed the day and year first above written.

Imperial County Air Pollution Control District

Salton Community Services District
(SCSD)

By: Michael W. Kelley
Michael W. Kelley, Chairman
District Board of Directors

By: Rogelio Flores
~~Dale Johnson~~, President
SCSD
Rogelio Flores

ATTEST:

Blanca Acosta

Blanca Acosta, Clerk of the District Board,
Imperial County Air Pollution Control District

APPROVED AS TO FORM:

Eric Havens, County Counsel

By: Eric Havens

Deputy County Counsel

State of California - Natural Resources Agency
DEPARTMENT OF PARKS AND RECREATION

GRANT CONTRACT
2018 Parks Bond Act
Per Capita Grant Program

GRANTEE Salton CSD

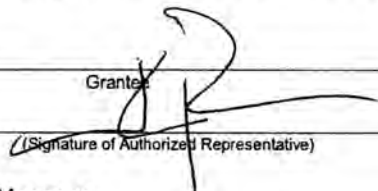
THE PROJECT PERFORMANCE PERIOD is from July 01, 2018 through June 30, 2024

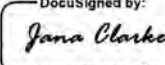
CONTRACT PERFORMANCE PERIOD is from July 01, 2018 through June 30, 2048

The GRANTEE agrees to the terms and conditions of this Contract, and the State of California, acting through its Director of the Department of Parks and Recreation, pursuant to the State of California, agrees to fund the total State grant amount indicated below.

The GRANTEE agrees to complete the GRANT SCOPE(s) as defined in the GRANT SCOPE/Cost Estimate Form or acquisition documentation for the application(s) filed with the State of California.

The General and Special Provisions attached are made a part of and incorporated into the Contract.

Salton CSD
By 
(Signature of Authorized Representative)

STATE OF CALIFORNIA
DEPARTMENT OF PARKS AND RECREATION
DocuSigned by:

96CAD152004346D

Title General Manager By _____
Date 4/16/2022 Date 5/5/2022

CERTIFICATION OF FUNDING
(For State Use Only)

CONTRACT NO C9801243	AMENDMENT NO	FISCAL SUPPLIER I.D. 0000148542			PROJECT NO. 18-13-017
AMOUNT ENCUMBERED BY THIS DOCUMENT \$177,952.00		FUND. Drought, Water, Cln Air, Cstl Protc, Outdoor Fund			
PRIOR AMOUNT ENCUMBERED FOR THIS CONTRACT		ITEM 3790-101-6088	CHAPTER 29	STATUTE 18	FISCAL YEAR 2021/22
TOTAL AMOUNT ENCUMBERED TO DATE \$177,952.00		Reporting Structured. 37900091	Account/Alt Account. 5432000-5432000000	ACTIVITY CODE 69801	PROJECT / WORK PHASE 379000001813017

I. RECITALS

This CONTRACT is entered into between the California Department of Parks and Recreation (hereinafter referred to as "GRANTOR," "DEPARTMENT" or "STATE") and Salton CSD (hereinafter referred to as "GRANTEE").

The DEPARTMENT hereby grants to GRANTEE a sum (also referred to as "GRANT MONIES") not to exceed \$177,952, subject to the terms and conditions of this AGREEMENT and the 2018/19 California State Budget, Chapter 29, statutes of 2018, Item number – 3790-101-6088 (appropriation chapter and budget item number hereinafter referred to as "PER CAPITA GRANT"). These funds shall be used for completion of the GRANT SCOPE(S).

The Grant Performance Period is from July 01, 2018 to June 30, 2024.

II. GENERAL PROVISIONS

A. Definitions

As used in this CONTRACT, the following words shall have the following meanings:

1. The term "ACT" means the California Drought, Water, Parks Climate, Coastal Protection, and Outdoor Access for All Act of 2018, as referred to in section I of this CONTRACT.
2. The term "APPLICATION" means the individual project APPLICATION packet for a project pursuant to the enabling legislation and/or grant program process guide requirements.
3. The term "DEPARTMENT" or "STATE" means the California Department of Parks and Recreation.
4. The term "DEVELOPMENT" means capital improvements to real property by means of, but not limited to, construction, expansion, and/or renovation, of permanent or fixed features of the property.
5. The term "GRANTEE" means the party described as the GRANTEE in Section I of this CONTRACT.
6. The term "GRANT SCOPE" means the items listed in the GRANT SCOPE/Cost Estimate Form or acquisition documentation found in each of the APPLICATIONS submitted pursuant to this grant.
7. The term "PROCEDURAL GUIDE" means the document identified as the "Procedural Guide for California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018 Per Capita Program." The

PROCEDURAL GUIDE provides the procedures and policies controlling the administration of the grant.

B. Project Execution

1. Subject to the availability of GRANT MONIES, the STATE hereby grants to the GRANTEE a sum of money not to exceed the amount stated in Section I of this CONTRACT, in consideration of, and on condition that, the sum be expended in carrying out the purposes as set forth in the scope described in the enabling legislation and referenced in the APPLICATION, Section I of this CONTRACT, and under the terms and conditions set forth in this CONTRACT.

The GRANTEE shall assume any obligation to furnish any additional funds that may be necessary to complete the GRANT SCOPE(S).

The GRANTEE agrees to submit any change or alteration from the original GRANT SCOPE(S) in writing to the STATE for prior approval. This applies to any and all changes that occur after STATE has approved the APPLICATION. Changes in the GRANT SCOPE(S) must be approved in writing by the STATE.

2. The GRANTEE shall complete the GRANT SCOPE(S) in accordance with the time of the Performance Period set forth in Section I of this CONTRACT, and under the terms and conditions of this CONTRACT.
3. The GRANTEE shall comply with the California Environmental Quality Act (Public Resources Code, Section 21000, et seq., Title 14, California Code of Regulations, Section 15000 et seq.).
4. The GRANTEE shall comply with all applicable current laws and regulations affecting DEVELOPMENT projects, including, but not limited to, legal requirements for construction contracts, building codes, health and safety codes, and laws and codes pertaining to individuals with disabilities, including but not limited to the Americans With Disabilities Act of 1990 (42 U.S.C. §12101 et seq.) and the California Unruh Act (California Civil Code §51 et seq.).

C. Project Costs

1. GRANTEE agrees to abide by the PROCEDURAL GUIDE.
2. GRANTEE acknowledges that STATE may make reasonable changes to its procedures as set forth in the PROCEDURAL GUIDE. If STATE makes any changes to its procedures and guidelines, STATE agrees to notify GRANTEE within a reasonable time.

D. Project Administration

1. If GRANT MONIES are advanced for DEVELOPMENT projects, the advanced funds shall be placed in an interest bearing account until expended. Interest earned on the advanced funds shall be used on the project as approved by the STATE. If grant monies are advanced and not expended, the unused portion of the

grant and any interest earned shall be returned to the STATE within 60 days after project completion or end of the Grant Performance Period, whichever is earlier.

2. The GRANTEE shall submit written project status reports within 30 calendar days after the STATE has made such a request. In any event, the GRANTEE shall provide the STATE a report showing total final project expenditures within 60 days of project completion or the end of the grant performance period, whichever is earlier. The Grant Performance Period is identified in Section I of this CONTRACT.
3. The GRANTEE shall make property or facilities acquired and/or developed pursuant to this contract available for inspection upon request by the STATE.

E. Project Termination

1. Project Termination refers to the non-completion of a GRANT SCOPE. Any grant funds that have not been expended by the GRANTEE shall revert to the STATE.
2. The GRANTEE may unilaterally rescind this CONTRACT at any time prior to the commencement of the project. The commencement of the project means the date of the letter notifying GRANTEE of the award or when the funds are appropriated, whichever is later. After project commencement, this CONTRACT may be rescinded, modified or amended only by mutual agreement in writing between the GRANTEE and the STATE, unless the provisions of this CONTRACT provide that mutual agreement is not required.
3. Failure by the GRANTEE to comply with the terms of the (a) PROCEDURAL GUIDE, (b) any legislation applicable to the ACT, (c) this CONTRACT as well as any other grant contracts, specified or general, that GRANTEE has entered into with STATE, may be cause for suspension of all obligations of the STATE unless the STATE determines that such failure was due to no fault of the GRANTEE. In such case, STATE may reimburse GRANTEE for eligible costs properly incurred in performance of this CONTRACT despite non-performance of the GRANTEE. To qualify for such reimbursement, GRANTEE agrees to mitigate its losses to the best of its ability.
4. Any breach of any term, provision, obligation or requirement of this CONTRACT by the GRANTEE shall be a default of this CONTRACT. In the case of any default by GRANTEE, STATE shall be entitled to all remedies available under law and equity, including but not limited to: a) Specific Performance; b) Return of all GRANT MONIES; c) Payment to the STATE of the fair market value of the project property or the actual sales price, whichever is higher; and d) Payment to the STATE of the costs of enforcement of this CONTRACT, including but not limited to court and arbitration costs, fees, expenses of litigation, and reasonable attorney fees.
5. The GRANTEE and the STATE agree that if the GRANT SCOPE includes DEVELOPMENT, final payment may not be made until the work described in the GRANT SCOPE is complete and the GRANT PROJECT is open to the public.

F. Budget Contingency Clause

If funding for any fiscal year is reduced or deleted by the budget act for purposes of this program, the STATE shall have the option to either cancel this contract with no liability occurring to the STATE, or offer a CONTRACT amendment to GRANTEE to reflect the reduced grant amount. This Paragraph shall not require the mutual agreement as addressed in Paragraph E, provision 2, of this CONTRACT.

G. Hold Harmless

1. The GRANTEE shall waive all claims and recourse against the STATE including the right to contribution for loss or damage to persons or property arising from, growing out of or in any way connected with or incident to this CONTRACT except claims arising from the concurrent or sole negligence of the STATE, its officers, agents, and employees.
2. The GRANTEE shall indemnify, hold harmless and defend the STATE, its officers, agents and employees against any and all claims, demands, damages, costs, expenses or liability costs arising out of the ACQUISITION, DEVELOPMENT, construction, operation or maintenance of the property described as the project which claims, demands or causes of action arise under California Government Code Section 895.2 or otherwise except for liability arising out of the concurrent or sole negligence of the STATE, its officers, agents, or employees.
3. The GRANTEE agrees that in the event the STATE is named as codefendant under the provisions of California Government Code Section 895 et seq., the GRANTEE shall notify the STATE of such fact and shall represent the STATE in the legal action unless the STATE undertakes to represent itself as codefendant in such legal action in which event the GRANTEE agrees to pay the STATE's litigation costs, expenses, and reasonable attorney fees.
4. The GRANTEE and the STATE agree that in the event of judgment entered against the STATE and the GRANTEE because of the concurrent negligence of the STATE and the GRANTEE, their officers, agents, or employees, an apportionment of liability to pay such judgment shall be made by a court of competent jurisdiction. Neither party shall request a jury apportionment.
5. The GRANTEE shall indemnify, hold harmless and defend the STATE, its officers, agents and employees against any and all claims, demands, costs, expenses or liability costs arising out of legal actions pursuant to items to which the GRANTEE has certified. The GRANTEE acknowledges that it is solely responsible for compliance with items to which it has certified.

H. Financial Records

1. The GRANTEE shall maintain satisfactory financial accounts, documents, including loan documents, and all other records for the project and to make them available to the STATE for auditing at reasonable times. The GRANTEE also agrees to retain such financial accounts, documents and records for five years following project

termination or issuance of final payment, whichever is later.

2. The GRANTEE shall keep such records as the STATE shall prescribe, including records which fully disclose (a) the disposition of the proceeds of STATE funding assistance, (b) the total cost of the project in connection with such assistance that is given or used, (c) the amount and nature of that portion of the project cost supplied by other sources, and (d) any other such records that will facilitate an effective audit.
3. The GRANTEE agrees that the STATE shall have the right to inspect and make copies of any books, records or reports pertaining to this contract or matters related thereto during regular office hours. The GRANTEE shall maintain and make available for inspection by the STATE accurate records of all of its costs, disbursements and receipts with respect to its activities under this contract. Such accounts, documents, and records shall be retained by the GRANTEE for at least five years following project termination or issuance of final payment, whichever is later.
4. The GRANTEE shall use a generally accepted accounting system.

I. Use of Facilities

1. The GRANTEE agrees that the GRANTEE shall operate and maintain the property acquired or developed with the GRANT MONIES, for the duration of the Contract Performance Period.
2. The GRANTEE agrees that, during the Contract Performance Period, the GRANTEE shall use the property acquired or developed with GRANT MONIES under this contract only for the purposes of this grant and no other use, sale, or other disposition or change of the use of the property to one not consistent with its purpose shall be permitted except as authorized by the STATE and the property shall be replaced with property of equivalent value and usefulness as determined by the STATE.
3. The property acquired or developed may be transferred to another entity if the successor entity assumes the obligations imposed under this CONTRACT and with the approval of STATE.
4. Any real Property (including any portion of it or any interest in it) may not be used as security for any debt or mitigation, without the written approval of the STATE provided that such approval shall not be unreasonably withheld as long as the purposes for which the Grant was awarded are maintained. Any such permission that is granted does not make the STATE a guarantor or a surety for any debt or mitigation, nor does it waive the STATE'S rights to enforce performance under the Grant CONTRACT.

5. All real property, or rights thereto, acquired with GRANT MONIES shall be subject to an appropriate form of restrictive title, rights, or covenants approved by the STATE. If the project property is taken by use of eminent domain, GRANTEE shall reimburse STATE an amount at least equal to the amount of GRANT MONIES received from STATE or the pro-rated full market value of the real property, including improvements, at the time of sale, whichever is higher.
6. If eminent domain proceedings are initiated against GRANTEE, GRANTEE shall notify STATE within 10 days of receiving the complaint.

J. Nondiscrimination

1. The GRANTEE shall not discriminate against any person on the basis of sex, race, color, national origin, age, religion, ancestry, sexual orientation, or disability in the use of any property or facility developed pursuant to this contract.
2. The GRANTEE shall not discriminate against any person on the basis of residence except to the extent that reasonable differences in admission or other fees may be maintained on the basis of residence and pursuant to law.
3. All facilities shall be open to members of the public generally, except as noted under the special provisions of this project contract or under provisions of the enabling legislation and/or grant program.

K. Severability

If any provision of this CONTRACT or the application thereof is held invalid, that invalidity shall not affect other provisions or applications of the CONTRACT which can be given effect without the invalid provision or application, and to this end the provisions of this CONTRACT are severable.

L. Liability

1. STATE assumes no responsibility for assuring the safety or standards of construction, site improvements or programs related to the GRANT SCOPE. The STATE'S rights under this CONTRACT to review, inspect and approve the GRANT SCOPE and any final plans of implementation shall not give rise to any warranty or representation that the GRANT SCOPE and any plans or improvements are free from hazards or defects.
2. GRANTEE will secure adequate liability insurance, performance bond, and/or other security necessary to protect the GRANTEE's and STATE'S interest against poor workmanship, fraud, or other potential loss associated with completion of the grant project.

M. Assignability

Without the written consent of the STATE, the GRANTEE'S interest in and responsibilities under this CONTRACT shall not be assignable by the GRANTEE either in whole or in part.

N. Use of Grant Monies

GRANTEE shall not use any grant funds (including any portion thereof) for the purpose of making any leverage loan, pledge, promissory note or similar financial device or transaction, without: 1) the prior written approval of the STATE; and 2) any financial or legal interests created by any such leverage loan, pledge, promissory note or similar financial device or transaction in the project property shall be completely subordinated to this CONTRACT through a Subordination Agreement provided and approved by the STATE, signed by all parties involved in the transaction, and recorded in the County Records against the fee title of the project property.

O. Section Headings

The headings and captions of the various sections of this CONTRACT have been inserted only for the purpose of convenience and are not a part of this CONTRACT and shall not be deemed in any manner to modify, explain, or restrict any of the provisions of this CONTRACT.

P. Waiver

Any failure by a party to enforce its rights under this CONTRACT, in the event of a breach, shall *not* be construed as a waiver of said rights; and the waiver of any breach under this CONTRACT shall *not* be construed as a waiver of any subsequent breach.

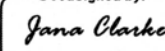
Salton CSD
GRANTEE

By: 
Signature of Authorized Representative

Title: GENERAL MANAGER

Date: 4/16/2022

STATE OF CALIFORNIA
DEPARTMENT OF PARKS AND RECREATION

By: 
086AD162004346D

Date: 5/5/2022



1209 Van Buren Avenue, Suite 1
POST OFFICE BOX 5268
SALTON CITY, CALIFORNIA 92275-5268
TELEPHONE: (760) 394-4446
FAX: (760) 394-4242
scsd@saltoncsd.ca.gov

Serving the West Shores of the Fabulous Salton Sea

December 11, 2019

RE: Franchise Agreement Between SCSD and Burrtec Waste and Recycling Services

Dear Mike Veto,

Enclosed is the Exclusive Franchise Agreement for Solid Waste and Recycling Services between Salton Community Services District and Burrtec Waste and Recycling Services, LLC.

Should you have any questions, feel free to contact me at (760) 394-4446.

Regards,

Sandy Kaelberer
Executive Assistant

**FIRST AMENDMENT TO EXCLUSIVE FRANCHISE AGREEMENT FOR SOLID WASTE
AND RECYCLING SERVICES BETWEEN THE SALTON COMMUNITY SERVICES
DISTRICT AND BURRTEC WASTE AND RECYCLING SERVICES, LLC**

This First Amendment to Exclusive Franchise Agreement for Solid Waste and Recycling Services between the Salton Community Services District and Burrtec Waste and Recycling Services, LLC (“First Amendment”) is entered into this ____ day of _____, 2018, by and between Burrtec Waste & Recycling Services, LLC a California limited liability company (the “Contractor”), and the Salton Community Services District, a community services district organized under the laws of the State of California (the “District”). Contractor and District are sometimes individually referred to as “Party” and collectively as “Parties” in this First Amendment.

RECITALS

- A. Effective as of September 15, 2009, Contractor and the District entered into that certain Exclusive Franchise Agreement for Solid Waste and Recycling Services between the Salton Community Services District and Burrtec Waste and Recycling Services, LLC (the “Agreement”);
- B. The Contractor and District wish to amend the Agreement to include such other terms and conditions set forth in this First Amendment.

NOW THEREFORE, based on and in consideration of the foregoing recitals, the mutual promises herein and for other good and valuable consideration, the receipt of which is acknowledged by both parties, the parties agree as follows:

For collection purposes the District would like to place all District Residents on the Imperial County Tax Roll for Solid Waste and Recycling Services. Residents who wish to not be placed on the Imperial County Tax Roll for Solid Waste and Recycling Services will have the option to “opt-out”. The following “opt-out” options are: direct billing for Solid Waste and Recycling

Services by Burrtec Waste & Recycling Services, LLC or Self-Hauling. Self-Haulers must meet all registration requirements stipulated within and by the District General Manager. District Residents whom have opted out of being placed on the Imperial County Tax Roll whose accounts become delinquent on two or more billing cycles will have their services suspended and will automatically then be placed on the Imperial County Tax Roll the following Tax Roll cycle. Once the delinquent account is placed on the Imperial County Tax Roll the only option to “opt-out” will be by Self-Hauling.

1. Billing

Section G.1.a. of the Agreement shall be amended to read as follows:

“a. Residential Premises. (Contractor) shall bill all Residential Premises receiving Collection who do not “opt-out” as provided herein, via the County tax roll at Contractor’s expense. Contractor shall submit updated residential billing information to the District on or before July 15th of each year. District shall review the information and request any additional data, changes, or additions as required. Contractor shall promptly provide such additional or revised information to the District such that the District can review the new information provided and (approve billing information for Contractor to) meet the County due date of August 10 for submittal of the tax roll billing data to the County. Contractor shall work with the District and County staff as needed to ensure that all billing information is complete, accurate, compliant with all applicable law, and received in a format that is acceptable to the District and to the County of Imperial. With respect to tax roll receipts received by the District, the District shall deduct from the payments due to Company the franchise fee amount or other fees owed to the District pursuant to Section J of this Agreement. The District shall remit the net portion due to Contractor in two (2) equal installments due within thirty (30) days of receipt of each tax bill installment payment from the County of Imperial. In the case of Residential Premises which are not placed on the tax roll, Contractor shall bill Residential Premises receiving individual Collection every four (4) months in advance of service. Payment on such billings shall be due within ten (10) days and delinquent after thirty (30) days. Residential Premises delinquent on two or more billing cycles will have their services suspended and then be placed on the County tax roll for the next billing cycle. Once the account has been placed on the County Tax Roll, the District Resident then may have the option to “opt-out” via Self Haul only. Residential Premises electing not to go on the County tax roll will be required to submit an “opt out” form on or before May 31st of each year to Contractor.

“c. Discounted Rate. Residential Premises receiving individual collection via the County tax roll will receive a \$1.00 a-month discounted rate.

2. Self-Hauling.

The following provisions regarding self -haulers shall be incorporated into and made a part of the Agreement:

A. Self -Haulers. Self-haulers registered and operating in accordance with this chapter are only permitted to Collect, transport and dispose of Solid Waste generated by and upon the self-hauler’s own premises. Under no circumstances may a self-hauler Collect, transport or dispose of Solid Wastes generated upon Premises that are not owned, operated or controlled by the self-hauler. Notwithstanding any other provision of this chapter, registered self-haulers shall not be permitted to share, place Solid Waste in, or to otherwise use the bin, cart, rolloff box, or other container of another person or business.

B. Registration. All self-haulers shall subscribe to the following registration requirements:

1. Each self-hauler shall obtain registration from the District General Manager. Self-haulers must renew their registrations at the commencement of each Fiscal Year. Initial applications following the adoption of these regulations, for the 2019-2020 Fiscal Year, must be submitted to the General Manager on or before May 31, 2019, and by each May 31st thereafter.

2. The application to register for self-hauling, whether upon initial application or renewal, shall include the following: (a) a list of all transport and disposal equipment to be used by the self-hauler; (b) a written explanation of where all Solid Waste will be delivered for disposal and diversion; and any other information deemed necessary by the General Manager to ensure protection of public health, safety and sanitary needs.

3. Renewal applications shall additionally include: (a) receipts from self-hauling activities undertaken in the prior year demonstrating that the applicant has effectively diverted at least fifty percent of all Solid Waste generated at its

Premises from landfills in a manner that complies with the requirements of AB 939; and (b) receipts from self-hauling activities undertaken in the prior year demonstrating that the applicant has delivered Solid Waste generated at its Premises to appropriate disposal or recycling facilities at least as frequently (once a week) as collection is required for such self-hauler by the General Manager.

4. The General Manager shall approve the application if it meets the requirements of this section, and if the equipment, containers, diversion plan and disposal plan meet with his or her reasonable satisfaction, and if evidence of past diversion and disposal requirements demonstrate the applicant has complied with the fifty-percent diversion requirement and otherwise complied with all laws related to disposal of Solid Waste.
- C. Containers. Each self-hauler shall provide its own bins, carts, rolloff boxes or other containers. Bins, carts, rolloff boxes or other containers utilized by self-hauler must conform to industry standards for Solid Waste disposal and must be approved by the General Manager in writing prior to issuance of a self-hauler registration.
1. All containers shall be maintained in good repair, and any question as to the meaning of this standard shall be resolved by the General Manager;
 2. All containers shall be maintained in a sealed, watertight condition;
- D. Collection and Transport Equipment. Collection and transport equipment, including but not limited to transport trucks and vehicles, utilized by a self-hauler must be approved by the General Manager in writing prior to issuance of a self-hauler registration.
- E. Non-Commercial Venture. It is the intent of this chapter to prevent and proscribe self-hauling activities undertaken as a commercial enterprise. Self-haulers must obtain all equipment, including containers and collection and transportation equipment, at a fair market value that does not include any hauling services, "free" or otherwise. A self-hauler may utilize its own employees to undertake self-hauling

activities, but under no circumstance may a self-hauler utilize an independent contractor or any other person or entity for waste disposal services other than a franchisee.

- F. Other Recycling Obligations. Self-haulers shall recycle all recyclable materials not otherwise addressed by this section to a degree and in a manner consistent with standards generally applicable to the Solid Waste disposal industry and as required by law.
- G. Collection Frequency. Unless otherwise specifically provided in this chapter, self-haulers shall remove Solid Wastes from their Premises at least once a week. However, upon application to the District for a self-hauler permit, the General Manager may determine a different frequency for Solid Waste collection, transport and disposal from the self-hauler's Premises. This determination shall be based upon the nature of the Premises, the type of Solid Waste generated by the Premises, and the collection capacity of the self-hauler as demonstrated by information in the application.
- H. Hazardous and Special Wastes. Unless lawfully and currently licensed under state, federal and local laws, no self-hauler shall engage in the collection, transport or disposal of hazardous waste or special wastes.
- I. Revocation. The General Manager may revoke a self-hauler permit if the permittee either (1) fails to divert at least fifty percent of all Solid Waste generated at its Premises from landfills in a manner that complies with the requirements of AB 939; or (2) fails to deliver Solid Waste generated at its Premises to appropriate disposal or recycling facilities at least as frequently as collection is required for such self-hauler by the General Manager.

3. Refund for Vacant Properties.

Customers that own Single Family Dwellings which are vacant for more than thirty (30) days shall be entitled to a refund from Contractor for any amounts paid on the tax rolls for services hereunder for each thirty (30) day period during which the vacancy exists. Such Customers shall be responsible to provide reasonable evidence to Contractor, pursuant to such guidelines as the General Manager is hereby authorized to develop, demonstrating the Premises was vacant for the period in question and payments for

which reimbursement is sought was placed on the tax rolls for the Premises and paid. Request for refunds shall be made twelve (12) months of the date payment is due as established by the County Tax Assessor. Contactor shall be responsible to develop a methodology for evaluating and paying such refund requests, which shall be subject to the General Manager's approval. Any customer grievance regarding a request for a refund pursuant to this section may be appealed by the customer to the General Manager whose decision shall be final. Contractor shall be entitled to receive a credit against future Franchise Fee payments for overpayments of Franchise Fees that may occur due to refunds provided pursuant to the section.

4. Other terms and Conditions Unchanged.

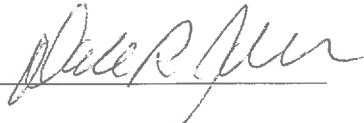
Except as expressly modified by the First Amendment, all other terms and conditions of the Agreement shall remain unchanged. In the event of any conflict between the terms and conditions in this First Amendment shall prevail and control.

5. Counterparts.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original. All counterparts shall be construed together and shall constitute one agreement.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to be executed by and through their respective authorized officers, as of the date first above written.

SALTON COMMUNITY SERVICES
DISTRICT

By: 
(Signature)

Dale Johnson
President of the Board

12-10-19
(date)

BURRTEC WASTE AND
RECYCLING SERVICES, LLC

By: 
(Signature)

Cole Burr
President

(date)

ATTEST:

By: _____

(Signature)

Secretary of the Board

APPROVED:

By: 

(Signature)

General Manager

APPROVED AS TO FORM:

By: _____

(Signature)

General Counsel



Salton Community Services District Wastewater Rate Study

**Rural Community
Assistance Corporation**



Prepared by:
Raul Vazquez

Rural Community Assistance
Corporation

3120 Freeboard Drive, Suite 201
West Sacramento, CA 95961

April 2021
Updated January 2023

Funded by: This document was
prepared using funds under Prop 1.

TA Work Plan Number: AR 6058

Executive Summary

Salton Community Service District [SCSD or District] serves communities that include Salton City and Desert Shores, California, which have a population of approximately 6,250 residents and a Median Household Income (MHI) of **\$34,087** as estimated by the 2015-2019 5-year American Community Survey. Consisting of wastewater collection and treatment facilities owned and operated by the District, SCSD provides wastewater services to approximately twenty-seven hundred active connections.

In January of 2020 RCAC received a technical assistance request from the District to conduct a wastewater rate study to ascertain rates that would meet its existing and future revenue needs. Developing a sustainable, fair, and justifiable rate structure was identified as the key objective of this study. This study is intended to assure compliance with California Proposition 218 as it relates to fee setting. The goal of this rate study, therefore, is to develop a suitable five-year rate structure and annual fee schedule that produces revenues adequate to meet the operating and capital financial needs of SCSD and which complies with Proposition 218. Due to higher than projected inflation increases in 2022, RCAC was asked to update the rate study.

RCAC examined financials, assets, and other data provided by the District. RCAC also consulted with SCSD staff to identify current and future operating and capital needs, community growth, and related reserves. This study's objective is to identify sustainable, equitable and justifiable rates SCSD can charge for their wastewater service area.

Under SCSD's existing rate structure, wastewater rates are based on an annual fee for its service area which includes Salton City, Vista Del Mar, and Desert Shores residential units connected to wastewater service. Salton City (SC) residential units are charged an annual fee of \$640.74 and those with an extra lot are charged an additional \$21.00 standby fee. Salton City Elementary School is charged per student at \$15.53 each. The Salton City High School is charged at \$46.53 per student. Additionally, SCSD charges two standby fees on vacant lots with immediate availability of sewer service. The original standby fee is \$21.00 plus a subsequently adopted maintenance stand by fee which is currently \$16.18.

RCAC recommends, after reviewing several options with SCSD staff, the Local Agency Formation Commission (LAFCO) and SCSD's legal counsel, the following rate adjustments over the course of the next five years:

1. An increase of on all sewer user charges in the first year. The current annual charge of \$640.74 for all residential units should be increased to \$838.41. That is an annual increase of \$197.67 or approximately \$16.47 per month. The commercial use charge should also increase from \$7.70 to \$10.08 per hundred cubic feet of water usage. Water usage data is obtained from the water purveyor Coachella Valley Water District.
2. RCAC recommends incremental increases of 4 percent in subsequent years to the base and usage rates so that the system is financially viable, without causing undue burden on customers. In the first four years, the District will not have sufficient revenue to fully fund reserve accounts. However, shortages will be recovered in the final year, with a five-year total reserve funding

projected at \$2,379,072. It will be necessary for SCSD to rely on non-operating revenue to fully recover all costs for the first four years.

1. Introduction

Rural Community Assistance Corporation

Founded in 1978, RCAC is a 501(c) (3) nonprofit organization that provides training, technical and financial resources, and advocacy so rural communities can achieve their goals and visions. For more than 40 years, our dedicated staff and active board, coupled with our key values: leadership, collaboration, commitment, quality, and integrity, have helped rural communities throughout the West achieve positive change.

RCAC's work includes environmental infrastructure (water, wastewater, solid waste facilities); affordable housing development; economic and leadership development; and community development finance. These services are available to communities with populations of fewer than 50,000, other nonprofit groups, Tribal organizations, farmworkers, Colonias and other specific populations. Headquartered in West Sacramento, California, RCAC's employees serve rural communities in 13 western states and the Pacific islands.

Purpose of this Rate Study

This wastewater rate study was conducted on behalf of Salton Community Services District by RCAC to develop a suitable five-year rate and fee schedule that produces revenue adequate to meet the operating and capital financial needs of SCSD.

Board Responsibilities

The Governing Body has the fiduciary responsibility to set the rates at such a level that the utility will be able to continue to operate now and into the future, including providing funds to replace all parts of the system as they wear out. While this document recommends certain rates, the ultimate decision rests with the Governing Body.

Guiding Principles of This Study

This study is guided by the following principles:

Sustainability: Wastewater rates should cover costs permitting the Salton Community Services District to provide wastewater services now and for the foreseeable future.

Fairness: Wastewater rates should be fair to all ratepayers. No single ratepayer or group of ratepayers should be singled out for different rates. The District should not charge more for wastewater than the cost to provide the wastewater.

Ease of Understanding: Wastewater rates should be easy for staff to understand, implement and explain to customers. The structure should be compatible with current utility billing software.

Justifiability: Wastewater rates must be based on the actual financial needs of the District. Revenue generated from wastewater rates can't be used for anything else but to pay for the costs of collecting and treating wastewater within its service area, plus any administrative costs and reserves.

Disclaimer

The recommendations contained in this rate study are based on financial information provided to RCAC by the District and its representatives. Although every effort was made to assure the reliability of this information, no warranty is expressed or implied as to the correctness, accuracy or completeness of the information contained herein.

Any opinions, findings, and conclusions or recommendations expressed in this material are solely the responsibility of the author and do not necessarily represent the official views of RCAC. For accounting advice, a Certified Public Accountant should be consulted. For legal advice, the District should seek the advice of an attorney.

2. Community and System

Community

Salton Community Services District (SCSD) is located on the west side of the Salton Sea within Imperial County. It was first formed in 1955 and named Desert Shores Community Service District (DSCSD). In 1957, Salton City (SC) was annexed into the DSCSD and renamed to Salton Community Services District. The District provides wastewater services to a population of 6,250 based on the 2019 5-year American Community Survey (ACS) estimates. According to the same survey Salton City has an estimated Median Household Income (MHI) of \$34,087 (+/- \$5,094). This number is below the state average of \$67,169. The SCSD service area includes two areas within the District boundaries: Desert Shores and Salton City. Salton City collections system also covers part of the Community of Vista Del Mar.

Wastewater System

The Salton Community Services District currently consists of approximately 450 miles of wastewater lines with approximately 5,700 manholes with average range of depth between 8'-12', as well as 23 ponds. The Desert Shores wastewater treatment plant is located one mile southwest of the Desert Shores community, west of State Highway 86. This plant utilizes ponds that are six feet deep on approximately 15 acres of land. Salton City wastewater treatment plant is located one mile west of the Salton Sea. The Salton City wastewater plant active services are spread out and, due to the topography, the systems consist of various lift stations. The gravity collection systems primarily consist of 8" vitrified clay pipe (VCP) and concrete manhole structures. The force mains serving the collection system are 8"-12" PVC (C-900) and asbestos-cement pipe (AC) with lift stations feeding them. The District wastewater facilities are routinely cleaned, inspected, repaired and rehabilitated as needed. Primary goals for the District are to operate the sewage system in a safe and efficient manner that meet the needs of the system's customers.

Future Population and Usage Projection

The District provides wastewater services to a population of 6,250 based on the 2019 5-year ACS with approximately 2,780 active wastewater service connections. Pursuant to information discussed and

received by the general manger, this analysis assumes that minimal growth may occur within the service area in the next five years and the growth will have little or no impact on the system cost and rates.

3. Current Rates and Financial Condition

Current Rate Schedule

Salton Community Services District uses one annual base rate of \$640.74 for all customers, regardless of wastewater connection size with an additional flow charge of \$7.70 per one hundred cubic feet (CCF) of water usage for commercial connections. The two Schools connected to SCSD are charged per student at a rate of \$15.53 for SC Elementary School and \$46.53 per student for SC High School. As shown on the table below, the District’s wastewater enterprise’s primary source of revenue s consists of annual wastewater base fees for service, standby fee, and maintenance standby fees. The standby fee cannot be increased at this time for legal and other reasons. However, the maintenance stand-by fee is subject to an annual increase equal to the greater of the Consumer Price Index (CPI) or 5 percent. For purposes of this rate analysis, 5 percent is the assumed annual increase to be applied to the maintenance stand-by fee.

The table shown below identifies the District boundaries (Salton city, Vista Del Mar, Desert Shores) single type of class, units, annual rate, and usage rate.

Salton CSD Current Rates	# Equivalent Dwelling Units	Annual Rate Per EDU
Base Fees		
Single Family Residential	1,823	\$ 640.74
Multi-Family Residential	132	\$ 640.74
SC Elementary School (Per Student	589	\$ 15.53
SC High School (Per Student)	474	\$ 46.53
Total Base Rate Units	3,018	
Extra Lots Stand-By Fee	18,368	\$ 21.00
Maintenance Stand-By Fee	16,958	\$ 16.18
Commodity Charge per CCF	\$ 7.70	

Revenue from existing rates

As shown in the table below, in fiscal year ended 6/30/2019, SCSD's costs exceeded operating revenues by \$36,565.00. While operating revenue exceeded costs in FY20 and FY 21, the excess was not adequate to fully fund recommended reserve accounts. The approved budget for FY 22 and proposed budget FY 23, project further losses from operations. The goal is to generate enough revenue to fund operating costs, debt service, operating reserves, emergency reserves and capital improvement reserves to promote sustainability for the wastewater enterprise. It will be necessary to utilize non-operating revenue to fully fund reserve accounts.

SCSD Profit & Loss	Actual FY19	Actual FY 20	Actual FY 21	Approved Budget FY 2022	Proposed Budget FY 2023
Operating Revenue	\$ 1,821,487	\$ 1,745,729	\$ 2,027,702.65	\$ 1,849,650.90	\$ 1,864,500.00
Operating Costs	\$ 1,789,053	\$ 1,469,679	\$ 1,502,651.69	\$ 1,694,450.00	\$ 1,900,072.00
Debt Repayment	\$ 54,842	\$ 54,842	\$ 43,759.67	\$ 117,000.00	\$ 117,000.00
Capital Expenditures	\$ 14,157.00	\$ 55,787.49	\$ 204,900.58	\$ 178,500.00	\$ 84,000.00
Reserve Account Funding	\$ (36,565.00)	\$ 165,420.84	\$ 276,390.71	\$ (140,299.10)	\$ (236,572.00)

Revenue sufficiency associated with current rates

The table shown below indicates the current rates will not fully support the expenditures. SCSD has been experiencing some operating cost increases as a result of a large number of leaks on their force mains throughout the system due to age. Part of the goal of this rate study is to provide adequate revenue for force main replacements and any unforeseeable expenditures, operations, and maintenance to keep the system in good working order. The table below indicates the system will be operating at a deficit over the next 5 years if rates are not increased. Even with projected non-operating revenue, the wastewater enterprise will fall short of recovering all costs.

Current Rate Revenue Over/(Under) Costs for Five-Year Period	6/30/2024	6/30/2025	6/30/2026	6/30/2027	6/30/2028	5-Year Total
Estimated Annual Revenue from Base Rates at C	\$1,943,958	\$1,943,958	\$1,943,958	\$1,943,958	\$1,943,958	\$9,719,788
Estimated Annual Revenue - Usage Rates	\$155,026	\$155,026	\$155,026	\$155,026	\$155,026	\$775,130
Total Operating Revenue	\$2,098,984	\$2,098,984	\$2,098,984	\$2,098,984	\$2,098,984	\$10,494,918
Operating Costs (assumed annual inflation rate)	\$ 2,036,514	\$ 2,128,157	\$ 2,223,924	\$ 2,324,000	\$ 2,428,580	\$11,141,175
Debt Service	\$ 116,885	\$ 116,885	\$ 116,885	\$ 116,885	\$ 45,500	\$513,038
Operating Reserve	\$ 50,913	\$ 53,204	\$ 55,598	\$ 58,100	\$ 60,715	\$278,529
Emergency Reserve	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$100,000
Capital Improvement Reserve	\$ 398,998	\$ 398,998	\$ 398,998	\$ 398,998	\$ 398,998	\$1,994,992
Total Costs of Operation	\$ 2,623,309	\$ 2,717,244	\$ 2,815,405	\$ 2,917,983	\$ 2,953,793	\$ 14,027,735
Operating Revenue over/(Under) Operating Costs	\$ (524,326)	\$ (618,260)	\$ (716,421)	\$ (819,000)	\$ (854,810)	\$ (3,532,817)
Plus Non-Operating Revenue	\$ 63,007	\$ 63,007	\$ 63,007	\$ 63,007	\$ 63,007	\$ 315,035
Net Income/(Loss)	\$ (461,319)	\$ (555,253)	\$ (653,414)	\$ (755,993)	\$ (791,803)	\$ (3,217,782)

4. Budget

The purpose of the wastewater enterprise budget is to ensure the system's revenues balance with its expenditures and needed reserves. To achieve a balanced budget, the utility should assess the following items with respect to future operational and capital needs, including the impact of inflation, and wastewater use trends:

- Current budget and historical revenues and expenses from the past two to four fiscal years
- Current debt service (if there is any)
- Operating and non-operating revenues and costs
- Uncollectable accounts (as a % of sales)
- Any unplanned "emergency" expenses that occurred within the past several years
- Revenues from customers billings and other source of income for the past several years
- Required "reserve" levels necessary for the coming year
- Transfer to/from financial reserves

Operating Budget	Proposed Budget	Projected	Projected	Projected	Projected	Projected
	FYE 6/30/2023	FYE 6/30/2024	FYE 6/30/2025	FYE 6/30/2026	FYE 6/30/2027	FYE 6/30/2028
Salaries & Benefits	\$ 1,178,222	\$ 1,327,075	\$ 1,386,794	\$ 1,449,200	\$ 1,514,413	\$ 1,582,562
Uniforms Expense	\$ 1,500	\$ 1,568	\$ 1,638	\$ 1,712	\$ 1,789	\$ 1,869
Safety Supplies Expense	\$ 1,500	\$ 1,568	\$ 1,638	\$ 1,712	\$ 1,789	\$ 1,869
Work Boots Expense	\$ 1,000	\$ 1,045	\$ 1,092	\$ 1,141	\$ 1,193	\$ 1,246
Janitorial Supplies Expense	\$ 950	\$ 993	\$ 1,037	\$ 1,084	\$ 1,133	\$ 1,184
Janitorial Cleaning Expense	\$ 3,000	\$ 3,135	\$ 3,276	\$ 3,423	\$ 3,578	\$ 3,739
Bank Charges Expense	\$ 200	\$ 209	\$ 218	\$ 228	\$ 239	\$ 249
SM Check order Expense	\$ 500	\$ 523	\$ 546	\$ 571	\$ 596	\$ 623
Vehicle Maintenance Expense	\$ 10,000	\$ 10,450	\$ 10,920	\$ 11,412	\$ 11,925	\$ 12,462
Equipment Maintenance Expense	\$ 20,000	\$ 20,900	\$ 21,841	\$ 22,823	\$ 23,850	\$ 24,924
Fuel & Oil	\$ 45,000	\$ 49,500	\$ 51,728	\$ 54,055	\$ 56,488	\$ 59,030
Shop Supplies Expense	\$ 2,500	\$ 2,613	\$ 2,730	\$ 2,853	\$ 2,981	\$ 3,115
Other Vehicle Equipment Expense	\$ 1,500	\$ 1,568	\$ 1,638	\$ 1,712	\$ 1,789	\$ 1,869
SM CVWD water Service Expense	\$ 8,000	\$ 8,360	\$ 8,736	\$ 9,129	\$ 9,540	\$ 9,969
Electric Service	\$ 100,000	\$ 104,500	\$ 109,203	\$ 114,117	\$ 119,252	\$ 124,618
Cell Phone Expense	\$ 15,000	\$ 15,675	\$ 16,380	\$ 17,117	\$ 17,888	\$ 18,693
Underground Dig Alerts	\$ 1,500	\$ 1,568	\$ 1,638	\$ 1,712	\$ 1,789	\$ 1,869
Internet Service	\$ 1,500	\$ 1,568	\$ 1,638	\$ 1,712	\$ 1,789	\$ 1,869
Propane	\$ 1,000	\$ 1,045	\$ 1,092	\$ 1,141	\$ 1,193	\$ 1,246
Alarm Security	\$ 1,200	\$ 1,254	\$ 1,310	\$ 1,369	\$ 1,431	\$ 1,495
Solid Waste Disposal	\$ 250	\$ 261	\$ 273	\$ 285	\$ 298	\$ 312
Employees; Licenses	\$ 4,000	\$ 4,180	\$ 4,368	\$ 4,565	\$ 4,770	\$ 4,985
County Permits	\$ 1,500	\$ 1,568	\$ 1,638	\$ 1,712	\$ 1,789	\$ 1,869
State Permits	\$ 100	\$ 105	\$ 109	\$ 114	\$ 119	\$ 125
Memberships/Association Dues	\$ 7,750	\$ 8,099	\$ 8,463	\$ 8,844	\$ 9,242	\$ 9,658
Waste Discharge Permit Fees	\$ 37,000	\$ 38,665	\$ 40,405	\$ 42,223	\$ 44,123	\$ 46,109
Toxic Water Disposal	\$ 2,000	\$ 2,090	\$ 2,184	\$ 2,282	\$ 2,385	\$ 2,492
Sewer Lines Maintenance	\$ 15,000	\$ 15,675	\$ 16,380	\$ 17,117	\$ 17,888	\$ 18,693
Pump Station Maintenance	\$ 50,000	\$ 60,000	\$ 62,700	\$ 65,522	\$ 68,470	\$ 71,551
Sewer Pond Maintenance	\$ 15,000	\$ 25,000	\$ 26,125	\$ 27,301	\$ 28,529	\$ 29,813
Plumbing Supplies	\$ 1,000	\$ 1,045	\$ 1,092	\$ 1,141	\$ 1,193	\$ 1,246
Electrical Supplies	\$ 1,000	\$ 1,045	\$ 1,092	\$ 1,141	\$ 1,193	\$ 1,246
Hardware Supplies	\$ 1,000	\$ 1,045	\$ 1,092	\$ 1,141	\$ 1,193	\$ 1,246
Lab Testing	\$ 15,000	\$ 15,675	\$ 16,380	\$ 17,117	\$ 17,888	\$ 18,693
Professional Services	\$ 42,000	\$ 25,000	\$ 26,125	\$ 27,301	\$ 28,529	\$ 29,813
Professional Services - Koppel & Gruber	\$ 6,500	\$ 6,793	\$ 7,098	\$ 7,418	\$ 7,751	\$ 8,100
Smart Cover Monitoring	\$ 3,500	\$ 3,658	\$ 3,822	\$ 3,994	\$ 4,174	\$ 4,362
Building & Grounds Maintenance	\$ 10,000	\$ 10,450	\$ 10,920	\$ 11,412	\$ 11,925	\$ 12,462
Postage	\$ 1,200	\$ 1,254	\$ 1,310	\$ 1,369	\$ 1,431	\$ 1,495
Office Supplies	\$ 1,500	\$ 1,568	\$ 1,638	\$ 1,712	\$ 1,789	\$ 1,869
Fire Extinguisher	\$ 650	\$ 679	\$ 710	\$ 742	\$ 775	\$ 810
Express Shipping	\$ 200	\$ 209	\$ 218	\$ 228	\$ 239	\$ 249
Advertising	\$ 1,000	\$ 1,045	\$ 1,092	\$ 1,141	\$ 1,193	\$ 1,246
Liability Insurance	\$ 90,000	\$ 94,050	\$ 98,282	\$ 102,705	\$ 107,327	\$ 112,156
Legal Expense	\$ 85,000	\$ 88,825	\$ 92,822	\$ 96,999	\$ 101,364	\$ 105,925
SM Finance, Budgeting & Audit Expense	\$ 75,000	\$ 25,000	\$ 26,125	\$ 27,301	\$ 28,529	\$ 29,813
Technical Support Services	\$ 1,500	\$ 1,568	\$ 1,638	\$ 1,712	\$ 1,789	\$ 1,869
Property Tax Collection Service	\$ 10,000	\$ 10,450	\$ 10,920	\$ 11,412	\$ 11,925	\$ 12,462
GASB 68 Reports	\$ 3,000	\$ 3,135	\$ 3,276	\$ 3,423	\$ 3,578	\$ 3,739
Election Costs	\$ 200	\$ 209	\$ 218	\$ 228	\$ 239	\$ 249
Travel	\$ 2,000	\$ 2,090	\$ 2,184	\$ 2,282	\$ 2,385	\$ 2,492
Training	\$ 4,000	\$ 12,000	\$ 12,540	\$ 13,104	\$ 13,694	\$ 14,310
Physicals	\$ 1,000	\$ 1,045	\$ 1,092	\$ 1,141	\$ 1,193	\$ 1,246
Copies Lease/Maintenance	\$ 5,000	\$ 5,225	\$ 5,460	\$ 5,706	\$ 5,963	\$ 6,231
CA/US Flag	\$ 750	\$ 784	\$ 819	\$ 856	\$ 894	\$ 935
Subscriptions	\$ 200	\$ 209	\$ 218	\$ 228	\$ 239	\$ 249
Drug Testing	\$ 250	\$ 261	\$ 273	\$ 285	\$ 298	\$ 312
Bulk Water	\$ 1,500	\$ 1,568	\$ 1,638	\$ 1,712	\$ 1,789	\$ 1,869
Computer Software	\$ 4,000	\$ 4,180	\$ 4,368	\$ 4,565	\$ 4,770	\$ 4,985
Breakroom	\$ 250	\$ 261	\$ 273	\$ 285	\$ 298	\$ 312
Payroll Processing	\$ 4,500	\$ 4,703	\$ 4,914	\$ 5,135	\$ 5,366	\$ 5,608
Printing/Copying	\$ 500	\$ 523	\$ 546	\$ 571	\$ 596	\$ 623
District Function Expenses	\$ 200	\$ 209	\$ 218	\$ 228	\$ 239	\$ 249
Total Operating Costs	\$ 1,900,072	\$ 2,036,514	\$ 2,128,157	\$ 2,223,924	\$ 2,324,000	\$ 2,428,580

Reserve Funding

The AWWA standards guiding this wastewater rate study recommends a review of three types of reserves. However, if the District incurs debt that requires it, a debt reserve should also be established.

1. **Operating reserves:** Operating reserves are established to provide the utility with the ability to withstand short term cash flow fluctuations. The industry standard calls for 12.5 percent of the annual budget be held in operating reserves. To stabilize rates, the operating reserves are budgeted over the five-year period in this rate analysis.

1. **Emergency Reserves:** Emergency reserve are intended to help utilities deal with short-term emergencies, such as mainline breaks or pump failures. The emergency reserve amount recommendation is based on the cost of the immediate replacement or reconstruction of the system’s single most critical asset. The emergency reserve should be set at the replacement cost of the most expensive part that, if it failed, would be catastrophic to the system. Consultation with SCSD staff identified a target reserve of \$100,000. RCAC recommends that the District fully fund this emergency reserve account over the next five years at \$20,000 per annum.

2. **Capital improvement Reserve (CIP):** This reserve is to be used strictly to fund the portion of long- or short-term capital assets that are worn out or obsolete. Because a full schedule of equipment and infrastructure was not available for calculation of ideal annual reserve contributions, the amount of 2 percent of the wastewater system’s fixed assets of \$19,949,918 was budgeted as the target annual CIP reserve amount. That amount is \$398,998 annually or approximately \$2 million over the five-year period.

The table shown below indicates the target discussed with SCSD:

Type of Reserve	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
Operating Reserve	\$ 50,913	\$ 53,204	\$ 55,598	\$ 58,100	\$ 60,715
Emergency Reserve	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 20,000
CIP Reserves	\$ 395,291	\$ 391,073	\$ 386,360	\$ 381,119	\$ 446,699
Total Reserves Funding	\$ 466,204	\$ 464,277	\$ 461,958	\$ 459,219	\$ 527,414

SCSD should make periodic transfers from its operating account to the various reserve accounts. In addition, RCAC suggest the District consider establishing separate accounts for each reserve. The benefit of splitting the reserves into four separate accounts are:

1. These reserves have different time horizons, for example operating and emergency reserves should be readily available. Capital improvement reserves funds can be invested in CDs with different maturity dates to coincide with the planned need or capital replacements.

- District policies can be established for each reserve type involving investment, access and use of funds.

5. Recommended Rates

The rate recommendation for SCSD wastewater service follows the same rate structure that is currently employed by SCSD. The table below identifies the class, current rates, and the recommended adjusted rate. The recommended base rate increase for all active residential and commercial customers connections increases from \$640.74 to \$838.41 annually. Rates for the two schools identified and connected with SCSD wastewater service will continue to charge per student at an increased rate of \$20.32 for the elementary school and \$60.88 for the high school. An annual 4 percent increase to base and usage rates and 5 percent for the stand-by fees after the first year will be necessary to offset the impact of inflation.

Recommended Rate Adjustment	#Units	EDUs	Current Annual Rate	Adjustment	Adjusted Rate	Average Annual Base Revenue
Single Family Residential	1,823	1,823	\$640.74	\$197.67	\$838.41	\$1,528,418.31
Multi-Family Residential	132	132	\$640.74	\$197.67	\$838.41	\$110,669.89
SC Elementary School (Per Student)	589	589	\$15.53	\$4.79	\$20.32	\$11,969.07
SC High School (Per Student)	474	474	\$46.53	\$14.35	\$60.88	\$28,859.26
Total Base Rates Revenue	3,018	3,018				\$1,679,916.53
Extra Lots Stand-By Fees	18368	18368	\$ 21.00	\$ -	\$ 21.00	\$ 385,728.00
Maintenance Stand-By Fees	16958	16958	\$16.18	\$0.81	\$16.99	\$288,099.46
Total Stand-By Fees	35,326	35,326				\$ 673,827.46
Commodity Charge	Rate Per ccf	Adjustment	Adjusted Rate	Billable Usage	Total Usage Revenue	
SC Commercial	\$ 7.70	\$ 2.38	\$ 10.08	16,162	\$ 162,835.31	
DS Commercial	\$ 7.70	\$ 2.38	\$ 10.08	3,972	\$ 40,016.23	
Total Usage/Commodity Charges				20,133	\$ 202,851.54	
Total Revenue						\$ 2,556,596

Impact of suggested rates on five-year period

Even with the recommended rate adjustment, non-operating revenue must be utilized to fully recover costs. The District will be unable to fully fund reserve accounts over the first four years. The shortage

will be recovered in year five, for a total capital replacement funding of \$2,000,542.00 over the five-year period.

Budget Assuming 5% Inflation per year	06/30/2024	6/30/2025	6/30/2026	6/30/2027	6/30/2028	5 Year Total
Total Monthly Required Reserves Fund	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850	\$ 38,850	
Total yearly required reserve fund	\$ 466,204	\$ 464,277	\$ 461,958	\$ 459,219	\$ 527,414	\$ 2,379,072
Debt Service	\$ 116,885	\$ 116,885	\$ 116,885	\$ 116,885	\$ 45,500	\$ 513,038
Operating Costs	\$ 2,036,514	\$ 2,128,157	\$ 2,223,924	\$ 2,324,000	\$ 2,428,580	\$ 11,141,175
Total Operating Budget	\$ 2,619,603	\$ 2,709,318	\$ 2,802,767	\$ 2,900,104	\$ 3,001,494	\$ 14,033,286
	06/30/2024	6/30/2025 Assumes 4% Increase over Prior Year	6/30/2026 Assumes 4% Increase over Prior Year	6/30/2027 Assumes 4% Increase over Prior Year	6/30/2028 Assumes 4% Increase over Prior Year	
Estimated Annual Revenue From Base Rate	\$ 1,679,917	\$ 1,747,113.20	\$ 1,816,997.72	\$ 1,889,677.63	\$ 1,965,264.74	\$ 9,098,970
Estimated Annual Revenue - Usage Charges	\$ 202,852	\$ 210,965.61	\$ 219,404.23	\$ 228,180.40	\$ 237,307.61	\$ 1,098,709
Estimated Revenue from Maintenance Stand-By Fees (5% annual increase)	\$ 288,099	\$ 302,504.44	\$ 317,629.66	\$ 333,511.14	\$ 350,186.70	\$ 1,591,931
Estimated Revenue Stand-By Fees	\$ 385,728	\$ 385,728.00	\$ 385,728.00	\$ 385,728.00	\$ 385,728.00	\$ 1,928,640
Total Operating Revenue	\$ 2,556,596	\$ 2,646,311	\$ 2,739,760	\$ 2,837,097	\$ 2,938,487	\$ 13,718,251
Net Operating Revenue Over/(under) Operating Cost	\$ (63,007)	\$ (63,007)	\$ (63,007)	\$ (63,007)	\$ (63,007)	\$ (315,035)
Non-Operating Revenue						
Interest & Penalties	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 35,000.00	\$ 175,000.00
Admin Fees -	\$ 25,032.00	\$ 25,032.00	\$ 25,032.00	\$ 25,032.00	\$ 25,032.00	\$ 125,160.00
Interest Income	\$ 2,975.00	\$ 2,975.00	\$ 2,975.00	\$ 2,975.00	\$ 2,975.00	\$ 14,875.00
Total Non-Operating Revenue	\$ 63,007	\$ 63,007	\$ 63,007	\$ 63,007	\$ 63,007	\$ 315,035
Net Income/Loss	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Adjusted Rate 5 Year Rate Schedule					
Rate Type	Year 1	Year 2	Year 3	Year 4	Year t
Base Rate	\$ 838.41	\$ 871.95	\$ 906.82	\$ 943.10	\$ 980.82
Maintenance Standby Fees	\$ 16.99	\$ 17.84	\$ 18.73	\$ 19.67	\$ 20.65
Standby Fees	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00	\$ 21.00
Usage Rate	\$ 10.08	\$ 10.48	\$ 10.90	\$ 11.34	\$ 11.79

6. Conclusion and recommendations

Working closely with SCSD staff and management, RCAC evaluated SCSD rates to develop a sustainable, fair, and justifiable rate and fee structure. The recommended rates should meet the system's financial needs based on current system information and informed estimates of future conditions, but it is important to monitor actual revenue. Rates should be addressed at least annually while setting budgets to verify that they are still sufficient. A complete rate analysis should be completed every five years. When the recommended rate structure has been elected by the District, community outreach, education, and the Proposition 218 process should begin as soon as possible.

RCAC also recommends that SCSD adopts best practices to improve operating efficiency. These practices include developing an asset management plan, conducting an energy audit, and investigating sources of wastewater loss and non-revenue wastewater.

PROPOSITION 218

California approved Proposition 218 in 1996 requiring agencies to adopt property fees and charges in accordance with a defined public process found in article XIII D or by associated court decision. Water and wastewater rates are user fees under the definition and must meet the following requirements:

- Revenues derived from the fee or charge must not exceed the funds required to provide the property-related service.
- Revenue from the fee or charge must not be used for any purpose other than that for which the fee or charge is imposed.
- No fee or charge may be imposed for general governmental services, such as police, fire, ambulance, or libraries, where the service is available to the public in substantially the same manner as it is to property owners.
- The amount of a fee or charge imposed upon any parcel or person as an incident of property ownership must not exceed the proportional cost of the service attributable to the parcel.
- The fee or charge may not be imposed for service, unless the service is actually used by, or immediately available to, the owner of the property in question.

Written notice should be given to both the record owners and customers within the area subject to the fee or charge. The notice shall include the following:

- The formula or schedule of charges by which the property owner or customer can easily calculate their own potential charge.
- The basis upon which the amount of the proposed fee or charge is to be imposed on each parcel. An explanation of the costs which the proposed fee will cover and how the costs are allocated among property owners.
- Date, time and location of a public hearing on the rate adjustment. The public hearing must occur 45 or more days after the mailing of the notice.
- A statement that there is a 120-day statute of limitations for challenging any new, increased or extended fee or charge.

California's Proposition 218 provides that a customer of the District or owner of record of a parcel or parcels subject to the proposed rate increases may submit a protest against any or all of the proposed rate increases by filing a written protest with the District at or before the time the public hearing has concluded. Only one protest per parcel is counted. If written protests are filed by a majority of the affected parcels, the proposed rate increases will not be imposed.