



**CALAVERAS  
COUNTY  
WATER  
DISTRICT**

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**Copper Cove Town Hall Meeting  
Held June 3, 2004**

The following reflect the general listing of probably 50 questions asked that evening. We have tried to consolidate them into about ten general categories. The next meeting is scheduled for July 29, 2004, at 7:00 p.m. as a follow up and to provide more detail of the District's plans for expanding the wastewater facilities. Should you have questions, please feel free to contact Steve Hutchings, District Engineer, at (209) 754-3543, ext 46.

**1. How much is in the reserve account to offset the compliance expense for the existing customers?**

*The are two basic accounts for Copper Cove--Operating Fund and the Expansion Fund. The revenue for the Operating Fund is monthly rates; the revenue for the Expansion Fund is connection fees. The balances, as projected through the budget year of 04/05, are:*

<i>Operating Fund</i>	<i>(\$64,248)</i>
<i>Expansion Fund</i>	<i>\$319,535</i>

*Generally, the Operating Funds are used for projects that improve and replace existing facilities. The Expansion Funds are for constructing new facilities for new capacity. Some projects are funded with a combination of these funds as old facilities are replaced with new components that also provide more capacity.*

**2. What was the intention of the existing replacement charge?**

*The existing replacement charge is referred to as the Asset Replacement Rate (ARR) (\$4.25/mo. for sewer) and has generated an average revenue stream of about \$58,000 per year. The ARR was adopted in the 2001/2002 fiscal year and has been expended on a yearly basis. The intent of the ARR is to replace and repair current assets. For fiscal year 2004/2005, \$65,800 will be collected from the ARR*

*and is planned to be used for projects in Copper Cove area such as purchase of an emergency generator for Lift Station 8.*

**3. Show the breakdown of tax money collected in the Copper area... what is generated in the Copper area?**

*The District does not receive a breakdown of tax money by area served. This information will take some time to compile and will be presented at the July 29, 2004, meeting.*

**4. What are the key deal points in the Saddle Creek agreement? We know about: the free water...**

*The agreement has been the subject of considerable interpretation and litigation over the years. The key deal points are the following (for the sake of simplicity "Saddle Creek" will be the generic reference for the original and successor developers of the Saddle Creek project):*

- a. *As a condition of project approval, Saddle Creek agreed to build, operate and maintain in perpetuity a spray field (golf course) for disposal of treated wastewater. The dedicated spray area exceeded the capacity needs of the project and, at that time, was intended to accommodate all growth needs of the service area. The spray field has been built, as promised, at a developer cost of approximately \$16 Million.*
- b. *In return for the availability of spray field disposal, the District agreed to build a tertiary (third stage, CCR Title 22) wastewater treatment facility that would process and store wastewater to be disposed of on the spray field. The tertiary plant has been built, as promised, at a District cost of approximately \$1 Million dollars.*
- c. *The benefit of the agreement to the District is available spray field capacity sufficient to serve the entire area with no annual operational costs to be paid (and absorbed by the rate payers). Also, there is no need of a CCWD depreciation reserve (again, funded by rates) to replace the spray field as facilities "wear out" over time.*
- d. *The benefit of the agreement to Saddle Creek is a reliable source of golf course irrigation water as "raw water" cannot be used for the Golf Course as dictated by the District water right conditions of use.*
- e. *As an additional incentive to Saddle Creek to build a facility with capacity in excess of project needs, CCWD agreed to provide at "no charge" recycled water to Saddle Creek for three irrigation seasons after the plant begins operation. The "free" water relieves other District customers of the obligation to repay Saddle Creek for the excess system capacity that it operates and maintains on their behalf. In the absence of the golf course as a disposal site, the District (meaning the rate payers) pays the full cost*

*of maintenance and operation of disposal facilities. After three seasons, Saddle Creek must pay for the recycled water it places on the golf course.*

- f. *Saddle Creek has, to date, not received “free” recycled water because the facility NPDES (wetlands) permit has not been submitted to the State of California for approval. When approval is ultimately obtained, Saddle Creek will be eligible to receive the treated wastewater for use on the golf course.*

**5. What is the annual loss of revenue from the sale of raw water during the 3 years of delivering effluent at no charge to Saddle Creek?**

*Annual revenues have ranged from \$35,000 to \$90,000 over the last four years, averaging \$62,000 per year. Usages have ranged from 250 AF to nearly 600 AF per year. The current charge for this water is about \$10 / AF for the water (current Ag users rate) and \$135 / AF for operations, maintenance, and replacement costs. None of this lost revenue will affect the sewer customers because raw water sales are booked to the Copper Cove water fund.*

*It is important to keep in mind that the sale of the raw water to Saddle Creek for irrigation of the Golf Course is only temporary and cannot be considered as long-term revenue stream for the District. The raw water can only be supplied to the Golf Course when treated wastewater is not available. As explained in Question 4, the golf course is the disposal area for the treated wastewater generated by all current customers.*

**6. How is the District addressing theft of water by contractors and developers?**

*Theft of water is against the law. The District reports theft of water to the Sheriff's Department and citations are issued.*

**7. How much capacity is left today?**

*The permitted capacity is 200,000 gallons per day of average dry weather flow (ADWF). Currently, we are at 180,500 gpd, which would allow about 100 new connections. However, our master plans show a shortfall in storage, which has to be corrected immediately in order to contain a 100-year rain return year.*

**8. Provide letters regarding Oak Canyon, Tuscany Hills, and the Rich Property developments.**

*Reference was made to letters that developers received from the District of agreeing to provide service. There is a formal process to obtain service from the District and that is in the form of a Water and Wastewater Service Facilities Agreement. The above-mentioned developments do not have Agreements with the District.*

*Oak Canyon Ranch – As of this date the District has responded only to the EIR. With regards to wastewater service, the latest letter to the County (attached) responded to wastewater issues. In the Master Plan, Oak Canyon Ranch is*

*included for planning purposes. However, it has been made clear, in the EIR, that the District is not obligated to serve the Project; and Oak Canyon Ranch can develop its own sewer treatment facilities or seek another provider.*

*Tuscany Hills - The District has provided general information for the preparation of an EIR. The same conditions apply to this project as with Oak Canyon Ranch.*

*Rich Property – The District’s Engineering Committee approved the concept of serving the Copper Mills development with water and sewer. However, no formal service Agreement has been executed.*

## **9. What is “unrestricted use” recycled water?**

*The levels of treated wastewater are specified and regulated by the Office of Drinking Water in the State Department of Health Services. The standards are specified in Title 22 of the California Code of Regulations. There are various levels of treatment of wastewater resulting in various qualities of recycled water. The highest treatment level resulting in the highest quality of recycled water is called disinfected tertiary (filtered and disinfected) or unrestricted use water. All terms are synonymous.*

*The District creates this high quality recycled water at Forest Meadows and at LaContenta for disposal on golf courses. It also has the ability to create that quality at its Copper Cove facility for disposal on the Saddle Creek Golf Course.*

*Some other uses of unrestricted use water can be irrigation of schoolyards and parks, vineyards, snowmaking, and recreational ponds with body contact (swimming).*

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