



CASTROVILLE COMMUNITY
SERVICES DISTRICT

To: Castroville Community Services District Board of Directors

From: James Derbin, General Manager

Agenda Date: April 21, 2026

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RE: Authorize the General Manager to Execute a Professional Services Agreement with Robert D. Niehaus, Inc. for a Water/Sewer Rate Study

RECOMMENDATION:

Authorize the General Manager to Execute a Professional Services Agreement with Robert D. Niehaus, Inc. (RDN) for a Water/Sewer rate study for a not-to-exceed amount of \$49,940.

SUMMARY:

The most recent water rate study conducted for Castroville Community Services District was completed by Harris and Associates in 2015. At that time the Board chose to do a five-year rate increase under the Proposition 218 process. The United States, and particularly California, have seen construction costs double since 2020 due to increase in labor, material costs and tariffs.

CCSD recently completed the construction of Well 6 and needs to complete the site civil improvements to allow the use of this new potable resource. Initially the plan was to construct an additional water storage tank, piping, generator, electrical improvements and treatment plant at an estimated cost of \$10,000,000. Staff is currently looking into a more scaled down project due to lack of available grant funding at this time. It is estimated that the scaled back project will still cost an estimated 3-4 million dollars. Additionally, CCSD is committed to paying \$2.8 million dollar contribution for a new pipeline to accept in basin groundwater from the future California American Water desalination facility. Currently, District water financial reserves are not adequate to fund these projects without obtaining financing or grant funding.

CCSD has not increased water rates since 2020 it is important for the Board to consider updating water rates and connection fees in order to catch up with widespread inflation.

In addition, the District’s wastewater collection system in Castroville and Moss Landing are both in need of significant investment over the next several years. These wastewater systems are largely supported through property tax revenues and connection fees. This study is necessary to ensure the tax revenue is sufficient to support the operations and maintenance of these systems as well as the near and long term capital investment needs of the ratepayers. The District currently estimates a need for \$10,000,000 to fund the replacement of the Moss Landing Collections system and to fund the Washington Bypass collection system project in Castroville.

Staff recently solicited Requests For Proposals (RFP) for a Water/Sewer Rate Study and was pleased to receive 5 proposals from experienced firms. Staff conducted a qualifications based evaluation in order to make a recommendation to provide these professional services. Staff found RDN to be a good fit for the CCSD based on the completeness of their concise proposal and their successful experience with similar Districts of our size.

Please see below for a matrix of rate consulting firms that submitted proposals.

Ranking	Firm	Price	Notes
1	RDN	\$49,940	10 yr projection, 3 alt., 3 in person mtgs
2	Bartle Wells	\$61,500	5 yr., 3 alts, 3 in person mtgs
3	Wildan	\$61,980	10yr., alts. by model, 2 in person Mtg
4	LT	\$76,430	10yr., 3 alt, 3 in person
5	Harris	\$84,660	10 yr., 1 in person mtg

See Attachment A and B for copies of the Technical and Cost Proposals from RDN, Inc.

FISCAL IMPACT: This study will be funded from the water and sewer cost centers. This study was not budgeted for FY 25/26 and will be partially funded between this FY and 26/27 depending on invoice timing.