



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

Phone: (805) 969-4200
www.montsan.org

BOARD PACKET

For the Regular Board Meeting of

Wednesday, December 18, 2024

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AGENDA

For the Regular Meeting of the Board on:

December 18, 2024

The regular meeting of the Governing Board will begin at **12:00 p.m. on December 18, 2024** in the District's Board Room at 1042 Monte Cristo Lane, Santa Barbara, CA 93108.

The public may attend the meeting in person or participate remotely via Zoom using the following virtual meeting details:

By visiting: <https://us02web.zoom.us/j/86118975917>

Or by calling: 1-669-900-6833

Meeting ID: 861 1897 5917

1. CALL TO ORDER

A. ROLL CALL

B. PLEDGE OF ALLEGIANCE

C. PRESIDENTS REPORT

D. BOARD APPROVAL OF THE AGENDA

2. PUBLIC COMMENT

Public comment on items not on the agenda is **limited to 3 minutes** and is at the discretion of the Board President. For further instructions, please see [Instructions for Public Comment](#) on the District's website.

3. COMMITTEE REPORTS

It is recommended that the Board receive and file a report provided by the following committee(s):

- A. The Montecito Sanitary District Finance Committee (Directors Johnson and Ohlmann) will report on their November 16, 2024 meeting.

4. PRESENTATION

A. AUDITED FINANCIAL STATEMENTS FOR FISCAL YEAR 2022-23 PRESENTED BY BARTLETT, PRINGLE, & WOLFF

It is recommended that the Board consider:

- i) Receiving and filing a report by Ms. Tracey Solomon of Bartlett Pringle & Wolff (BPW), LLP regarding the Montecito Sanitary Districts' 2022-23 Financial Statements Audit Report and Letter of Required Communication.

5. CONSENT CALENDAR

- A. Payables from November 1, 2024 through November 30, 2024
- B. Board Meeting Minutes of the November 20, 2024, Regular Meeting
- C. Award of Contract – Collection System Master Plan
- D. Award of Contract – Septic-to-Sewer Strategic Plan
- E. Award of Contract – Construction Management and Inspection Services
- F. Resolution 2024-979 – Declaring 2025 Holidays
- G. Resolution 2024-980 – Excess Land and Air Space
- H. Retroactive Authorization – Dorinne Johnson Attendance at CSDA Training Webinar

6. ORGANIZATIONAL DECISIONS

It is recommended that the Board discuss and make the following appointments:

- i) Appointing officers, standing committees, General Manager, General Counsel, and HR Counsel; and
- ii) Setting regularly scheduled meeting days, time, and place; and
- iii) Taking such additional, related action that may be desirable.

7. GENERAL MANAGER’S REPORT

The General Manager will provide a written report on the District’s non-actionable business and operational matters and will provide explanation where requested.

8. CLOSED SESSION

A. PUBLIC COMMENT

Public comment on closed session item(s):

B. PUBLIC EMPLOYEE EVALUATION (GOVERNMENT CODE § 54957)

Title: General Manager

C. CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE § 54957.6)

Name of District Negotiator to Attend Closed Session: Aleks Giragosian, Legal Counsel

Name of Employee Organization: Montecito Sanitary District General Manager

D. CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE § 54957.6)

Name of District Negotiator to Attend Closed Session: John Weigold, General Manager

Name of Employee Organization: Service Employees International Union (SEIU) Local 620

9. BUSINESS ITEMS

A. THIRD AMENDMENT TO THE GENERAL MANAGER’S CONTRACT

It is recommended that the Board consider the Third Amendment to the General Manager’s Contract.

B. ORDINANCE NO. 24 – EXHAUSTION OF ADMINISTRATIVE REMEDIES PROCEDURE

It is recommended that the Board:

- i) Consider adopting Ordinance No. 24 – Establishing an Administrative Remedies Procedure for Challenges to Fees, Charges, and Assessments; and
- ii) Taking such additional, related action that may be desirable.

C. 2024 DISTRICT HOLIDAY ADJUSTMENT

It is recommended that the Board:

- i) Consider an adjustment to the 2024 holiday schedule; and
- ii) Taking any such additional, related action that may be desirable.

D. STANDING COMMITTEES ROLES AND RESPONSIBILITIES

It is recommended that the Board:

- i) Receive a presentation from the General Manager regarding the Districts’ Standing Committees roles and responsibilities; and
- ii) Taking such additional, related action that may be desirable.

E. DIRECTOR COMPENSATION

It is recommended that the Board:

- i) Receive a presentation from Legal Counsel regarding Director Compensation; and
- ii) Taking such additional, related action that may be desirable.

F. DISCUSS CONTRACT CONTINGENCIES FOR DISTRICT PROJECTS

It is recommended that the Board:

- i) Receive a presentation from staff on the Districts’ approach to project contingencies; and
- ii) Taking such additional, related action that may be desirable.

G. DISTRICT INVESTMENT COUNCIL PRESENTATION

It is recommended that the Board:

- i) Receive a presentation from staff on the Districts’ investments; and
- ii) Taking such additional, related action that may be desirable.

10. BOARD COMMUNICATIONS

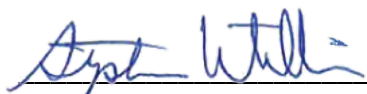
- A. Items for future Board meeting
- B. Next Board Meeting Date

11. ADJOURNMENT

The Montecito Sanitary District conducts its meetings in accordance with the Brown Act. The District also provides alternative methods of remote participation which permit members of the public to observe and address public meetings remotely via telephone or Zoom. These methods of participation can be accessed through the internet link provided at the top of this agenda.

This agenda was posted on the District website, and at the Montecito Sanitary District Bulletin Board in accordance with the requirements of the Brown Act.

Attested by:



Stephen Williams

Business and Administrative Manager/Clerk of the Board

ADA – The Americans with Disabilities Act provides that no qualified individual with a disability shall be excluded from participation in, or denied the benefits of, the District's programs, services or activities because of any disability. If you need special assistance to participate in this meeting, please contact the District Office at 969-4200.



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MONTECITO SANITARY DISTRICT

STAFF REPORT – 4

DATE: December 18, 2024
TO: Board of Directors
FROM: John Weigold, General Manager
SUBJECT: Audited Financial Statements for Fiscal Year 2022-23

RECOMMENDATION

It is recommended that the Board consider:

- i) Receiving and filing a report by Ms. Tracey Solomon of Bartlett Pringle & Wolff (BPW), LLP regarding the Montecito Sanitary District's 2022-23 Financial Statements audit report and Letter of Required Communication; and
- ii) Taking such additional, related action that may be desirable.

ANALYSIS

The District's Fiscal Year 2022-23 Financial Audit has been completed and the Board will receive a presentation from its Audit Firm Bartlett, Pringle, Wolff about the contents of the report.

FISCAL IMPACT

None.

ATTACHMENTS:

1. Montecito Sanitary District Fiscal Year 2022-2023 Draft Financial Statements

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MONTECITO SANITARY DISTRICT

June 30, 2023 and 2022

FINANCIAL STATEMENTS



BARTLETT, PRINGLE & WOLF, LLP
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

MONTECITO SANITARY DISTRICT

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INDEPENDENT AUDITOR'S REPORT

**To the Board of Directors of
Montecito Sanitary District:**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Montecito Sanitary District (the District) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2023 and 2022, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 14, the California Public Employees' Retirement System Schedule of Montecito Sanitary District's Proportionate Share of the Net Pension Liability on page 44, the California Public Employees' Retirement System Schedule of Montecito Sanitary District's Contributions on page 45, and the Other Postemployment Benefits (OPEB) Plan – Schedule of Changes in the Net OPEB Liability and Related Ratios on page 46 be presented to supplement the basic financial statements. Such information, although not a part of the basic

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financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Montecito Sanitary District's basic financial statements. The Schedule of Operating Expenses – By Department on pages 48 through 49 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Operating Expenses – By Department is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the list of board of directors on page 47 but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Santa Barbara, California

December 6, 2024

This Management's Discussion and Analysis (MD&A) is a key element of the District's annual audited financial statements that are prepared in accordance with the Governmental Accounting Standards Board Statement No. 34 (GASB 34). The purpose of the MD&A is to provide an overview of the District's financial condition and to highlight important changes and activities with fiscal implications that occurred during the fiscal years (FY) June 30, 2022-2023 and June 30, 2021-2022. We encourage readers to consider the information presented here in conjunction with the District's financial statements and related notes, which follow this section.

District Overview

The Montecito Sanitary District (the District) is an independent special district voted into existence in 1947 by the residents of Montecito to provide for the collection, treatment and disposal of wastewater. The District's mission has always been and continues to be "to protect public health and safety and to preserve the natural environment through the collection, treatment and disposal of wastewater in the most cost-effective way possible."

In 1961, the District constructed a wastewater treatment plant capable of processing 750,000 gallons per day. The infrastructure includes an ocean outfall pipeline (located 1,500 feet offshore) and sewer collection system pipeline and pumping system. In 1981 the voters approved \$3.1 million in revenue bonds to incorporate new technology, and double the plant's capacity to 1.5 million gallons per day. Today, the treatment plant capacity remains at 1.5 million gallons per day (mgd). The average daily flow as reported in the District's 2023 Annual Report to the California Regional Water Quality Control Board was 778,000 gallons per day (gpd).

In March 2007 the District issued Certificates of Participation (COPs) in the amount of \$14,765,000. These funds were used for capital replacement/improvement projects including a new testing laboratory and a maintenance building, over 25 miles of sewer main rehabilitation, lift station refurbishment and new sewer force main pipelines.

In May 2017 the District refunded the COPs by using \$1,121,862 available cash, \$957,824 COP reserve funds, and issuing new 2017 Sewer Refunding Revenue Bonds in the amount of \$10,020,000. This refunding will result in savings of over \$4 million due to favorable interest rates obtained and shortening of the term of the debt by seven years.

The District currently serves 3,084 residential properties and 42 commercial/institutional properties.

Management and Governance

The District is governed by a five-member Board of Directors. The Directors are elected on an at-large basis for four-year terms. In 2001, the Board voted to align its elections with the Statewide General Elections to increase voter turnout and achieve a substantial cost savings. At the Board's discretion an Organizational Meeting is held at least every other year to assign officers' duties and to appoint the standing Committee Representatives. This process generally results in a rotation of duties among the Board members. The established Committees meet on an as-needed basis. If necessary, Ad Hoc Committees are formed for special projects. The Board of Directors approves the annual operating and capital budgets and authorizes expenditures of the District's funds.

The District employs a General Manager as the chief executive. The General Manager reports directly to the Board of Directors and is responsible for the overall operation and administration of the District. The District's Management Staff also includes a District Administrator who is the chief administrator, an Operations Manager, an Engineering Manager and a Lab and Pretreatment Manager. The District had 18 full-time authorized positions in FY June 30, 2022-2023 and 18 in FY June 30, 2021-2022.

Financial Statements

This discussion and analysis provides an introduction and a brief description of the District's financial statements, including the relationship of the statements to each other and the significant differences in the information they provide. The District's basic financial statements include four components:

- Statement of Net Position
- Statement of Revenues, Expenses and Changes in Net Position
- Statement of Cash Flows
- Notes to the Financial Statements

The Statement of Net Position includes all the District's assets and deferred outflows and liabilities and deferred inflows, with the difference reported as net position. Net position is categorized as follows:

- Net Investment in Capital Assets
All property not easily converted to cash and held for a long period of time (real estate, equipment, etc.) net of related debt
- Restricted
Assets/Cash needed to pay liabilities and may be restricted according to law or regulation
- Unrestricted
Any asset that is not restricted

The Statement of Net Position includes all of the District's investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for computing rate of return, evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

The Statement of Revenues, Expenses and Changes in Net Position presents information which shows how the District's net position changed during the year. All of the current year's revenues and expenses are recorded when the underlying transaction occurs, regardless of the timing of the related cash flows. The statement of revenues, expenses and changes in net position measures the success of the District's operations over the past year and determines whether the District has recovered its costs through user fees and other charges.

The Statement of Cash Flows provides information regarding the District's cash receipts and cash disbursements during the year. This statement reports cash activity in four categories:

- Operations
- Non-capital financing
- Capital and related financing
- Investing

This statement differs from the Statement of Revenues, Expenses and Changes in Net Position because the Statement of Cash Flows accounts only for transactions that result in cash receipts or cash disbursements.

The notes to the financial statements provide a description of the accounting policies used to prepare the financial statements and present material disclosures required by generally accepted accounting principles that are not otherwise present in the financial statements.

Financial Highlights

- The District's net position increased 5.04% or \$2,063,700 to \$43,042,182 in fiscal year June 30, 2022-June 30, 2023. In the prior year, the District's net position increased 4.39% or \$1,722,829 to \$40,978,482.
- The District's operating revenues decreased by 0.26% and operating expenses increased by 0.84% in fiscal year June 30, 2022-June 30, 2023. In the prior year, operating revenues decreased by 0.26% and operating expenses decreased by 4.35%.

Financial Analysis of the District

The following is a summary of the District's Statement of Net Position:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>	<u>June 30, 2021</u>	<u>% Change FY 2022- 2023 and 2021-2022</u>	<u>% Change FY 2021- 2022 and 2020-2021</u>
<u>Assets:</u>					
Current assets	\$ 19,552,540	\$ 19,779,250	\$ 19,158,689	-1.15%	3.24%
Noncurrent assets:					
Capital assets	33,434,059	32,950,699	31,758,000	1.47%	3.76%
Total Assets	<u>52,986,599</u>	<u>52,729,949</u>	<u>50,916,689</u>	<u>0.49%</u>	<u>3.56%</u>
<u>Deferred Outflows of Resources:</u>					
Deferred pensions	1,346,078	593,052	650,339	126.97%	-8.81%
Deferred OPEB	228,338	291,218	342,403	-21.59%	-14.95%
Total Deferred Outflows	<u>1,574,416</u>	<u>884,270</u>	<u>992,742</u>	<u>78.05%</u>	<u>-10.93%</u>
<u>Liabilities:</u>					
Current liabilities	1,347,854	2,016,232	1,506,684	-33.15%	33.82%
Long term liabilities	9,755,876	9,213,867	11,012,375	5.88%	-16.33%
Total Liabilities	<u>11,103,730</u>	<u>11,230,099</u>	<u>12,519,059</u>	<u>-1.13%</u>	<u>-10.30%</u>
<u>Deferred Inflows of Resources:</u>					
Deferred pensions	149,877	1,331,615	59,003	-88.74%	2156.86%
Deferred OPEB	207,825	8,421	1,914	2367.94%	339.97%
Deferred gain on refunding debt	57,401	65,602	73,802	-12.50%	-11.11%
Total Deferred Inflows	<u>415,103</u>	<u>1,405,638</u>	<u>134,719</u>	<u>-70.47%</u>	<u>943.39%</u>
<u>Net Position:</u>					
Net investment in capital assets	26,507,285	25,272,391	23,362,404	4.89%	8.18%
Unrestricted	16,534,897	15,706,091	15,893,249	5.28%	-1.18%
Total Net Position	<u>\$ 43,042,182</u>	<u>\$ 40,978,482</u>	<u>\$ 39,255,653</u>	<u>5.04%</u>	<u>4.39%</u>

% Change calculated by current year less prior year number and divided by prior year number.

MONTECITO SANITARY DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

The following is a summary of the District's statement of revenues, expense and changes in net position for the years ended June 30, 2023 and 2022:

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021	% Change FY 2022- 2023 and 2021-2022	% Change FY 2021- 2022 and 2020-2021
Operating revenues	\$ 6,805,832	\$ 6,823,389	\$ 6,841,292	-0.26%	-0.26%
Operating expenses	5,688,021	5,640,501	5,897,097	0.84%	-4.35%
Operating income	<u>1,117,811</u>	<u>1,182,888</u>	<u>944,195</u>	<u>-5.50%</u>	<u>25.28%</u>
Nonoperating revenue	1,086,405	194,533	618,657	458.47%	-68.56%
Nonoperating expense	160,020	(208,152)	866,091	-176.88%	-124.03%
Non-operating income (loss)	<u>926,385</u>	<u>402,685</u>	<u>(247,434)</u>	<u>130.05%</u>	<u>262.74%</u>
Excess of revenue over expenses	2,044,196	1,585,573	696,761	28.92%	127.56%
Capital contributions	19,504	137,256	154,807	-85.79%	-11.34%
Change in net position	2,063,700	1,722,829	851,568	19.79%	102.31%
Net position, beginning of year	<u>40,978,482</u>	<u>39,255,653</u>	<u>38,404,085</u>	<u>4.39%</u>	<u>2.22%</u>
Net position, end of year	<u>\$ 43,042,182</u>	<u>\$ 40,978,482</u>	<u>\$ 39,255,653</u>	<u>5.04%</u>	<u>4.39%</u>

The following is a table of the District's nonoperating revenue and expenses broken down by major source:

	Fiscal Year Ended June 30, 2023	Fiscal Year Ended June 30, 2022	Fiscal Year Ended June 30, 2021
Nonoperating Revenue:			
Investment income (loss)	\$ 337,780	\$ (482,136)	\$ (14,911)
Property taxes	748,625	676,669	633,568
Nonoperating Expense:			
Other income (expense)	9,192	403,564	(140,078)
Loss on disposal of assets	-	-	(505,200)
Interest expense	<u>(169,212)</u>	<u>(195,412)</u>	<u>(220,813)</u>
Total nonoperating revenue	<u>\$ 926,385</u>	<u>\$ 402,685</u>	<u>\$ (247,434)</u>

FY 2021 to 2023 Nonoperating expense includes Interest expense (Bond/Debt Service interest payments).

FY 2021-22 Increase in Investment Income loss is due to Unrealized Losses on District funds held in the County Treasury.

FY 2020-21 Nonoperating expense includes a loss on the disposal of the essential services building project that was abandoned during the year.

FY 2020-21 Nonoperating expense includes approximately \$148,900 in COVID-19 related expenses reflected in other income (expense).

Sources of Revenue

The following is a table of the Districts revenues broken down by major source:

<u>Revenue Category</u>	<u>2022-2023</u>	<u>2021-2022</u>	<u>2020-2021</u>	<u>% Change FY 2022- 2023 and 2021-2022</u>	<u>% Change FY 2021- 2022 and 2020-2021</u>
Service charges	\$ 6,525,589	\$ 6,543,286	\$ 6,533,184	-0.3%	0.2%
Connection fees	234,212	191,597	203,860	22.2%	-6.0%
Other services	46,031	88,506	104,248	-48.0%	-15.1%
Operating revenue	<u>6,805,832</u>	<u>6,823,389</u>	<u>6,841,292</u>	<u>-0.3%</u>	<u>-0.3%</u>
Investment income (loss)	337,780	(482,136)	(14,911)	-170.1%	3133.4%
Property taxes	748,625	676,669	633,568	10.6%	6.8%
Grant revenue for pandemic costs	19,840	438,560	-	0.0%	-100.0%
Nonoperating revenue	<u>1,106,245</u>	<u>633,093</u>	<u>618,657</u>	<u>74.7%</u>	<u>2.3%</u>
Total revenue	<u>\$ 7,912,077</u>	<u>\$ 7,456,482</u>	<u>\$ 7,459,949</u>	<u>6.1%</u>	<u>0.0%</u>

Sewer Service Charge (SSC)

The major source of revenue for the District is its annual Sewer Service Charges (SSC). The fiscal year (FY) June 30, 2023 sewer service charges revenue decreased approximately 0.3% from the prior FY June 30, 2021-2022. The District's total annual SSC revenue for FY June 30, 2023 was \$6,525,589, which amounted to 82.5% of the total revenues and 95.9% of the total operating revenue. The District's total annual SSC revenue for FY June 30, 2021-2022 was \$6,543,286, which amounted to 87.8% of the total revenues and 95.9% of the total operating revenue.

The District maintains a Teeter Plan agreement with the County of Santa Barbara. Under this agreement, the County guarantees payment to the District. The County collects these funds from the District's customers on their annual property tax statements, and the District receives the total amount of SSC revenue reported to the County each year.

Future Rate Increases

On May 9, 2016 the Board of Directors approved a 3-year planned rate increase structure for sewer service charges that went into effect beginning in FY 2016-17 and ran through FY 2018-19. On October 9, 2017 the Board of Directors approved to amend the fee schedule. All rate increases were validated and approved by following the procedures and requirements of Proposition 218. At this time there are no future planned rate increases.

Connection Fees

The connection fees collected on District permits are charges for connection to the District's sanitary sewer system, necessary to cover or recoup prior infrastructure costs incurred to provide service. Connection fees collected for the FY June 30, 2023 and FY June 30, 2021-2022 were \$234,212 and \$191,597, respectively. The increase in connection fees received in FY June 30, 2023 is due to the completion of one large sewer main extension project (Lilac & Oak Grove) coupled with an increase in Accessory Dwelling Unit connections. The increase in connection fees in FY June 30, 2023 from FY June 30, 2021-2022 is reflected in increased operating revenues on page 8.

Investment Income

The District's current approved investment policy, under Resolution No. 2013-883, states that it shall be the policy of the District to invest funds, with maximum security through diversification and prudence, in a manner which will provide the highest investment return, while meeting the daily cash flow demands of the entity and conforming to all statutes governing the investments of District funds.

In keeping with that policy, the District Board chose to distribute the District's monies between two investment vehicles: the Santa Barbara County Investment Pool, and the Local Agency Investment Fund (LAIF) which is a State of California controlled investment pool. Funds are readily available from either pool. The Santa Barbara County Pool consists of Sewer Service Charges, Property Tax Income, and Interest. The LAIF account consists of originally funded reserves and accumulated interest. District practice has been to draw from the Santa Barbara County Pool for operating funds.

Interest revenues received within FY June 30, 2023 from the two investment pools was \$281,474. Investment income for the FY June 30, 2023 also reflects a fair market value adjustment of \$(546,695) from the two investment pools. Note that these losses were not realized and these investments are managed by the County of Santa Barbara Treasurer-Tax Collector's office.

Property Tax

The District receives one half of 1% of the total property tax revenue that is collected by the County of Santa Barbara for parcels within its service area whether or not they are a customer of the District. The property tax revenue is inclusive of secure, unsecured, unitary, and supplemental property taxes. In FY June 30, 2023 this property tax revenue amounted to \$748,625.

Operating Expenses

The District's operating expenses (not including depreciation) for FY June 30, 2022-2023 were \$4,414,902 and for FY June 30, 2021-2022 were \$4,397,257. This is an overall increase for FY June 30, 2022-2023 in actual operating expenses of 0.4%. For FY June 30, 2021-2022 there was an increase in actual operating expenses of 4.0%. Depreciation expense for FY June 30, 2022-2023 was \$1,273,119 and for FY June 30, 2021-2022 was \$1,243,244.

MONTECITO SANITARY DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS

Expenditure increases or decreases in fiscal year June 30, 2022-2023 versus fiscal year June 30, 2021-2022 were as follows:

Expense Category	Expenses FY 2022/2023	Expenses FY 2021/2022	FY 2022/2023 Expense Increase (Decrease)	Difference	Comments/Justification
Personnel (Salaries, Payroll Taxes, WC Insurance, and Benefits)	\$ 2,531,857	\$ 2,977,355	\$ (445,498)	-15.0%	FY22-23 Decrease due to less District PERS and Medical Benefits contributions as a result of long-term staff turnover
Pooled Liability and Other CSRMA Insurance Programs	114,149	103,558	10,591	10.2%	FY 22-23 Increase due to a premium increase in the District's CSRMA Pooled Liability policy
Maintenance, Repairs, Operating Supplies/Equip, and Contracted Services	970,306	697,176	273,130	39.2%	FY22-23 Increase primarily due to increases in chemical costs, plant maintenance materials
Utilities, Telephone, Fuel and Oil	286,971	223,421	63,550	28.4%	FY22-23 Increase primarily due to increase in electricity costs, and contracted services, and across the board cost increases due to inflation
Research & Monitoring	28,713	30,348	(1,635)	-5.4%	Immaterial difference from FY 2021-22
Office Expenses, Special Projects, and Misc. Administrative Costs	86,047	37,799	48,248	127.6%	FY22-23 Increase primarily due to increased membership fees
Professional Services, Administrative Fees, and Memberships	348,511	305,124	43,387	14.2%	FY22-23 Increase primarily due to increased legal fees
Training, Safety and Travel Expenses	48,348	22,476	25,872	115.1%	FY22-23 Increase due to post-COVID travel resuming back to normal levels
Subtotals	4,414,902	4,397,257	17,645	0.4%	
Depreciation	1,273,119	1,243,244	29,875	2.4%	FY22-23 Increase due to new assets added
Totals	\$ 5,688,021	\$ 5,640,501	\$ 47,520	0.8%	

Expenditure increases or decreases in fiscal year June 30, 2021-2022 versus fiscal year 2020-2021 were as follows:

Expense Category	Expenses FY 2021/2022	Expenses FY 2020/2021	FY 2021/2022 Expense Increase (Decrease)	Difference	Comments/Justification
Personnel (Salaries, Payroll Taxes, WC Insurance, and Benefits)	\$ 2,977,355	\$ 3,119,194	\$ (141,839)	-4.5%	FY 21-22 Decrease due to a vacancy in the Engineering position
Pooled Liability and Other CSRMA Insurance Programs	103,558	68,081	35,477	52.1%	FY 21-22 Increase due to a premium increase in the District's CSRMA Pooled Liability policy
Maintenance, Repairs, Operating Supplies/Equip, and Contracted Services	697,176	650,627	46,549	7.2%	FY21-22 Increase primarily due to COVID-19 related expenditures
Utilities, Telephone, Fuel and Oil	223,421	231,604	(8,183)	-3.5%	Immaterial difference from FY 2020-21
Research & Monitoring	30,348	22,828	7,520	32.9%	Immaterial difference from FY 2020-21
Office Expenses, Special Projects, and Misc. Administrative Costs	37,799	102,107	(64,308)	-63.0%	FY21-22 Decrease primarily due to reduced special project costs
Professional Services, Administrative Fees, and Memberships	305,124	454,015	(148,891)	-32.8%	FY21-22 Decrease due to no longer having Contract Services for Interim General Manager
Training, Safety and Travel Expenses	22,476	20,350	2,126	10.4%	Immaterial difference from FY 2020-21
Subtotals	4,397,257	4,668,806	(271,549)	-5.8%	
Depreciation	1,243,244	1,228,291	14,953	1.2%	FY21-22 Increase due to new assets added
Totals	\$ 5,640,501	\$ 5,897,097	\$ (256,596)	-4.4%	

Certificates of Participation (COPs) – California Special Districts Association (CSDA) Finance Corporation – 2007 Series UU

Due to an urgent need for capital improvement project funds in FY 2006-07 the District worked with CSDA to seek funding through the issuance of COPs. The Board saw this as a means to ensure the District would have the funds necessary to complete a list of capital projects deemed to be mission critical to the District’s efforts to provide the service expected and mandated by federal and state regulations, and to ensure the environmental health and safety of the community which the District serves. On March 1, 2007 the CSDA Finance Corporation issued Certificates of Participation (COPs) in the amount of \$14,765,000 (see Note 6). The Acquisition Fund was established from these funds in 2007 with a beginning balance of \$10,533,493. All of those funds were spent on Board approved Mission Critical Projects by June 30, 2016. The COPs were refunded in May 2017.

2017 Sewer Refunding Revenue Bonds – California Special Districts Association (CSDA) Finance Corporation

The 2007 Certificates of Participation (COPs) used for capital improvement projects became eligible for “Current Refunding” after the initial call date in April 2017. In January 2017 the District engaged Fieldman, Rolapp & Associates, independent financial advisors, to analyze the opportunity for refunding the 2007 COPs. The analysis showed the District could decrease the maturity term by seven years, remove the requirement for a reserve fund, and take advantage of lower interest rates, resulting in savings of approximately \$4 million. In May 2017 the District refunded the COPs by using \$1,121,862 available cash, \$957,824 COP reserve funds, and issuing new 2017 Sewer Refunding Revenue Bonds in the amount of \$10,020,000 (see Note 6). During the fiscal year ending June 30, 2023, the District made principal payments totaling \$655,000 against the debt. As of June 30, 2023, the remaining principal balance was \$6,365,000 and unamortized premium balance was \$518,618.

The District makes two annual Debt service payments: A transfer for one half the annual interest due is made from County Treasury Operating fund to BNY Mellon in December each year, and BNY Mellon issues the debt service payment on January 1. A second transfer for the full principal payment and one half the annual interest due is made from County Treasury Operating fund to BNY Mellon in June each year, and BNY Mellon issues the debt service payment on July 1.

Annual Depreciation Funding

On May 26, 2009, the Board authorized the creation of a separate fund for depreciation. Effective July 1, 2009, the County Auditor-Controller’s office established a fund titled Montecito Sanitary Capital Replacement Fund and as of June 30, 2023 there was \$5,034,597 in this fund. Annually the Board considers contributing to this fund. Typically, the annual amount contributed is based on the prior fiscal year’s annual depreciation expense. The District may withdraw monies from the Capital Replacement Fund at any time to fund capital projects or to meet any operational needs of the District.

Annual Audited Financial Statements

At the end of each fiscal year, the District is audited by an independent certified public accounting firm qualified to perform government accounting audits. The financial statements consist of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the District's entire financial position. These statements provide a detailed look at specific financial activities. This annual report consists of two parts; management's discussion and analysis (this section) and a series of basic financial statements.

The basic financial statements include the Statement of Net Position, Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows, followed by various and specific notes to those financial statements.

Additionally, the financial report includes required supplementary information, as well as other supplemental information as noted in the table of contents.

Contacting the District's Financial Management

This financial report has been prepared to provide the District's customers, creditors, and other interested parties with a general overview of the District's finances and to demonstrate the District's accountability of the money it receives. If you have any questions about this report or need additional financial information, contact Stephen Williams, District Administrator/Clerk to the Board, at 1042 Monte Cristo Lane, Santa Barbara, CA 93108, or by telephone at (805) 969-4200.

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MONTECITO SANITARY DISTRICT
STATEMENT OF NET POSITION
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
ASSETS		
Current Assets:		
Cash and investments (Note 2 and 3)	\$ 19,379,376	\$ 19,684,936
Receivables	112,693	34,976
Prepaid expenses	60,471	59,338
	<u>19,552,540</u>	<u>19,779,250</u>
Total current assets		
Capital Assets:		
Depreciable:		
Plant and equipment	58,170,514	55,612,113
Less accumulated depreciation	<u>(26,313,156)</u>	<u>(25,039,289)</u>
	31,857,358	30,572,824
Non-depreciable:		
Construction in progress	1,470,201	2,271,375
Land and improvements	<u>106,500</u>	<u>106,500</u>
	33,434,059	32,950,699
Net capital assets (Note 2 and 4)	<u>33,434,059</u>	<u>32,950,699</u>
	<u>52,986,599</u>	<u>52,729,949</u>
Total Assets	<u>52,986,599</u>	<u>52,729,949</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred pensions (Note 8)	1,346,078	593,052
Deferred postemployment health care benefits (Note 9)	<u>228,338</u>	<u>291,218</u>
	1,574,416	884,270
Total deferred outflows of resources	<u>1,574,416</u>	<u>884,270</u>
Total assets and deferred outflows of resources	<u>\$ 54,561,015</u>	<u>\$ 53,614,219</u>

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MONTECITO SANITARY DISTRICT
STATEMENT OF NET POSITION
June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
LIABILITIES		
Current Liabilities:		
Accounts payable	\$ 105,051	\$ 561,959
Accrued salaries and benefits	29,548	24,113
Accrued interest	292,223	305,323
Customer deposits	266,032	469,837
Current portion of long-term debt (Note 6)	685,000	655,000
	<u>1,377,854</u>	<u>2,016,232</u>
Total current liabilities		
Long-Term Liabilities:		
Compensated absences payable (Note 5)	190,410	184,682
Long-term debt, net of current portion (Note 6)	6,198,618	6,957,706
Net pension liability (Note 8)	3,038,888	1,483,020
Postemployment health care benefits liability (Note 9)	297,960	588,459
	<u>9,725,876</u>	<u>9,213,867</u>
Total long-term liabilities		
Total Liabilities	<u>11,103,730</u>	<u>11,230,099</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred pensions (Note 8)	149,877	1,331,615
Deferred postemployment health care benefits (Note 9)	207,825	8,421
Deferred gain on refunding debt	57,401	65,602
	<u>415,103</u>	<u>1,405,638</u>
Total deferred inflows of resources		
Total liabilities and deferred inflows of resources	<u>11,518,833</u>	<u>12,635,737</u>
NET POSITION		
Net investment in capital assets	26,507,285	25,272,391
Unrestricted, designated for retirement benefits obligation	180,629	178,429
Unrestricted, designated for capital replacement	5,034,597	6,414,295
Unrestricted, designated for reserves	2,025,855	1,995,964
Unrestricted, designated for recycled water	869,741	979,671
Unrestricted	8,424,075	6,137,732
	<u>43,042,182</u>	<u>40,978,482</u>
Total Net Position	<u>\$ 43,042,182</u>	<u>\$ 40,978,482</u>

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MONTECITO SANITARY DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
For the Fiscal Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Operating Revenues:		
Service charges	\$ 6,525,589	\$ 6,543,286
Connection fees	234,212	191,597
Other services	46,031	88,506
	<u>6,805,832</u>	<u>6,823,389</u>
Total operating revenues		
Operating Expenses:		
Sewage collection	1,943,518	1,846,737
Sewage treatment	2,436,548	2,402,440
Sewage disposal	77,048	73,851
Administrative	1,230,907	1,317,473
	<u>5,688,021</u>	<u>5,640,501</u>
Total operating expenses		
Income from operations	<u>1,117,811</u>	<u>1,182,888</u>
Nonoperating Revenue (Expense):		
Investment income (loss)	337,780	(482,136)
Property taxes	748,625	676,669
Other income	9,192	403,564
Interest expense	(169,212)	(195,412)
	<u>926,385</u>	<u>402,685</u>
Total nonoperating revenue (expense)		
Excess of revenue over expenses	<u>2,044,196</u>	<u>1,585,573</u>
Capital contributions		
Contributed subsurface lines	19,504	137,256
	<u>19,504</u>	<u>137,256</u>
Total capital contributions		
Change in net position	2,063,700	1,722,829
Net position, beginning of year	<u>40,978,482</u>	<u>39,255,653</u>
Net position, end of year	<u>\$ 43,042,182</u>	<u>\$ 40,978,482</u>

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MONTECITO SANITARY DISTRICT
STATEMENT OF CASH FLOWS
For the Fiscal Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Cash Flows from Operating Activities:		
Cash received from customers	\$ 6,598,637	\$ 6,953,928
Cash payments to vendors for goods and services	(2,354,186)	(1,008,512)
Cash payments for employees services and benefits	(2,927,806)	(2,680,770)
Net cash provided by operating activities	<u>1,316,645</u>	<u>3,264,646</u>
Cash Flows from Noncapital Financing Activities:		
Property taxes	748,625	676,669
Other	9,192	403,564
Net cash provided by noncapital financing activities	<u>757,817</u>	<u>1,080,233</u>
Cash Flows from Capital and Related Financing Activities:		
Purchase of capital assets	(1,756,479)	(2,435,943)
Interest payments	(251,500)	(277,700)
Extension reimbursements	19,504	137,256
Principal payments on long term debt	(655,000)	(635,000)
Net cash used by capital and related financing activities	<u>(2,643,475)</u>	<u>(3,211,387)</u>
Cash Flows from Investing Activities:		
Investment income received	263,453	(495,665)
Net cash provided by investing activities	<u>263,453</u>	<u>(495,665)</u>
Net increase (decrease) in cash and restricted cash	(305,560)	637,827
Cash and investments – beginning of year	<u>19,684,936</u>	<u>19,047,109</u>
Cash and investments – end of year	<u>\$ 19,379,376</u>	<u>\$ 19,684,936</u>

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MONTECITO SANITARY DISTRICT
STATEMENT OF CASH FLOWS
For the Fiscal Years Ended June 30, 2023 and 2022

	<u>2023</u>	<u>2022</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 1,117,811	\$ 1,182,888
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation expense	1,273,119	1,243,244
Change in assets and liabilities:		
Accounts receivable	(3,390)	36,858
Prepaid insurance	(1,133)	(6,063)
Deferred outflows	(690,146)	108,472
Accounts payable	(456,908)	430,153
Accrued salaries and benefits	5,435	(21,586)
Accrued interest	(13,100)	(12,700)
Customer deposits	(203,805)	93,681
Compensated absences	5,728	4,065
Net pension liability	1,555,868	(1,058,876)
Postemployment health care benefits	(290,499)	(14,609)
Deferred inflows	(982,335)	1,279,119
Net cash provided by operating activities	<u>\$ 1,316,645</u>	<u>\$ 3,264,646</u>

Note 1 – Reporting Entity

Montecito Sanitary District was organized in 1947, pursuant to the Sanitary District Act of 1923, to provide sewage collection and treatment for residents within the District’s geographical boundaries.

The District is governed by a Board of Directors consisting of five members elected at large. The Directors receive fees for attendance at Board and Committee meetings. The District employs a General Manager/District Engineer and such other personnel as are required to meet its responsibilities.

Note 2 – Summary of Significant Accounting Policies

Accounting Policies

The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants (AICPA).

Accounting Basis

The District reports its activities as an enterprise fund, which is used to account for operations that are financed and operated in a manner similar to a private business enterprise, where the intent of the District is that the costs, including depreciation, of providing goods and services on a continuing basis be financed or recovered primarily through user charges. The accounts are maintained and these financial statements are presented on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when they are earned and expenses recognized when they are incurred. An enterprise fund is accounted for on the "flow of economic resources" measurement focus. This means that all assets and liabilities, whether current or long term, are included on the statement of net position.

The District distinguishes operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and the producing and delivering of goods in connection with the District's principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The financial statements of the District have been prepared in conformity with Generally Accepted Accounting Principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting and financial reporting principles.

Budget

The District prepares an annual budget which estimates major sources of revenue to be received during the fiscal year, as well as estimated expenditures needed for operation of District facilities. The budget is filed with Santa Barbara County (the County). The Board of Directors has the power to amend the budget during the year.

Note 2 – Summary of Significant Accounting Policies (Continued)

Cash and Cash Equivalents

For purposes of the statement of cash flows, cash and cash equivalents include restricted and unrestricted cash and investments held in pooled accounts and restricted and unrestricted certificates of deposit with original maturities of three months or less.

Receivables

Receivables are primarily comprised of sewer service fees collected by the County of Santa Barbara and interest earned on investments but not yet paid.

Property, Plant and Equipment

Capital assets purchased by the District are recorded at cost. Contributed or donated capital assets are recorded at fair value when acquired. Prior to the adoption of GASB 89 during fiscal year June 30, 2021, interest incurred during the construction period of an asset was capitalized as part of the cost.

Depreciation

Capital assets purchased by the District are depreciated over their estimated useful lives (ranging from 5-80 years) under the straight-line method of depreciation.

Accumulated Vacation, Compensated Time Off and Sick Leave

Accumulated unpaid employee vacation, compensated time off, and sick leave benefits are recognized as liabilities of the District.

Deferred Outflows and Inflows of Resources

Pursuant to GASB Statement No. 63, “Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position,” and GASB Statement No. 65, “Items Previously Reported as Assets and Liabilities,” the District recognizes deferred outflows and inflows of resources.

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. A deferred outflow of resources is defined as a consumption of net position by the District that is applicable to a future reporting period.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. A deferred inflow of resources is defined as an acquisition of net position by the District that is applicable to a future reporting period.

Net Position

Net position represents the difference between assets and deferred outflows, and liabilities and deferred inflows, and is classified into three components as follows:

Note 2 – Summary of Significant Accounting Policies (Continued)

Net Position (Continued)

Net investment in capital assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds.

Restricted – This component of net position consists of assets which are legally restricted by outside parties for use for a specific purpose.

Unrestricted – This component of net position consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.” Dedicated net position represents unrestricted assets which are segregated by the Board of Directors for specific future uses.

When an expense is incurred for purposes for which both unrestricted and restricted resources are available for use, it is the District's policy to apply restricted assets first, then unrestricted resources.

Revenue Recognition – Property Taxes and Services Charges

Property taxes and user sewer service charges are collected on the tax rolls of the County of Santa Barbara. The District receives an allocation of general property taxes. Sewer service charges are based upon the total number of equivalent residential units (ERU's) connected to the sewers of the District. Commercial properties are charged based upon loading factors and water consumption. The property taxes and service charges are recognized when they have been collected by the County and are available for distribution to the District.

Property taxes in the State of California are administered for all local agencies at the county level, and consist of secured, unsecured, and utility tax rolls. The following is a summary of major policies and practices relating to property taxes:

Property Valuations – are established by the Assessor of the County of Santa Barbara (County) for the secured and unsecured property tax rolls; the utility property tax roll is valued by the State Board of Equalization. Under the provisions of Article XIII A of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100% of full value. From the base assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change in ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

Tax Collections – are the responsibility of the County Tax Collector. Taxes and assessments on secured and utility rolls which constitute a lien against the property, may be paid in two installments: the first is due on November 1 of the fiscal year and is delinquent if not paid by December 10; and the second is due on March 1 of the fiscal year and is delinquent if not paid by April 10. Unsecured personal property taxes do not constitute a lien against real property unless the taxes become delinquent. Payment must be made in one installment, which is delinquent if not paid by August 31 of the fiscal year. Significant penalties are imposed by the County for late payments.

Note 2 – Summary of Significant Accounting Policies (Continued)

Revenue Recognition – Property Taxes and Services Charges (Continued)

During the fiscal year ended June 30, 1994, the District adopted the “Teeter Plan” as defined in the Revenue and Taxation Code. Under this plan, the District is guaranteed 99.6% of the secured property tax apportionment each year. The District is also assured of receiving 95% of the unsecured property tax apportionment for each fiscal year by July 31 of the following fiscal year. The remaining 5% is placed in a Tax Loss Reserve Fund which will be used to offset future tax sale losses incurred by the County. Additionally, the District is assured of receiving 100% of its sewer service charges for each fiscal year.

Tax Levy Apportionments – Due to the nature of the District-wide maximum levy, it is not possible to identify general purpose tax rates for specific entities. Under State legislation adopted subsequent to the passage of Proposition 13, apportionments to local agencies are made by the County Auditor-Controller based primarily on the ratio that each agency represented of the total District-wide levy for the three years prior to fiscal year 1979. The District’s apportionment is ½ of 1% of the total property tax revenue that is collected by the County of Santa Barbara for parcels within its service area.

Property Tax Administration Fees – The State of California FY 90-91 Budget Act, authorized counties to collect an administrative fee for collection and distribution of property taxes. Property taxes are recorded as net of administrative fees withheld during the fiscal year.

Tax Levies – are limited to 1% of full value which results in a tax rate of \$1.00 per \$100 assessed valuation, under the provisions of Proposition 13. Tax rates for voter-approved indebtedness are excluded from this limitation.

Tax Levy Dates – are attached annually on January 1 preceding the fiscal year for which the taxes are levied. The fiscal year begins July 1 and ends June 30 of the following year. Taxes are levied on both real and unsecured personal property as they exist at that time. Liens against real estate, as well as the tax on personal property, are not relieved by subsequent renewal or change in ownership.

Connection Fees

Connection fees are one-time capacity charges imposed at the time a structure is connected to the District’s system, or an existing connection is expanded or increased. These funds are restricted and may be used to finance the expansion or upgrade of existing facilities that will benefit new customers including collection system improvements and treatment system upgrades. There are no unspent connection fees held at June 30, 2023 and 2022.

Annual Appropriations Limit

The District is exempt from the annual appropriations limit required by Senate Bill 813 (Chapter 1025, Statutes of 1987) in accordance with California Constitution Article XIII B. This exemption is based on a tax rate not greater than 12-1/2 cents per \$100 of assessed valuation in 1978.

Note 2 – Summary of Significant Accounting Policies (Continued)

Grant Receivable and Revenue

The District recognizes grant revenue when the qualifying expenditures are incurred, all eligibility requirements have been met, and collection of the grant funds is probable. Receipt of funds under the grant is dependent on the approval of submitted expenditures. An allowance for estimated disallowed costs is reflected in the receivable balance.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Significant estimates used in preparing these financial statements include useful lives of capitalized assets and the liability for pension and postemployment healthcare benefits. It is at least reasonably possible that the significant estimates used will change within the next year.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of Montecito Sanitary District's California Public Employees' Retirement System (CalPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For this report, the following timeframes are used:

Valuation Date	June 30, 2021
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the total OPEB liability of the District and additions to/deductions from the District's OPEB liability have been determined on the same basis. For this purpose, MSD recognizes benefit payments when due and payable in accordance with the benefit terms. For this report, the following timeframes are used:

Valuation Date	June 30, 2022
Measurement Date	June 30, 2022
Measurement Period	July 1, 2021 to June 30, 2022

Note 2 – Summary of Significant Accounting Policies (Continued)

Future Governmental Accounting Standards Board (GASB) Pronouncements

The Governmental Accounting Standards Board Statements listed below will be implemented in future financial statements. These statements will be evaluated by the District to determine if they will have a material impact to the financial statements once effective.

Statement No. 100 <i>"Accounting Changes and Error Corrections - an amendment of GASB Statement No. 62"</i>	The requirements of this statement are effective for periods beginning after June 15, 2023. (FY 23/24)
Statement No. 101 <i>"Compensated Absences"</i>	The requirements of this statement are effective for periods beginning after December 15, 2023. (FY 24/25)

Note 3 – Cash and Investments

Cash and investments are classified in the accompanying financial statements at June 30, 2023 and 2022 as follows:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Unrestricted:		
Cash and investments, undesignated	\$ 11,268,554	\$ 10,116,577
Cash designated for retirement benefits	180,629	178,429
Cash designated for capital replacement	5,034,597	6,414,295
Cash designated for reserves	2,025,855	1,995,964
Cash designated for recycled water	869,741	979,671
Total cash and investments	<u>\$ 19,379,376</u>	<u>\$ 19,684,936</u>

Cash and investments as of June 30, 2023 and 2022 consist of the following:

	<u>June 30, 2023</u>	<u>June 30, 2022</u>
Cash on hand	\$ 250	\$ 250
Deposits held with financial institutions	1,562,131	1,764,587
Cash with fiscal agent	810,750	793,850
Local Agency Investment Fund	2,025,855	1,995,964
Santa Barbara County Investment Pool	14,980,390	15,130,285
Total cash and investments	<u>\$ 19,379,376</u>	<u>\$ 19,684,936</u>

Note 3 – Cash and Investments (Continued)

Investments Authorized by the District’s Investment Policy

The District’s investment policy authorizes investments selected on the basis of credit worthiness, financial strength, experience, and minimal capitalization. The District shall select only licensed brokers and dealers in good standing with the California Department of Securities, the Securities and Exchange Commission, the National Association of Securities Dealers, or other applicable self-regulatory organizations. The District is prohibited from investing in any funds in inverse floaters, range notes, interest-only strips derived from mortgage pools, or any investment which may result in a zero interest accrual if held to maturity. It is the District policy to diversify its investment portfolio to eliminate the risk of loss resulting from over concentration of assets in a specific maturity, a specific issuer, or a specific class of securities.

The primary objectives of the District’s investment activities in priority order are: safety, liquidity, and return on investments. Investments shall be chosen with judgment and care, considering the probable safety of their capital as well as the probable income to be derived. Although the District has pre-authorized investment categories per Resolution No. 2013-883, the only investments in practice are those in the local government investment pool administered by the State of California Local Agency Investment Fund (LAIF) and the Santa Barbara County Investment Pool.

Investments

The District participates in LAIF and the Santa Barbara County Investment Pool. LAIF and the Santa Barbara County Investment Pool are regulated by the California Government Code.

The District’s investment in LAIF is reported in the accompanying financial statements at amounts based on the District’s pro-rata share of the value provided by LAIF for the entire LAIF portfolio. The balance available for withdrawal is based on the accounting records maintained by LAIF, which is recorded on the amortized cost basis. LAIF invests some of its portfolio in derivatives. Detailed information on derivative investments held by this pool is not readily available. The fair value of LAIF is approximately equal to the value of the pool shares.

The District’s investment in the Santa Barbara County Investment Pool is reported in the accompanying financial statements at the amounts based upon the District’s pro-rata share of the value provided by the Santa Barbara County Investment Pool for the entire Santa Barbara County Investment Pool portfolio, which is recorded on the amortized cost basis. The balance available for withdrawal is based on the accounting records maintained by the Santa Barbara Investment Pool. The fair value of the Santa Barbara Investment Pool is approximately equal to the value of the pool shares.

Note 3 – Cash and Investments (Continued)

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unit). The fair value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure the District's deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

None of the District's deposits with financial institutions in excess of federal depository insurance limits were held in uncollateralized accounts.

The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investment in securities through the use of mutual funds or government investment pools (such as LAIF and the Santa Barbara County Investment Pool).

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District did not have any investments that are considered highly sensitive to changes in interest rates at June 30, 2023 and 2022.

Note 3 – Cash and Investments (Continued)

Disclosures Relating to Interest Rate Risk (Continued)

Information about the sensitivity of the fair values of the District’s investments to market interest rate fluctuations is provided by the following table that shows the distribution of the District’s investments by maturity as of June 30, 2023 and 2022.

<u>Investment Type</u>	June 30, 2023				
	Carrying Amount	12 Months or Less	13-24 Months	25-60 Months	More than 60 Months
Local Agency Investment Fund	\$ 2,025,855	\$ 2,025,855	\$ -	\$ -	\$ -
Santa Barbara County Investment Pool	14,980,390	14,980,390	-	-	-
Total Investments	\$ 17,006,245	\$ 17,006,245	\$ -	\$ -	\$ -

<u>Investment Type</u>	June 30, 2022				
	Carrying Amount	12 Months or Less	13-24 Months	25-60 Months	More than 60 Months
Local Agency Investment Fund	\$ 1,995,964	\$ 1,995,964	\$ -	\$ -	\$ -
Santa Barbara County Investment Pool	15,130,285	15,130,285	-	-	-
Total Investments	\$ 17,126,249	\$ 17,126,249	\$ -	\$ -	\$ -

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. There are no investments in any one issuer that represent 5% or more of total District investments.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of rating by a nationally recognized statistical rating organization.

MONTECITO SANITARY DISTRICT NOTES TO THE FINANCIAL STATEMENTS

Note 3 – Cash and Investments (Continued)

Presented below is the minimum rating required by the California Government Code and the District’s investment policy, and the actual rating as of June 30, 2023 and 2022 for each investment type.

<u>Investment Type</u>	June 30, 2023					
	Carrying Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End		
				AAA	AA	Not Rated
Local Agency Investment Fund	\$ 2,025,855	N/A	\$ 2,025,855	\$ -	\$ -	\$ -
Santa Barbara County Investment Pool	14,980,390	N/A	14,980,390	-	-	-
Total Investments	\$ 17,006,245		\$ 17,006,245	\$ -	\$ -	\$ -

<u>Investment Type</u>	June 30, 2022					
	Carrying Amount	Minimum Legal Rating	Exempt From Disclosure	Rating as of Fiscal Year End		
				AAA	AA	Not Rated
Local Agency Investment Fund	\$ 1,995,964	N/A	\$ 1,995,964	\$ -	\$ -	\$ -
Santa Barbara County Investment Pool	15,130,285	N/A	15,130,285	-	-	-
Total Investments	\$ 17,126,249		\$ 17,126,249	\$ -	\$ -	\$ -

Fair Value of Investments

The following investments are recognized at fair value at June 30, 2023 and 2022, respectively.

	June 30, 2023	June 30, 2022
Local Agency Investment Fund	\$ 2,025,855	\$ 1,995,964
Santa Barbara County Investment Pool	14,980,390	15,130,285
Total Investments	\$ 17,006,245	\$ 17,126,249

MONTECITO SANITARY DISTRICT NOTES TO THE FINANCIAL STATEMENTS

Note 4 – Schedule of Capital Assets

A schedule of changes in capital assets and depreciation for the fiscal year ended June 30, 2023, is shown below:

	Balance July 1, 2022	Additions	Deletions	Transfers	Balance June 30, 2023
Subsurface Lines	\$30,301,226	\$ -	\$ -	\$2,344,492	\$32,645,718
Collection Facilities	9,954,553	-	-	68,414	10,022,967
Treatment Facilities	14,464,304	-	-	106,995	14,571,299
Disposal Facilities	532,466	-	-	-	532,466
Administrative Facilities	359,564	-	-	38,500	398,064
	<u>55,612,113</u>	<u>-</u>	<u>-</u>	<u>2,558,401</u>	<u>58,170,514</u>
Accumulated Depreciation	(25,039,289)	(1,273,867)	-	-	(26,313,156)
	<u>30,572,824</u>	<u>(1,273,867)</u>	<u>-</u>	<u>2,558,401</u>	<u>31,857,358</u>
Construction in Progress	2,271,375	1,798,569	(41,342)	(2,558,401)	1,470,201
Land and Improvements	106,500	-	-	-	106,500
	<u>106,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,500</u>
Net capital assets	<u>\$32,950,699</u>	<u>\$ 524,702</u>	<u>\$ (41,342)</u>	<u>\$ -</u>	<u>\$33,434,059</u>

A schedule of changes in capital assets and depreciation for the fiscal year ended June 30, 2022, is shown below:

	Balance July 1, 2021	Additions	Deletions	Transfers	Balance June 30, 2022
Subsurface Lines	\$29,861,149	\$ -	\$ -	\$ 440,077	\$30,301,226
Collection Facilities	9,718,253	-	-	236,300	9,954,553
Treatment Facilities	14,354,404	-	-	109,900	14,464,304
Disposal Facilities	532,466	-	-	-	532,466
Administrative Facilities	326,144	-	-	33,420	359,564
	<u>54,792,416</u>	<u>-</u>	<u>-</u>	<u>819,697</u>	<u>55,612,113</u>
Accumulated Depreciation	(23,796,045)	(1,243,244)	-	-	(25,039,289)
	<u>30,996,371</u>	<u>(1,243,244)</u>	<u>-</u>	<u>819,697</u>	<u>30,572,824</u>
Construction in Progress	655,129	2,435,943	-	(819,697)	2,271,375
Land and Improvements	106,500	-	-	-	106,500
	<u>106,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>106,500</u>
Net capital assets	<u>\$31,758,000</u>	<u>\$1,192,699</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$32,950,699</u>

Note 5 – Compensated Absences

Employees are entitled to accumulate up to 120 working days of sick leave, at the rate of eight hours per month for full time employees, and pro-rated for part-time employees. If employees retire under the District’s retirement program, or voluntarily resign after twenty or more years of service, they would receive full compensation for any unused sick leave, paid at their current salary level. If employees voluntarily resign with less than twenty years of service, they would receive one-half to three quarters of their unused sick leave, depending on the years of service completed. Employees hired on or after January 1, 2018 are not eligible for any unused sick leave cash out.

Employees are also entitled to accumulate vacation leave at a rate of two to five weeks per year, depending on the number of years of service completed. Such accumulated leave cannot exceed two times the employee’s annual entitlement. Employees are entitled to accumulate Personal Time Off (PTO) at a rate of six days per year. Accumulated PTO cannot exceed six days. Vacation and PTO leave is fully vested at all times and will be paid to employees upon termination of employment.

Eligible employees may request the option of selecting compensatory time off (CTO) for overtime hours worked during any workweek in lieu of overtime pay. All CTO hours will be subject to payout at the time of employment separation.

In accordance with accounting principles generally accepted in the United States of America, the liability is reflected on the statement of net position and the current fiscal year allocation has been expensed.

Note 6 – Long-Term Debt

The long-term debt liabilities of the District are as follows:

	Balance June 30, 2022	Additions	Retirements/ Amortization	Balance June 30, 2023
2017 Sewer Refunding				
Revenue Bonds	\$ 7,020,000	\$ -	\$ (655,000)	\$ 6,365,000
Unamortized premiums	592,706	-	(74,088)	518,618
Total 2017 Sewer Refunding				
Revenue Bonds	7,612,706	-	(729,088)	6,883,618
Current portion of long-term debt	655,000			685,000
Net long-term debt	\$ 6,957,706	\$ -	\$ (729,088)	\$ 6,198,618

CSDA Finance Corporation Certificates of Participation 2007 Series UU

The CSDA Finance Corporation Certificates of Participation 2007 Series UU (2007 COPs) were issued March 1, 2007 in the aggregate principal amount of \$14,765,000. Interest was payable semi-annually each January 1 and July 1, commencing July 1, 2007.

Note 6 – Long-Term Debt (Continued)

CSDA Finance Corporation Certificates of Participation 2007 Series UU (Continued)

On May 3, 2017 the District deposited \$12,797,633 with an escrow agent to provide for payment when due (through July 1, 2017) of all principal and interest with respect to the 2007 COPs. The deposit amount was obtained by using \$1,121,862 available cash, \$957,824 COP reserve funds, and through the issuance of new 2017 Sewer Refunding Revenue Bonds. On July 1, 2017, the final payment from the escrow account was made, and the entire outstanding aggregate principal amount and interest of the 2007 COPs was refunded.

2017 Sewer Refunding Revenue Bonds

The 2017 Sewer Refunding Revenue Bonds (2017 Bonds) were issued May 1, 2017 in the aggregate principal amount of \$10,020,000 and a premium of \$963,147. The costs of issuance and the underwriter's discount were \$165,000 and \$100,200, respectively. The Bonds consist of serial certificates in the principal amount of \$10,020,000 bearing interest rates ranging from 2-5%, with the final installment payment due July 1, 2030. Interest is payable semi-annually each January 1 and July 1, commencing July 1, 2017.

The District is required to use the proceeds from the bonds to 1) prepay the District's obligations under the installment purchase contract, dated as of March 1, 2007, between the District and the CSDA Finance Corporation, and 2) to pay certain costs of issuing the 2017 Bonds. The Bonds are secured by a pledge of the District's revenues.

The refunding resulted in decreased total debt service payments from \$19,409,316 to \$12,805,980. This decreased cash flow created an economic gain of approximately \$2,091,000 when discounted at the 2017 Bonds' effective interest rate of 2.7436644%. Total annual requirements to amortize the 2017 Bonds are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
FY 2023-2024	\$ 685,000	\$ 237,800	\$ 922,800
FY 2024-2025	710,000	209,900	919,900
FY 2025-2026	735,000	177,325	912,325
FY 2026-2027	775,000	139,575	914,575
FY 2027-2028	820,000	99,700	919,700
FY 2028-2029 to 2030-2031	<u>2,640,000</u>	<u>120,300</u>	<u>2,760,300</u>
Total	<u>\$ 6,365,000</u>	<u>\$ 984,600</u>	<u>\$ 7,349,600</u>

Debt service payments in any one fiscal year will not exceed \$922,800.

Note 7 – Deferred Compensation Plan

The District offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all District employees, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or unforeseeable emergency. The District makes no employer contributions into this plan.

All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are (until paid or made available to the employee or other beneficiary) solely the property and rights of the employees and therefore are not reflected in the financial statements of the District.

Note 8 – Defined Benefit Pension Plan

General Information about the Pension Plans

Plan Descriptions – All eligible full time employees are required to participate in Montecito Sanitary District’s Miscellaneous Employee Pension Plans, cost-sharing multiple employer defined benefit pension plans administered by the California Public Employees’ Retirement System (CalPERS). Benefit provisions under the Plans are established by State statute and local government resolution. CalPERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the CalPERS website. Eligible employees hired after January 1, 2013 that are considered new members as defined by the Public Employees’ Pension Reform Act (PEPRA) are participating in the PEPRA Miscellaneous Plan.

Benefits Provided – CalPERS provides service retirement and disability benefits, annual cost of living adjustments and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, as discussed above. Members with five years of total service are eligible to retire at age 50 or 52 if in the PEPRA Miscellaneous Plan with statutorily reduced benefits. An optional benefit regarding sick leave is included in the District retirement contract with CalPERS. Any unused sick leave accumulated at the time of retirement will be converted to credited service at a rate of 0.004 years of service for each day of sick leave. All members are eligible for non-duty disability benefits after 10 years of service. The system also provides for the Optional Settlement 2W Death Benefit, as well as the 1959 Survivor Benefit. The cost of living adjustments for all plans are applied as specified by the Public Employees’ Retirement Law.

Note 8 – Defined Benefit Pension Plan (Continued)

The Plans’ provisions and benefits in effect at June 30, 2023 and 2022 are summarized as follows:

	For the Year Ended June 30, 2023		For the Year Ended June 30, 2022	
	Miscellaneous Plan		Miscellaneous Plan	
	Prior to January 1, 2013	On or after January 1, 2013	Prior to January 1, 2013	On or after January 1, 2013
Hire date				
Benefit formula	2% @ 55	2% @ 62	2% @ 55	2% @ 62
Benefit vesting schedule	5 years of service	5 years of service	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life	monthly for life	monthly for life
Retirement age	50 - Minimum	52 - Minimum	50 - Minimum	52 - Minimum
Monthly benefits, as a % of eligible compensation	1.4% to 2.4%	1.0% to 2.5%	1.4% to 2.4%	1.0% to 2.5%
Required employee contribution rates	7.00%	6.75%	7.00%	6.75%
Required employer contribution rates	10.87%	7.47%	10.88%	7.59%

Contributions – Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on the July 1 following notice of a change in the rate. Funding contributions for both Plans are determined annually on an actuarial basis as of June 30 by CalPERS. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Montecito Sanitary District is required to contribute the difference between the actuarially determined rate and the contribution rate of employees.

The District’s contribution to the Plan for the years ended June 30, 2023 and 2022 were \$380,867 and \$351,901, respectively. Of the total contributions made for the years ended June 30, 2023 and 2022, \$214,545 and \$185,282, respectively, were required contributions for the unfunded liability.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

The District’s net pension liability for all Plans is measured as the proportionate share of the net pension liability. As of June 30, 2023 and 2022, the District reported a liability of \$3,038,888 and \$1,483,020, respectively, for its proportionate shares of the net pension liability of all Plans. The net pension liability of all of the Plans is measured as of June 30, 2022, and the total pension liability for all Plans used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021 rolled forward to June 30, 2022 using standard update procedures.

Note 8 – Defined Benefit Pension Plan (Continued)

The District’s proportion of the net pension liability was determined by CalPERS using the output from the Actuarial Valuation System and the fiduciary net position, as provided in the CalPERS Public Agency Cost-Sharing Allocation Methodology Report, which is a publicly available report that can be obtained at CalPERS’ website, at www.calpers.ca.gov. The District’s proportionate share of the net pension liability for all Plans with an actuarial valuation date of June 30, 2021 and 2020 (and measurement date of June 30, 2022 and 2021, respectively) were as follows:

For the Year Ended June 30, 2023	
	Miscellaneous
Proportion - June 30, 2022	0.07810%
Proportion - June 30, 2023	0.06494%
Change - Increase (Decrease)	-0.01316%

For the Year Ended June 30, 2022	
	Miscellaneous
Proportion - June 30, 2021	0.06026%
Proportion - June 30, 2022	0.07810%
Change - Increase (Decrease)	0.01784%

For the years ended June 30, 2023 and 2022, the District recognized pension earnings (expense) of \$4,190 and \$622,924, respectively. At June 30, 2023 and 2022, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	June 30, 2023		June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 380,867	\$ -	\$ 351,901	\$ -
Differences between actual and expected experience	61,027	(40,873)	166,305	-
Changes in assumptions	311,398	-	-	-
Changes in employer’s proportion and difference between the employer’s contributions and the employer’s proportionate share of contributions	29,252	(109,004)	74,846	(37,017)
Net differences between projected and actual earnings on plan investments	563,534	-	-	(1,294,598)
	\$ 1,346,078	\$ (149,877)	\$ 593,052	\$ (1,331,615)

Note 8 – Defined Benefit Pension Plan (Continued)

Employer contributions of \$380,867 reported at June 30, 2023 as deferred outflows of resources related to contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. During the fiscal year ended June 30, 2023, \$351,901 of employer contributions that was reported in deferred outflows of resources at June 30, 2022 was recognized as a reduction to the net pension liability.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30:	Amount
2024	\$ 210,607
2025	168,140
2026	96,125
2027	340,462
2028	-
Thereafter	-
	\$ 815,334

Actuarial Assumptions – The total pension liabilities in the June 30, 2021 and 2020 actuarial valuations were determined using the following actuarial assumptions:

	For the Year Ended June 30, 2023	For the Year Ended June 30, 2022
	Miscellaneous	Miscellaneous
Valuation Date	30-Jun-21	30-Jun-20
Measurement Date	30-Jun-22	30-Jun-21
Actual Cost Method	Entry-Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68	Entry-Age Normal Cost Method in accordance with the requirements of GASB Statement No. 68
Actuarial Assumptions:		
Discount Rate	6.90%	7.15%
Inflation	2.30%	2.50%
Payroll Growth	2.30%	2.50%
Projected Salary Increase	Varies by entry age and service (1)	Varies by entry age and service (1)
Investment Rate of Return	6.90%	7.15%
Mortality	Derived using CalPERS' Membership Data for all Funds	Derived using CalPERS' Membership Data for all Funds
Post Retirement Benefit Increase	Contract COLA up to 2.3% until Purchasing Power Protection Allowance Floor on Purchasing Power applies	Contract COLA up to 2.5% until Purchasing Power Protection Allowance Floor on Purchasing Power applies

The mortality table used was developed based on CalPERS-specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of scale MP 2016. For more details on this table, please refer to the December 2017 experience study report (based on CalPERS demographic data from 1997 to 2015) that can be found on the CalPERS website.

Note 8 – Defined Benefit Pension Plan (Continued)

Change of Assumption – Deferred inflows and outflows of resources for changes of assumptions represents the unamortized portion of the changes of assumptions related to prior measurement periods. In November, 2021, the CalPERS Board of Administration adopted new investment portfolios as well as several changes to actuarial assumptions under the Public Employees’ Retirement Fund (PERF). For PERF B, these changes were implemented in the June 30, 2021 actuarial valuation for funding purposes. Included in these changes were assumptions for inflation, the discount rate, and administrative expenses, as well as demographic assumptions including changes to mortality rates. The inflation assumption was reduced from 2.50% to 2.30%, the administrative expense assumption was reduced from 0.15% to 0.10%, and the discount rate was reduced from 7.00% to 6.80%. As a result, for financial reporting purposes, the discount rate for the PERF C was lowered from 7.15% to 6.90% in Fiscal Year 2021-22. See the 2021-22 CalPERS ACFR for additional information.

Discount Rate – The discount rate used to measure the total pension liability was 6.90% and 7.15% for the measurement periods ending June 30, 2022 and 2021, respectively. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made a statutorily required rates, actuarially determined. Based on those assumptions, the Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Long-term Expected Rate of Return – In determining the long-term expected rate of return, CalPERS took into account long-term market return expectations as well as the expected pension fund cash flows. Projected returns for all asset classes are estimated, combined with risk estimates, and are used to project compound (geometric) returns over the long term. The discount rate used to discount liabilities was informed by the long-term projected portfolio return. In addition, demographic assumptions and the inflation rate assumption were changed in accordance with the 2021 CalPERS Experience Study and Review of Actuarial Assumptions.

The table below reflects the expected real rates of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation.

Asset Class	Measurement Date - June 30, 2023		Asset Class	Measurement Date - June 30, 2022		
	Net Strategic Allocation	Real Return Years 1 -10(a)		Net Strategic Allocation	Real Return Years 1 -10(b)	Real Return Years 11+(c)
Global Equity - Cap-weighted	30.00%	4.45%	Global Equity	50.00%	4.80%	5.98%
Global Equity Non-Cap-weighted	12.00%	3.84%	Global Fixed Income	28.00%	1.00%	2.62%
Private Equity	13.00%	7.28%	Inflation Sensitive	0.00%	0.77%	1.81%
Treasury	5.00%	0.27%	Private Equity	8.00%	6.30%	7.23%
Mortgage-backed Securities	5.00%	0.50%	Real Estate	13.00%	3.75%	4.93%
Investment Grade Corporates	10.00%	1.56%	Liquidity	1.00%	0.00%	-0.92%
High Yield	5.00%	2.27%				
Emerging Market Debt	5.00%	2.48%				
Private Debt	5.00%	3.57%				
Real Assets	15.00%	3.21%				
Leverage	-5.00%	-0.59%				

(a) An expected inflation of 2.3% used for this period.

Figures are based on the 2021-22 Asset Liability Management study.

(b) An expected inflation of 2.0% used for this period.

(c) An expected inflation of 2.92% used for this period.

Note 8 – Defined Benefit Pension Plan (Continued)

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following presents Montecito Sanitary District’s proportionate share of the net pension liability for all Plans, calculated using the discount rate for all Plans, as well as what Montecito Sanitary District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

For the Year Ended June 30, 2023		For the Year Ended June 30, 2022	
Miscellaneous		Miscellaneous	
1% Decrease	5.90%	1% Decrease	6.15%
Net Pension Liability	\$ 4,571,069	Net Pension Liability	\$ 2,877,171
Current Discount Rate	6.90%	Current Discount Rate	7.15%
Net Pension Liability	\$ 3,038,888	Net Pension Liability	\$ 1,483,020
1% Increase	7.90%	1% Increase	8.15%
Net Pension Liability	\$ 1,778,284	Net Pension Liability	\$ 330,496

Pension Plan Fiduciary Net Position – Detailed information about all pension plan fiduciary net positions is available in the separately issued CalPERS financial reports.

Note 9 – Postemployment Health Care Benefits

Plan Description

For employees hired before July 1, 2010, the District provides retiree medical coverage to eligible current employees and one dependent as defined by the plan. Under the Plan, retired employees who attain age 55 with at least ten years of service are eligible to receive benefits until reaching age 65. The District pays 100% of the health insurance benefits’ monthly premium. The dependent of an eligible retiree is also eligible to receive benefits from this plan, and benefits continue until they are Medicare eligible or are no longer considered a dependent under the Patient Protection and Affordable Care Act (PPACA). When the retired employee reaches age 65 the retired employee and the dependent are no longer covered. In accordance with Montecito Sanitary District Board of Directors action taken on June 4, 2010, any employee hired by the District after July 1, 2010 is not eligible for postemployment health care benefits.

Employees Covered

As of the June 30, 2022 actuarial valuation, current and former employees that were covered by the benefit terms under the OPEB Plan are displayed in the table below:

Participating active employees	1
Inactive employees currently receiving benefits	1
Total	2

Note 9 – Postemployment Health Care Benefits (Continued)

Funding Policy

The contribution requirements of plan members and the District are established and may be amended by the District and its board of directors. The required contribution is based on projected pay-as-you-go financing requirements. Currently, the District has \$180,629 of designated net position set aside to be used to fund the postemployment health care obligation, and plans to set aside \$15,000 each July until adequate funds have been established. The District pays 100% of costs on behalf of the eligible participants.

Actuarial Assumptions

The total OPEB liability in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

	OPEB Plan
Actual Cost Method	Entry-Age Actuarial Cost Method in accordance with the requirements of GASB Statement No. 75
Actuarial Assumptions:	
Discount Rate	
Measurement Date - 2022	3.54%
Measurement Date - 2021	2.16%
Inflation	2.50%
Salary Increases (1)	2.75%
Investment Rate of Return	
Measurement Date - 2022	3.54%
Measurement Date - 2021	2.16%
Mortality	2021 CalPERS Active Mortality for Miscellaneous Employees; 2021 CalPERS Retiree Mortality for Miscellaneous Employees
Pre-Retirement Turnover	2021 CalPERS Turnover for Miscellaneous Employees
Healthcare Trend Rate	4% per year

(1) Benefits are not dependent upon salary

Discount Rate

The discount rate used to measure the total OPEB liability was 3.54%. The projection of cash flows used to determine the discount rate assumed that District contributions will be sufficient to fully fund the obligation over a period not to exceed 30 years. Based on those assumptions, the OPEB Plan’s fiduciary net position was projected to be available to make all projected OPEB payments for current active and inactive employees and beneficiaries. Therefore, the long-term expected rate of return on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability.

Note 9 – Postemployment Health Care Benefits (Continued)

Assumption Changes

The discount rate was increased from 2.16% to 3.54% for the measurement period ending June 30, 2022. The discount rate was decreased from 2.20% to 2.16% for the measurement period ending June 30, 2021.

Changes in the Net OPEB Liability

The District accrued the net OPEB liability of \$297,960 and \$588,459 as of June 30, 2023 and 2022, which is included on the Statement of Net Position. The following table shows the components of the District’s annual OPEB cost for the year, the amount actually contributed to the plan, and the changes in the District’s net OPEB obligation for plan benefits for the years ended June 30, 2023 and 2022:

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability/(Asset) (a) - (b)
	(a)	(b)	(a) - (b)
Balance at June 30, 2022 <i>(Measurement Date June 30, 2021)</i>	\$ 588,459	\$ -	588,459
Changes Recognized for the Measurement Period:			
Service cost	12,328	-	12,328
Interest on Total OPEB Liability	12,387	-	12,387
Contributions - Employer	-	41,891	(41,891)
Changes in Assumptions	(26,148)	-	(26,148)
Experience Gains/Losses	(247,175)	-	(247,175)
Benefit Payments & Refunds	(41,891)	(41,891)	-
Net Changes	(290,499)	-	(290,499)
Balance at June 30, 2023 <i>(Measurement Date June 30, 2022)</i>	\$ 297,960	\$ -	\$ 297,960

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following presents the net OPEB liability of the District if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022.

Net OPEB Liability		
Current		
1% Decrease (2.54%)	Discount Rate (3.54%)	1% Increase (4.54%)
\$ 308,511	\$ 297,960	\$ 287,455

Note 9 – Postemployment Health Care Benefits (Continued)

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rate, for measurement period ended June 30, 2022.

Net OPEB Liability		
Trend 1% Lower (3.0%)	Valuation Trend (4.0%)	Trend 1% Higher (5.0%)
\$ 283,541	\$ 297,960	\$ 313,414

Recognition of Deferred Outflows and Deferred Inflows of Resources

Gains and losses related to changes in total OPEB liability and fiduciary net position are recognized in OPEB expense systematically over time. Amounts are first recognized in OPEB expense for the year the gain or loss occurs. The remaining amounts are categorized as deferred outflows and deferred inflows of resources related to OPEB and are to be recognized in future OPEB expense. The recognition period differs depending on the source of the gain or loss.

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the fiscal year ended June 30, 2023 and 2022, the District recognized OPEB expense of \$(7,010) and \$61,276, respectively.

As of the fiscal year ended June 30, 2023 and 2022, the District reported deferred outflows of resources and deferred inflows or resources related to OPEB from the following sources:

	June 30, 2023		June 30, 2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
OPEB contributions subsequent to measurement date	\$ 19,415	\$ -	\$ 20,909	\$ -
Differences between expected and actual experience	120,337	187,969	155,732	7,169
Changes in assumptions	88,586	19,856	114,577	1,252
Total	\$ 228,338	\$ 207,825	\$ 291,218	\$ 8,421

Note 9 – Postemployment Health Care Benefits (Continued)

At June 30, 2023, the District reported deferred outflows of resources of \$19,415 related to contributions made subsequent to the measurement date. This will be recognized as a reduction of the net OPEB liability in the year ended June 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as expense as follows:

<u>Fiscal Year Ended June 30:</u>	<u>Amount</u>
2024	\$ (12,461)
2025	(12,461)
2026	3,112
2027	23,349
2028	(441)
Thereafter	-
	<u>\$ 1,098</u>

Note 10 – Risk Management

Insurance

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees, and natural disaster.

The District participates in the California Sanitation Risk Management Authority (CSRMA), which arranges for and provides general liability, property damage, workers' compensation and employee dishonesty liability insurance to its member agencies. The District pays a premium commensurate with the level of coverage requested.

Note 11 – Related Party Transaction

In May 2021, the District entered into an agreement for engineer services for the Highway 101 sewer main crossing relocation with an estimated fee of \$177,900. In June 2021, a family member of the engineer providing services was hired by the District to serve in a management position. In September 2021, it was determined that there was not an independent member of management to oversee the engineering services and the contract was terminated. Total fees paid for services provided was \$66,297.

Note 12 – Commitments and Contingencies

In the ordinary course of conducting business, various legal matters may be pending, however, in the opinion of the District’s management, the ultimate disposition of these matters will have no significant impact on the financial position of the District.

At its June 1, 2023 special meeting, the District entered into a contract with Tierra Contracting Inc. for the lining of the Districts’ gravity sewer and force mains across Highway 101 as well as rehabilitation work to facilitate construction of CalTRANS’ Highway 101 HOV Widening Project in the amount of \$976,780 plus \$97,678 in allowable change orders for any necessary changes in scope.

Note 13 – Subsequent Events

Subsequent events have been evaluated through December 6, 2024, the date that the financial statements were available to be issued.

On September 7, 2023, the District entered into an agreement for engineering design and support services with an estimate fee of \$538,000 for the protective measures of District facilities project due to January 2023 storm damage.

On October 12, 2023, at the regular board meeting, the District took a vote on consolidation with the Montecito Water District and the motion did not pass with three directors voting nay and two directors voting yay.

On November 9, 2023, at the regular board meeting, the District entered into a contract with Best Contracting Services for replacement of the District’s Administration/Operations Building roof in the amount of \$155,329 plus \$15,533 in allowable change orders for any necessary changes in scope.

On May 15, 2024, at the regular board meeting, the District accepted a grant award from the California Water Resources Control Board in the amount of \$219,930 to reimburse the cost of a Recycled Water Feasibility Study. That study was done in collaboration with the Montecito Water District and each district contributed 50% of the reported costs. As such, the District cut a check to Montecito Water District for half of the grant award, or \$109,965.

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REQUIRED SUPPLEMENTARY INFORMATION

**MONTECITO SANITARY DISTRICT
A COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
LAST 10 YEARS***

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF MONTECITO SANITARY DISTRICT'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY**

	As of June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Valuation date	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Measurement date	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014
Proportion of the net pension liability	0.0263%	0.0274%	0.0234%	0.0226%	0.0217%	0.0214%	0.0208%	0.0190%	0.0198%
Proportionate share of the net pension liability	\$ 3,038,888	\$ 1,483,020	\$ 2,541,896	\$ 2,317,190	\$ 2,094,365	\$ 2,122,293	\$ 1,801,193	\$ 1,307,464	\$ 1,229,008
Covered payroll	\$ 1,691,839	\$ 1,754,587	\$ 1,899,486	\$ 1,854,359	\$ 1,729,391	\$ 1,669,379	\$ 1,534,968	\$ 1,450,789	\$ 1,065,779
Proportionate share of the net pension liability as percentage of covered payroll	179.62%	84.52%	133.82%	124.96%	121.10%	127.13%	117.34%	90.12%	115.32%
Plan fiduciary net position as a percentage of the total pension liability	72.96%	85.96%	74.89%	76.07%	77.09%	75.88%	77.39%	82.57%	83.46%

Notes to Schedule:

Benefit changes: The figures above do not include any liability impact that may have resulted from plan changes which occurred after the June 30, 2022 measurement date.

Net Pension liability as a percentage of covered payroll demonstrates the relative size of the unfunded liability by expressing it in terms of current personnel expenditures.

* Fiscal year 2015 was the 1st year of implementation.

**MONTECITO SANITARY DISTRICT
A COST-SHARING MULTIPLE-EMPLOYER DEFINED BENEFIT PENSION PLAN
LAST 10 YEARS***

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
SCHEDULE OF MONTECITO SANITARY DISTRICT'S CONTRIBUTIONS**

	As of June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	
Contractually required contribution (actuarially determined)	\$ 380,867	\$ 351,901	\$ 330,274	\$ 316,708	\$ 271,498	\$ 227,170	\$ 207,913	\$ 181,148	\$ 140,543	
Contributions in relation to the actuarially determined contributions	\$ 380,867	\$ 351,901	\$ 330,274	\$ 316,708	\$ 271,498	\$ 227,170	\$ 207,913	\$ 181,148	\$ 140,543	
Contribution deficiency (excess)	-	-	-	-	-	-	-	-	-	
Covered payroll	\$ 1,805,089	\$ 1,691,839	\$ 1,754,587	\$ 1,899,486	\$ 1,854,359	\$ 1,729,391	\$ 1,669,379	\$ 1,534,968	\$ 1,450,789	
Contributions as a percentage of covered payroll	21.10%	20.80%	18.82%	16.67%	14.64%	13.14%	12.45%	11.80%	9.69%	

Notes to Schedule:

The actuarial methods and assumptions used to set the actuarially determined contributions for the fiscal year 2022-2023 were derived from the June 30, 2020 funding valuation report.

* Fiscal year 2015 was the 1st year of implementation.

**MONTECITO SANITARY DISTRICT
OTHER POSTEMPLOYMENT BENEFITS (OPEB) PLAN
SCHEDULE OF CHANGES IN THE NET OPEB LIABILITY AND RELATED RATIOS
LAST 10 YEARS***

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB liability:						
Service cost	\$ 12,328	\$ 11,910	\$ 12,060	\$ 9,315	\$ 9,066	\$ 8,823
Interest on the total OPEB liability	12,387	12,949	7,963	7,008	7,686	7,668
Experience gain/losses	(246,741)	-	223,364	10,132	-	-
Assumption changes	(26,582)	(7,089)	139,371	29,554	(3,900)	-
Benefit payments	(41,891)	(32,379)	(1,752)	(27,416)	(34,210)	(32,894)
Net change in total OPEB liability	(290,499)	(14,609)	381,006	28,593	(21,358)	(16,403)
Total OPEB liability - beginning	588,459	603,068	222,062	193,469	214,827	231,230
Total OPEB liability - ending (a)	<u>\$ 297,960</u>	<u>\$ 588,459</u>	<u>\$ 603,068</u>	<u>\$ 222,062</u>	<u>\$ 193,469</u>	<u>\$ 214,827</u>
Fiduciary Net Position						
Employer contributions	\$ 41,891	\$ 32,379	\$ 1,752	\$ 20,936	\$ 34,210	\$ 32,894
Net investment income	-	-	-	-	-	-
Administrative expense	-	-	-	-	-	-
Benefit payments	(41,891)	(32,379)	(1,752)	(20,936)	(34,210)	(32,894)
Net change in fiduciary net position	-	-	-	-	-	-
Total fiduciary net position- beginning	-	-	-	-	-	-
Total fiduciary net position - ending (b)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB asset - ending (a) - (b)	\$ 297,960	\$ 588,459	\$ 603,068	\$ 222,062	\$ 193,469	\$ 214,827
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered - employee payroll	\$ 111,388	\$ 296,004	\$ 426,005	\$ 408,782	\$ 397,821	\$ 384,664
Net OPEB liability as a percentage of covered-employee payroll	267.50%	198.80%	141.56%	54.32%	48.63%	55.85%
Measurement date	06/30/22	06/30/21	06/30/20	06/30/19	06/30/18	06/30/17
Valuation date	06/30/22	06/30/20	06/30/20	06/30/18	06/30/17	06/30/17

Notes to Schedule:

* Historical information is required only for measurement periods for which GASB 75 is applicable.
Future year's information will be displayed up to 10 years as information becomes available.

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OTHER INFORMATION

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**MONTECITO SANITARY DISTRICT
BOARD OF DIRECTORS**

<u>NAME</u>	<u>POSITION</u>	<u>TERM EXPIRES</u>
Woody Barrett	President	December 2026
Phillip Hogan	Vice President	December 2026
Dorinne Lee Johnson	Secretary	December 2024
Edwin Martin	Treasurer	December 2024
Carl Ohlmann	Director	December 2024

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SUPPLEMENTARY INFORMATION

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MONTECITO SANITARY DISTRICT
STATEMENT OF OPERATING EXPENSES - BY DEPARTMENT
For the Fiscal Year Ended June 30, 2023

	<u>Collection</u>	<u>Treatment</u>	<u>Disposal</u>	<u>Administrative</u>	<u>2023</u>	<u>2022</u>
Salaries and Benefits:						
Salaries	\$ 607,993	\$ 713,016	\$ -	\$ 641,494	\$ 1,962,503	\$ 1,753,220
Stand-by pay	18,270	20,715	-	-	38,985	32,805
Overtime	2,687	658	-	-	3,345	6,272
Retirement contribution	17,696	22,625	-	19,992	60,313	691,877
Payroll tax	49,199	49,973	-	48,239	147,411	135,524
Group insurance	94,719	138,916	-	85,665	319,300	357,657
Total Salaries and Benefits	<u>790,564</u>	<u>945,903</u>	<u>-</u>	<u>795,390</u>	<u>2,531,857</u>	<u>2,977,355</u>
Supplies and Services:						
Insurance	42,090	60,204	-	11,855	114,149	103,558
Maintenance	132,512	548,181	-	6,737	687,430	518,746
Operating supplies	4,553	4,857	-	1,151	10,561	6,780
Office supplies	3,094	2,709	-	8,820	14,623	13,306
Memberships	1,707	2,083	-	48,331	52,121	35,153
Employee/Community goodwill	592	125	-	630	1,347	1,506
Miscellaneous	-	37,755	-	-	37,755	486
Office expense	142	28	-	824	994	1,168
Legal services	-	-	-	119,247	119,247	66,143
Consulting services	-	-	-	28,806	28,806	29,237
NPDES permit expenses	-	41,149	-	-	41,149	30,588
Other professional services	13,180	-	-	65,714	78,894	115,813
Administrative fees	2,984	1,500	-	23,810	28,294	28,190
Research and monitoring	-	28,713	-	-	28,713	30,348
Contract services	99,842	29,031	68,976	24,836	222,685	139,947
Publications and notices	-	-	-	3,068	3,068	4,167
Minor equipment purchases	18,213	6,340	-	25,077	49,630	31,703
Training and safety	24,053	12,753	-	2,102	38,908	19,507
Travel and meeting costs	1,487	2,909	-	5,044	9,440	2,969
Fuel and oil	14,549	8,442	-	-	22,991	18,577
Utilities and telephone	55,290	185,222	-	23,468	263,980	204,844
Special projects	-	-	-	28,260	28,260	17,166
Depreciation	<u>738,666</u>	<u>518,644</u>	<u>8,072</u>	<u>7,737</u>	<u>1,273,119</u>	<u>1,243,244</u>
Total Supplies and Services	<u>1,152,954</u>	<u>1,490,645</u>	<u>77,048</u>	<u>435,517</u>	<u>3,156,164</u>	<u>2,663,146</u>
Totals, June 30, 2023	<u>\$ 1,943,518</u>	<u>\$ 2,436,548</u>	<u>\$ 77,048</u>	<u>\$ 1,230,907</u>	<u>\$ 5,688,021</u>	
Totals, June 30, 2022	<u>\$ 1,846,737</u>	<u>\$ 2,402,440</u>	<u>\$ 73,851</u>	<u>\$ 1,317,473</u>		<u>\$ 5,640,501</u>

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MONTECITO SANITARY DISTRICT
STATEMENT OF OPERATING EXPENSES - BY DEPARTMENT
For the Fiscal Year Ended June 30, 2022

	<u>Collection</u>	<u>Treatment</u>	<u>Disposal</u>	<u>Administrative</u>	<u>2022</u>	<u>2021</u>
Salaries and Benefits:						
Salaries	\$ 499,397	\$ 715,114	\$ -	\$ 538,709	\$ 1,753,220	\$ 1,908,867
Stand-by pay	16,425	16,380	-	-	32,805	31,275
Overtime	2,825	3,447	-	-	6,272	12,345
Retirement contribution	217,797	239,350	-	234,730	691,877	589,359
Payroll tax	39,025	42,504	-	53,995	135,524	145,669
Group insurance	78,661	133,799	-	145,197	357,657	431,679
Total Salaries and Benefits	<u>854,130</u>	<u>1,150,594</u>	<u>-</u>	<u>972,631</u>	<u>2,977,355</u>	<u>3,119,194</u>
Supplies and Services:						
Insurance	38,995	54,138	-	10,425	103,558	68,081
Maintenance	108,833	404,547	-	5,366	518,746	418,063
Operating supplies	2,589	3,197	-	994	6,780	9,700
Office supplies	2,356	2,254	-	8,696	13,306	12,700
Memberships	819	1,823	-	32,511	35,153	40,912
Employee/Community goodwill	-	-	-	1,506	1,506	2,182
Miscellaneous	-	486	-	-	486	32,755
Office expense	79	32	-	1,057	1,168	1,167
Legal services	-	-	-	66,143	66,143	90,805
Consulting services	-	-	-	29,237	29,237	29,607
NPDES permit expenses	-	30,588	-	-	30,588	40,278
Other professional services	17,903	-	-	97,910	115,813	224,629
Administrative fees	4,823	1,943	-	21,424	28,190	27,784
Research and monitoring	-	30,348	-	-	30,348	22,828
Contract services	42,508	26,616	65,779	5,044	139,947	186,001
Publications and notices	-	-	-	4,167	4,167	3,232
Minor equipment purchases	9,111	4,450	-	18,142	31,703	36,863
Training and safety	4,465	13,414	-	1,628	19,507	20,345
Travel and meeting costs	90	2,407	-	472	2,969	5
Fuel and oil	11,596	6,981	-	-	18,577	18,366
Utilities and telephone	46,847	142,031	-	15,966	204,844	213,238
Special projects	-	-	-	17,166	17,166	50,071
Depreciation	701,593	526,591	8,072	6,988	1,243,244	1,228,291
Total Supplies and Services	<u>992,607</u>	<u>1,251,846</u>	<u>73,851</u>	<u>344,842</u>	<u>2,663,146</u>	<u>2,777,903</u>
Totals, June 30, 2022	<u>\$ 1,846,737</u>	<u>\$ 2,402,440</u>	<u>\$ 73,851</u>	<u>\$ 1,317,473</u>	<u>\$ 5,640,501</u>	
Totals, June 30, 2021	<u>\$ 2,075,985</u>	<u>\$ 2,358,547</u>	<u>\$ 63,393</u>	<u>\$ 1,399,172</u>		<u>\$ 5,897,097</u>

December 18, 2024

Board of Directors
Montecito Sanitary District
1042 Monte Cristo Lane
Santa Barbara, CA 93108

To the Board of Directors:

We are pleased to present this letter related to our audit of the financial statements of the Montecito Sanitary District (the District) for the year ended June 30, 2023. This letter is to inform the Board of Directors about significant matters related to the conduct of the annual audit, so that it can appropriately discharge its oversight responsibility and we can comply with our professional responsibilities.

Auditing standards generally accepted in the United States of America (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Our Responsibilities With Regard to the Financial Statement Audit

Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated June 20, 2022. Our audit of the financial statements does not relieve management or those charged with governance of their responsibilities, which are also described in that letter.

Overview of the Planned Scope and Timing of the Financial Statement Audit

We have issued a separate communication dated July 29, 2024 regarding the planned scope and timing of our audit and identified significant risks.

Accounting Policies and Practices

The following is a list of the matters, including the significant estimates, which you may wish to monitor for your oversight responsibilities of the financial reporting process:

Preferability of Accounting Policies and Practices

Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice.

Adoption of, or Change in, Accounting Policies

Management has the ultimate responsibility for the appropriateness of the accounting policies used by the District. The District did not adopt any significant new accounting policies, nor have there been any changes in existing significant accounting policies during the current period.

Significant Accounting Policies

We did not identify any significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Unusual Transactions

We did not identify any significant unusual transactions.

Management's Judgments and Accounting Estimates

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following describes the significant accounting estimates reflected in the District's financial statements:

Depreciation

Depreciation of fixed assets is taken on a straight-line basis over the expected life of each fixed asset. This method meets the generally accepted accounting principles requirement of being systematic and rational.

Other Post-Employment Benefits

The cost of Other Post-Employment Benefits is calculated based on the annual required contribution of the employer. This amount is calculated by an actuary in accordance with the parameters of GASB Statement No. 75.

Net Pension Liability

In accordance with GASB Statement No. 68, each participating cost-sharing employer is required to report its proportionate share of the collective net pension liability, pension expense, and deferred outflows/inflows of resources. CalPERS actuaries calculated these amounts in accordance with the parameters of GASB 68.

Audit Adjustments and Uncorrected Misstatements

For purposes of this letter, professional standards define a significant audit adjustment as a proposed correction of the financial statements that, in our judgment, may not have been detected except through our auditing procedures.

Adjustments recorded after the initial trial balance was provided are attached to this letter.

We are not aware of any uncorrected misstatements other than misstatements that are clearly trivial.

Other Information Included in Annual Reports

Our responsibility for other information included in annual reports is to read the information and consider whether its content or the manner of its presentation is materially inconsistent with the financial information covered by our auditor's report, whether it contains a material misstatement of fact or whether the other information is otherwise misleading. We read the District's Schedule of Operating Expenses – By Department. We did not identify material inconsistencies with the audited financial statements.

Observations About the Audit Process

Disagreements with Management

We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.

Consultations with Other Accountants

We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Significant Issues Discussed with Management

No significant issues arising from the audit were discussed or were the subject of correspondence with management.

Significant Difficulties Encountered in Performing the Audit

We did not encounter any difficulties in dealing with management during the audit. Some information was not available in a timely manner which resulted in delay of completion of the audit.

Difficult or Contentious Matters That Required Consultation

We did not encounter any significant and difficult or contentious matters that required consultation outside the engagement team.

Shared Responsibilities for Independence

Independence is a joint responsibility and is managed most effectively when management, audit committees (or their equivalents), and audit firms work together in considering compliance with AICPA independence rules. For Bartlett, Pringle & Wolf, LLP (BPW) to fulfill its professional responsibility to maintain and monitor independence, management, the audit committee, and BPW each play an important role.

Our Responsibilities

- AICPA rules require independence both of mind and in appearance when providing audit and other attestation services. BPW is to ensure that the AICPA's General Requirements for performing non-attest services are adhered to and included in all letters of engagement.
- Maintain a system of quality control over compliance with independence rules and firm policies.

The District's Responsibilities

- Timely inform BPW, before the effective date of transactions or other business changes, of the following:
 - New affiliates, directors or officers.
 - Change in the organizational structure or the reporting entity impacting affiliates such as related entities, investments, joint ventures, component units, and jointly governed organizations.
- Provide necessary affiliate information such as new or updated structure charts, as well as financial information required to perform materiality calculations needed for making affiliate determinations.
- Understand and conclude on the permissibility, prior to the District and its affiliates, including the District, and the officers, directors or persons in a decision-making capacity, engaging in business relationships with BPW.
- Not entering into relationships resulting in BPW, BPW-covered persons or their close family members, temporarily or permanently acting as an officer, director or person in an accounting or financial reporting oversight role at the District

Internal Control Matters

We have separately communicated any internal control matters identified during our audit of the financial statements in a separate letter dated December 18, 2024.

Significant Written Communications Between Management and Our Firm

In conjunction with the audit of the financial statements, we have been provided a letter of certain representations from management dated December 18, 2024.

Conclusion

This report is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to Montecito Sanitary District.

Very truly yours,

BARTLETT, PRINGLE & WOLF, LLP
Certified Public Accountants and Consultants

December 18, 2024

Board of Directors
Montecito Sanitary District
1042 Monte Cristo Lane
Santa Barbara, CA 93108

To the Board of Directors:

In planning and performing our audit of the financial statements of the Montecito Sanitary District as of and for the year ended June 30, 2023, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be a material weakness and a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. A control deficiency is a deficiency in internal control that we determined did not constitute a significant deficiency or a material weakness.

Material Weakness

Missing or Incorrect Accruals

During the current year audit, we noted multiple account balances with missing or incorrect accruals. During review of the LAIF interest revenue, we noted that the fourth quarter interest had not been properly accrued. During review of the accrued-other account, we noted that certain prior year accruals had not been reversed and that current year accruals had not been recorded. During review of the 2017 Sewer Refunding Revenue Bonds liability, we noted that the interest receivable amount, the liability ending balance and the related BNY cash account were improperly stated due to missing accruals. Proper recording or accruals is critical for the accuracy of the accrual basis of accounting. We suggest that procedures be implemented at year-end to record expenses in the period incurred, regardless of when they are paid.

Control Deficiencies

Performance Deposit Liability Tracking

During our review of the current year Performance Deposit receipts, we noted that the District does not have a method or schedule for tracking repayments of the deposits that can be tied back to the trial balance. The schedule only includes current year receipts, in which, receipt omissions were also noted during testing. Proper tracking of the receipts and disbursements in a schedule that can be tied back to the trial balance is critical for the accuracy of the liability balance. We suggest that procedures be implemented to track this liability in a more comprehensive schedule.

Internal Control Review Procedures

- During our review of internal control procedures, we noted the multiple occasions in which proper review procedures were not performed. In reviewing the October 2022 bank statement and check signing policy, BPW noted that one check did not have any signature on it at all. In reviewing approvals related to disbursements and approvals, BPW noted one "Account Distribution and Approval for Payment" form that was not signed as approved by the General Manager. In Reviewing the June 2023 bank statements, we noted that there were variances for two cash accounts where the bank statement reconciliations did not tie out to the trial balance indicating a lack of review. In reviewing the CalPERS contributions spreadsheet, we noted an error in the posting of a journal entry in which the incorrect GL accounts were used. Proper review is a critical component of the internal control environment. We suggest that procedures be implemented to ensure proper review takes place when required.

- During review of the District's Excel schedules which are used to track and calculate balances that tie-out to the trial balance, we noted errors and omissions in multiple schedules which indicates a lack of review. In the capital assets schedule which is used to track and calculate depreciation expense, the spreadsheet requires formulas to be manually updated each year. During our audit, we noted certain formulas had not been updated which resulted in an error. In the connection permits schedule which is used to track specific charges related to connections permits, we noted errors where items were recorded in incorrect cells, where year-end totals did not tie-out to the trial balance, and where permits were erroneously left off of the schedule. Proper review is a critical component of the internal control environment. We recommend the completed schedules be reviewed by a person independent of the preparation function to strengthen oversight and ensure accuracy and completeness.

Status of Prior Year Comments

The following comments were communicated to you in the prior year letter dated April 17, 2024.

Significant Deficiency

Accrued Compensated Balances

Original Comment

- During our review of the accrued schedule of compensated absences, we noted that the District policy includes varying benefits depending on employee hire date which was not appropriately reflected in the calculation. We suggest the District implement procedures to accurately track and accrue compensated absences by employee based on the benefits they receive upon separation from employment. By doing this, the Company will be assured that sufficient records are maintained to record the required accrual for employee compensated absences.

Current Year Status

- During the current audit, it was noted that the compensated absences liability included accrued sick leave for ineligible employees which resulted in an adjustment to accrued vacation. We continue to recommend the District implement procedures to accurately track and accrue compensated absences to adjust the required accrual for employee compensated absences.

Conclusion

This communication is intended solely for the information and use of the Board of Directors, management, and others within the District, and is not intended to be and should not be used by anyone other than these specified parties. This letter does not affect our report dated December 18, 2024 on the financial statements of the Montecito Sanitary District.

Very truly yours,

BARTLETT, PRINGLE & WOLF, LLP
Certified Public Accountants and Consultants



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

Phone: (805) 969-4200
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BOARD LIST OF PAYABLES – NOVEMBER 2024

<u>CHECK DATE</u>	<u>SUMMARY & TYPE</u>	<u>BATCH TOTAL</u>
11/05/2024	ACCOUNTS PAYABLE	224,881.09
11/22/2024	ACCOUNTS PAYABLE	100,691.93
	Subtotal	\$ 325,573.02
11/05/2024	CAPITAL IMPROVEMENT PROJECTS	159,489.33
11/22/2024	CAPITAL IMPROVEMENT PROJECTS	1,334,604.92
	Subtotal	\$ 1,494,094.25
11/14/2024	PAYROLL	109,177.18
11/28/2024	PAYROLL	102,784.93
	Subtotal	\$ 211,962.11
	<u>TOTAL</u>	<u>\$ 2,031,629.38</u>

*All Invoices were reviewed and approved by Department Managers

**All Invoices and Payments were reviewed and approved and checks signed by the General Manager

***Board Treasurer, Carter Ohlmann, approved all payables by email prior to check mailing

Bank B: Operations and Maintenance

Check No.	CheckDate	Name	Check Amount	Payment Description
29711	11/5/2024	ACME ANALYTICAL SOLUTIONS	462.22	Analyzer Chemicals
				A/C Vacuum Pump & Gague, Control Relay, L/S Degreaser, Ink Cartridges, COVID Tests, Safety Glasses, Mouse &
29712	11/5/2024	AMAZON CAPITAL SERVICES	2,338.88	Keyboards, Calendars, Respirators, American Flag Lapel Pin, Computer Montior, Battery Backup, Wireless Mouse, Hand Sanitizer
29713	11/5/2024	AQUATIC BIOASSAY & CONSULTING	4,990.00	NPDES Required Lab Sampling
29714	11/5/2024	AT&T MOBILITY	78.77	Office Data Port, Standby Cellphone-Oct
29715	11/5/2024	AUTOZONE, INC	86.41	Vehicle Parts
29716	11/5/2024	BARTLETT, PRINGLE & WOLF, LLP	2,500.00	Accounting Consulting Services - Jul, Aug, Sept
29717	11/5/2024	BRITTANY BESSE	801.84	CSDA Conference Hotel Room Reimbursement
29718	11/5/2024	BIG GREEN CLEANING COMPANY	2,785.15	Janitorial Services-Nov, Janitorial Supplies
29719	11/5/2024	BOOTH MEDICAL EQUIPMENT	1,605.20	Laboratory Equipment Repair
29720	11/5/2024	CANON FINANCIAL SERVICES INC	371.14	Canon Copier Lease Payment - October
29721	11/5/2024	CASA - CA ASSOC OF SANIT AGENC	10,030.00	2025 Annual Membership Dues
29722	11/5/2024	SUZANNE CHICK	2,462.00	Deposit Refund - 653 Romero Canyon Road
29723	11/5/2024	CINTAS CORPORATION #684	648.08	Uniforms, Towels, Floor Mats - Cleaning/Rental - Oct
29724	11/5/2024	COMPUVISION COMMUNICATIONS	207.00	Office 365 G3 Subscription
29725	11/5/2024	COX BUSINESS	206.04	Wireless Internet Services - October
29726	11/5/2024	CALIF SPECIAL DISTRICTS ASSOC	9,495.00	2025 Annual Membership Dues
29727	11/5/2024	CALIFORNIA WATER ENVIRONMENT	106.00	Certfication Renewal - Michael Arce
29728	11/5/2024	DOCU PRODUCTS	15.11	Copier Maintenance Agreement
29729	11/5/2024	FAMCON PIPE & SUPPLY, INC	1,533.38	Lift Station Parts
29730	11/5/2024	FED EX	217.24	FedEx Shipping Charges
29731	11/5/2024	FISHER SCIENTIFIC	1,084.60	Lab Testing Supplies
29732	11/5/2024	FRONTIER	748.10	Phone Service fo Lift Stations 1, 2, 4 & WWTP - Oct
29733	11/5/2024	GLS COMPANIES	780.00	Landscape Services - October
29734	11/5/2024	GRAINGER	538.46	Battery Cable, Gloves, Saw Blade, Marking Paint, Windshield Cleaner
29735	11/5/2024	PETER (or) RENEE HAAS	117,212.50	Construction Bond and Inspection Deposit Refund - 1950 Lemon Ranch
29736	11/5/2024	PETER HUNT	2,462.00	Deposit Refund - 638 Orchard Avenue
29737	11/5/2024	JOSHUA BOBROVE	250.00	Photo Shoot With Congressman Carbajal
29738	11/5/2024	JUAN O'S MOBILE REPAIR	2,000.00	Repairs to the CCTV Van and Vac-Con
29739	11/5/2024	KIMBALL MIDWEST	233.07	Plant Maintenance Materials
29740	11/5/2024	MALLORY SAFETY AND SUPPLY LLC	355.03	Monkey Grip Gloves
29741	11/5/2024	MARBORG INDUSTRIES	181.99	Portable Restroom - September
29742	11/5/2024	MCCORMIX CORP	1,856.55	Vehicle Fule - 10/1 - 10/15/2024
29743	11/5/2024	O'CONNOR PEST CONTROL WEST COAS	1,605.63	Pest, Rodent, Gopher Control at WWTP and Lift Stations - Aug & Sept
29744	11/5/2024	JOSHUA PEREZ	224.00	Colelction System 2 Exam Fee Reimbursement
29745	11/5/2024	PHOENIX CIVIL ENGINEERING	1,950.00	Engineering Services for RFP Support
29746	11/5/2024	PLANETBIDS, INC.	4,234.32	PlanetBids Annual Contract Renewal
29747	11/5/2024	PURETEC INDUSTRIAL WATER	80.82	Water Softener Sodium Tank Exchange
29748	11/5/2024	RINGCENTRAL, INC.	722.95	Phone Services - October
29749	11/5/2024	SANSUM CLINIC	535.00	Pre-Employment Physical - Dakota
29750	11/5/2024	SBCO. CLERK-RECORDER	29.00	Agreemetn Processing Fees
29751	11/5/2024	SOUTHERN CALIFORNIA EDISON CO	17,246.64	Electric Service - October
29752	11/5/2024	STANDARD INSURANCE COMPANY	1,831.55	Short/Long Term Disability Insurance - November
29753	11/5/2024	STREAMLINE	375.00	Website Hosting Services - November
29754	11/5/2024	T4 SPATIAL LLC	10,000.00	CCTV Video Cloud Storage Vault
29755	11/5/2024	UNIVAR SOLUTIONS	13,638.12	Sodium Bisulfite and Hypochlorite Chemicals
29756	11/5/2024	UNDERGROUND SERVICE ALERT	156.15	79 New Dig Alert Tickets - October
29757	11/5/2024	VERIZON BUSINESS	180.15	iPad Tablets Service - October
29758	11/5/2024	JOHN (or) JODIE ZUKOWSKI	1,150.00	Deposit Refund - 620 Parra Grande Lane
29759	11/5/2024	ZWORLD GIS	2,280.00	GIS Services - October
				Toll Fee for Brittany Traveling to San Diego for CSDA Conference
29760		405 EXPRESS LANES	5.35	
29761	11/22/2024	ACWA/JPIA	29,597.74	Medical/Dental/Life Insurance Premium - November

29762	11/22/2024	AT&T MOBILITY	126.03	Standby Cellphone-November
29763	11/22/2024	CANON FINANCIAL SERVICES INC	371.74	Canon Copier Lease Payment-November
29764	11/22/2024	CINTAS	247.17	Replenish First Aid Supplies
29765	11/22/2024	COLANTUONO, HIGHSMTIH & WHATLE	3,362.50	Legal Counsel Services-October
29766	11/22/2024	COMPUVISION COMMUNICATIONS	5,371.75	IT Services-October
29767	11/22/2024	CORT	44.00	Deed Report-October
29768	11/22/2024	COX BUSINESS	176.04	Wireless Internet Services-November
29769	11/22/2024	CALIFORNIA WATER ENVIRONMENT	478.00	Annual Membership Dues for Rizo and Morelos
29770	11/22/2024	DOCU PRODUCTS	23.78	Copier Maintenance Agreement-October
29771	11/22/2024	ENGEL & GRAY, INC	7,969.64	Biosolids Hauling, Bin Rental-October
29772	11/22/2024	ENV SERVICES INC.	385.94	Chemical Fume Hood Testing
29773	11/22/2024	FAMCON PIPE & SUPPLY, INC	65.25	Nuts & Bolts Set for Collections
29774	11/22/2024	FILIPPIN ENGINEERING	13,735.00	2500 East Valley Road Private Sewer Main Inspection Services
29775	11/22/2024	FISHER SCIENTIFIC	857.10	Lab Testing Supplies
29776	11/22/2024	GOLD COAST ENVIRONMENTAL	3,573.62	Repair and Calibrate Gas Meters and Influent Sampler Repair
29777	11/22/2024	GRAINGER	400.79	Tool Box, Ratchet, Coated Gloves. Safety Signs, Copper Lug, Drill Screw
29778	11/22/2024	HACH COMPANY	317.92	Lab Testing Supplies
29779	11/22/2024	IBS OF SIERRA MADRE	544.15	Batteries for Electric Carts
29780	11/22/2024	LARRY'S AUTO PARTS	552.09	Vehicle Maintenance Parts
29781	11/22/2024	MARBORG INDUSTRIES	1,015.47	Refuse Disposal/Recycling-October, Portable Restroom Rental
29782	11/22/2024	MONTECITO BANK & TRUST (Credit Cards)	2,797.96	Vehicle Repairs, Smog, Lab Supplies, Kuerig Machine & Coffee, Repair Lab Door, Propane for Forklift, Board Lunches, Staff Travel Expense
29783	11/22/2024	MCCORMIX CORP	686.48	Vehicle Fuel 11/01-11/15/2024
29784	11/22/2024	MOUNTAIN SPRING WATER	161.10	Bottled Drinking Water, Cooler Rental-October
29785	11/22/2024	MONTECITO WATER DISTRICT	1,266.44	Water Service-October
29786	11/22/2024	OILFIELD ENVIRONMENTAL & COMPLIA	3,498.84	Annual NPDES Required Lab Sampling, Monthly Outside Lab Analyses
29787	11/22/2024	PAYCHEX OF NEW YORK, LLC	621.76	Payroll Services-October
29788	11/22/2024	PURETEC INDUSTRIAL WATER	308.88	Quarterly Water Softener Tank Rental
29789	11/22/2024	SAFEGUARD BUSINESS SYSTEMS	515.11	Re-Order of Operating Checks
29790	11/22/2024	SBCO AUDITOR-CONTROLLER LAFCO	5,971.00	Annual LAFCO Budget Distribution Fees
29791	11/22/2024	SBCO SPECIAL DISTRICTS ASSOC.	150.00	Annual Membership Dues for Local Chapter
29792	11/22/2024	S B HOME IMPROVEMENT CENTER	148.93	Security Lights, Bulletin Board Glass Replacement
29793	11/22/2024	SEIU LOCAL 620	1,798.72	Union Dues 9/15, 9/29, 10/13, 10/27, 11/10
29794	11/22/2024	SOCAL GAS	173.73	Gas Services-October
29795	11/22/2024	SWRCB-ELAP FEES	4,615.00	Lab Accreditation Program Renewal
29796	11/22/2024	THE TOLL ROADS VIOLATION DEPT.	7.17	Toll Fee for Brittany Traveling to San Diego for CSDA Conference
29797	11/22/2024	UNIVAR SOLUTIONS	8,749.74	Sodium Bisulfite and Hypochlorite Chemicals
Operations and Maintenance Total			<u><u>325,573.02</u></u>	

Bank G: CIP

CheckNumber	CheckDate	Name	Check Amount	Payment Description
1504	11/5/2024	ASPECT ENGINEERING GROUP	1,826.33	CIP No. TSCA; Engineering Services for SCADA Improvements-September
1505	11/5/2024	CUSHMAN CONTRACTING CORP	155,603.00	CIP No. C010; Construction Progress to Protect in Place District Facilities-October
1506	11/5/2024	MICHAEL K. NUNLEY & ASSOCIATES, IN	110.00	CIP No. C005; Engineering Services for the Manhole Rehabilitation Project-September
1507	11/5/2024	PHOENIX CIVIL ENGINEERING	1,950.00	CIP No. L001; Construction Management of the Channel Drive Force Main Improvements-September CIP No. C003; Construction Management of the Sewer Main CIPP Lining Project-September
1508	11/22/2024	CUSHMAN CONTRACTING CORP	1,238,526.68	CIP No. C010; Construction Progress to Protect-in-Place District Facilities-October

1509	11/22/2024	DXP ENTERPRISES, INC	24,629.41	CIP No. T013/PO 4876; Sodium Bisulfite Tank Replacement
1510	11/22/2024	MICHAEL K. NUNLEY & ASSOCIATES, IN	4,177.75	CIP No. C005; Engineering Services for the Manhole Rehabilitation Project-October
1511	11/22/2024	STANTEC CONSULTING SERVICES	39,670.33	CIP No. C010; Engineering Design Services for the Protective Measures of District Facilities-October
1512	11/22/2024	WATER SYSTEMS CONSULTING, INC.	27,600.75	CIP No. C003; Engineering Services for the CIPP Lining Project-August/September/October

CIP Total 1,494,094.25



Montecito Sanitary District

1042 Monte Cristo Lane *A Public Service Agency*
Santa Barbara, CA 93108

Phone: (805) 969-4200
www.montsan.org

MINUTES

For the Regular Meeting of the Board on:

November 20, 2024

1. **CALL TO ORDER**

The Governing Board of the Montecito Sanitary District convened a regular meeting at 12:04 pm on Wednesday, November 20, 2024. The meeting was also broadcast using Zoom teleconferencing.

ATTENDANCE

Board Members Present:

Directors Glaser, Johnson, Ohlmann, and Ellwood T. Barrett II

Board Members Absent:

None

Also Present and Participating:

John Weigold, MSD General Manager

Stephen Williams, MSD Business and Administrative Manager/Clerk of the Board

Bryce Swetek, MSD Engineering Manager

Aleks Giragosian, MSD General Legal Counsel

Joy Perry, Prospective Board Member

Dana Newquist, Prospective Board Member

Jon Perry, Member of the Public

Lindsay Wild, Member of the Public

Dahlin, Member of the Public

2. **PUBLIC COMMENT**

No members of the public addressed the Board.

3. APPOINTMENT HEARING

The Board heard from the two candidates that applied for the vacant Board seat, Joy Perry and Dana Newquist, and both candidates were asked several questions.

ON MOTION by Director Johnson, Seconded by Director Glaser, the Board voted to appoint Dana Newquist to the vacant Board position.

AYES: Directors Glaser, Johnson, Ohlmann, and Barrett
NAYES: None
ABSTAIN: None
ABSENT: None

4. CEREMONIAL SWEARING IN OF NEW DIRECTOR

President Ellwood T. Barrett II swore in the new Director, Dana Nequist, to their seat on the Board of Directors.

5. COMMITTEE REPORTS

- A. Directors Johnson and Ohlmann gave a report on the Montecito Sanitary District Finance Committees October 14, 2024, meeting.

6. CONSENT CALENDAR

ON MOTION by Director Ohlmann, Seconded by Director Glaser, the Board voted to approve the following Consent Calendar items:

- A. Payables from October 1, 2024 through October 31, 2024
- B. Board Meeting Minutes of the October 16, 2024 Regular Meeting
- C. Board Meeting Minutes of the October 23, 2024, Special Meeting
- D. Board Meeting Minutes of the November 12, 2024 Special Meeting
- E. Resolution 2024-978 – Authorizing Transfer of Money From County Treasury
- F. Sewer Modeling Contract Award
- G. Manhole Lining Contract Award

AYES: Directors Glaser, Johnson, Ohlmann, and Barrett
NAYES: None
ABSTAIN: Director Newquist
ABSENT: None

7. CLOSED SESSION

A. PUBLIC COMMENT

No members of the public addressed the Board regarding the Closed Session items.

B. CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE § 54957.6)

Name of District Negotiator to Attend Closed Session: John Weigold, General Manager

Name of Employee Organization: Montecito Sanitary District Management Group

Reportable Action: None

C. PUBLIC EMPLOYEE EVALUATION (GOVERNMENT CODE § 54957)

Title: General Manager

Reportable Action: None

D. CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE § 54957.6)

Name of District Negotiator to Attend Closed Session: Aleks Giragosian, Legal Counsel

Name of Employee Organization: Montecito Sanitary District General Manager

Reportable Action: None

E. CONFERENCE WITH LABOR NEGOTIATOR (GOVERNMENT CODE § 54957.6)

Name of District Negotiator to Attend Closed Session: John Weigold, General Manager

Name of Employee Organization: Service Employees International Union (SEIU) Local 620

Reportable Action: None

8. BUSINESS ITEMS

A. UPDATED MANAGEMENT GROUP SALARY SCHEDULE

ON MOTION by Director Ohlmann, Seconded by Director Glaster, the Board voted to increase the max range salary of the Maintenance & Collections Superintendent, the Laboratory & Pretreatment Manager, and the Business and Administrative Manager by 5%.

AYES: Directors Glaser, Ohlmann, and Barrett

NAYES: None

ABSTAIN: Director Newquist

ABSENT: Director Johnson

B. THIRD AMENDMENT TO THE GENERAL MANAGER CONTRACT

This item was continued to a later Board Meeting.

9. GENERAL MANAGER'S REPORT

The Board received a nonactionable update from General Manager John Weigold on relevant matters currently facing the District.

10. BOARD COMMUNICATIONS

A. Items for future Board meeting – No items were discussed

B. Next Regular Board Meeting Date – December 18, 2024

NOTE: President Ellwood T. Barret II updated the Administrations and Operations Committee to include Director Ohlmann (Chair) and Director Glaser and the Public Information Committee to Director Newquist (Chair) and Director Johnson.

11. ADJOURNMENT

The meeting adjourned at 5:00 pm ON MOTION by Director Newquist, Seconded by Director Glaser.

These minutes were presented for approval at the Regular Board Meeting on December 18, 2024.

Ellwood T. Barrett II, President

Minutes taken and prepared by:

Stephen Williams
Business and Administrative Manager/Clerk of the Board



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

Phone: (805) 969-4200
www.montsan.org

MONTECITO SANITARY DISTRICT

STAFF REPORT – 5C

DATE: December 18, 2024

TO: Board of Directors

FROM: John Weigold, General Manager
Bryce Swetek, Engineering Manager

SUBJECT: Wastewater Collection System Master Plan

RECOMMENDATION:

It is recommended that the Board consider:

1. Authorizing the General Manager to award a contract to Stantec Consulting Services (Stantec) in the amount of \$235,000 to prepare engineering planning documents for the District's Wastewater Collection System Master Plan; and
2. Authorizing the General Manager to approve expenditures of up to \$47,000 or twenty percent (20%) of the contract amount as an amendment allowance for any changes in scope of work.

DISCUSSION:

Background – Staff issued a Request for Proposal (RFP) seeking proposals from professional engineering consultants to prepare a District Wastewater Collection System Master Plan (Master Plan) to document the condition of the system, strategy to address inflow & infiltration (I&I), and develop a list of prioritized capital improvements projects over the course of the next ten years. Notably within this RFP is the Life Expectancy Analysis, which is the District's Phase 2 of the Climate Change Adaptation Program as required by the Regional Water Board as part of our National Pollutant Discharge Elimination System (NPDES) permit.

The District does not have a current Master Plan. The District's purpose for developing a Master Plan is to provide guidance to staff to efficiently maintain its collection system infrastructure as well identifying potential improvements to increase level of service where it may be needed. Staff included the Life Expectancy Analysis as part of the Master

Plan due to significant overlapping scope of work and figured to gain efficiencies (communication and cost) by combining the efforts to a single consultant.

Request for Proposal Process and Results – Staff issued the RFP on October 18, 2024. Staff reached out to several consulting firms, including Carollo Engineers (Carollo), Kennedy Jenks (KJ), Cannon, HDR, NV5, MNS Engineers (MNS), and Stantec Consulting Services (Stantec). These seven firms were specifically pursued due to their expertise in wastewater design as well as having local experience. A virtual, non-mandatory pre-proposal meeting occurred on November 6, 2024, and four of the firms attended. Staff received one proposal, from Stantec, on December 6, 2024. Carollo, KJ, HDR, Cannon, and MNS notified Staff that they decided not propose on the project primarily due to concerns regarding workloads and schedule. We are still seeking feedback from NV5.

Analysis – Justifications – District Staff and Phoenix Civil Engineering reviewed Stantec’s proposal. The anticipated contract amount of approximately \$235,000 submitted by Stantec is an acceptable proposal that is responsive to and meets the requirements of the RFP.

Staff recommends the Board authorize the General Manager to award a contract with Stantec. Stantec’s proposal (Attachment 2) demonstrated relevant project experience, a well-rounded team of engineering and graphics professionals, an acceptable schedule, and includes a level of effort in line with the District’s expectations.

Fiscal Impact – The Master Plan, as well as the Phase 2 Life Expectancy Analysis, are included in the Fiscal Year 2024-25 CIP Budget with \$175,000 and \$100,000, respectively. Staff has already had a discussion with Stantec to refine the scope of work/level of effort prior to this Staff Report and is confident with moving forward with Stantec on this effort. Staff notes a recent contract with WSC for the District’s Sewer Model, which will be utilized to inform the Master Plan. A budget adjustment will be made if determined to be necessary. Additionally, Staff plans to contract out project management work for this effort which is anticipated to cost \$10,000.

DEPARTMENTS INVOLVED: Engineering, Collections, and Administration

ATTACHMENTS:

1. Montecito Sanitary District RFP
2. Stantec Proposal



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108
General Manager: John Weigold

A Public Service Agency

PHONE: (805) 969-4200
FAX: (805) 969-9049
E-MAIL: jweigold@montsan.org

Request for Proposal (RFP)

Consultant Services
For
Wastewater Collection System Master Plan

October 18, 2024

Proposals due November 22, 2024, by 4:00 PM

A virtual, non-mandatory Preproposal Meeting will be held on
November 6, 2024 at 2:00 p.m. Meeting link to be provided.

I. INTRODUCTION

Montecito Sanitary District is located in Santa Barbara County approximately 3 miles south of the District of Santa Barbara. It provides wastewater collection, pumping and treatment to the 10,000 residents of the unincorporated community. The wastewater collected is primarily residential. There are some commercial customers and no industrial customers in the District's wastewater system. The District boundaries are located along the coastline and extending to the foothills. A map of the collection system is provided as Attachment A. The wastewater treatment plant treats approximately 500,000 gallons a day and wastewater is transported to the inlet of the treatment plant via gravity as well as five wastewater lift stations. The Montecito Sanitary District does not currently have a Master Plan document for the community. Increasing infill development as well as sewer main extension projects necessitate the need for a current Wastewater Collection System Master Plan (Master Plan).

The District seeks professional services from a qualified and experienced consulting firm to review and analyze existing record drawing/GIS information, review the District's map for pending and anticipated development infill projects as well as review the sewer main extension planning documents (to be contracted separately), conduct site visits, perform field flow monitoring activities, review the previously prepared wastewater collection system model (by others), attend coordination and progress meetings, incorporate current regulatory requirements related to wastewater collection system maintenance and operation, review the current District SSMP document, identify a needed capital improvement program, and prepare the District-wide Master Plan document (draft and final).

Additionally, the District has been working on their Phase I Task as part of their Climate Change Adaptation Program. Phase I was the Coastal Hazards Monitoring Plan. That work is complete, and a copy of the final document will be provided to the selected Consultant. As part of the master planning effort on this project, the preparation of the Phase II Task will be developed. The Regional Water Quality Control Board has tasked the District with preparation of the life expectancy analysis with a deadline of **May 4, 2025**.

II. SCOPE OF WORK

Consultant shall perform professional engineering service in conjunction with the Wastewater Collection System Master Plan project. In providing such services, Consultant shall be required to perform the following at a minimum:

TASK 1. PROJECT MANAGEMENT

The purpose of this task is to collect all information required to begin the project as well as to manage the project through completion. This task includes the following:

Task 1.1 Meetings. Attend a kick-off meeting with District staff to refine scope and objectives and to identify critical project success factors, including conflicts and schedule concerns.

Participate in regular review video conference meetings to be conducted at appropriate intervals throughout the project in order to facilitate communication and ensure that work is being completed in accordance with the scope of services. An average of one meeting per month is envisioned, although

additional informal meetings and communications will occur in conjunction with the conduct of specific tasks. Assume a total of 10 video conferences and 2 in person meetings.

Task 1.2 Project Management. Submit monthly progress reports along with invoices, identifying work completed in the previous month, work anticipated in the next month, and key issues.

Task 1.3 Presentations. Prepare up to two presentations to the District Council or other interested parties to explain the goals and objectives of the master plan.

TASK 2. EXISTING SYSTEM OVERVIEW (CONDITION ASSESSMENT)

The purpose of the existing system overview is to determine the condition of the existing wastewater interceptor system. The District has a CCTV program with a goal to perform CCTV of the entire collection system every six years. The current cleaning of the collection system pipelines is performed every year. Through this task, graphic and non-graphic interceptor attribute databases will be created. Existing system overview items may include the following:

Task 2.1 Review Existing Information. Review existing plans, reports, and documents including available maps, drawings, and other visual/graphic data (i.e., base maps, city atlas maps, record drawings, CCTV inspection tapes and records, photographs, etc.). In addition, review the District's existing Sanitary Sewer Management Plan (SSMP) to obtain familiarity with the existing District's system, programs and areas of identified improvements. The goal, from the District's perspective, is that the Master Plan document shall incorporate Capital Improvement Projects that the SSMP has identified as areas of concern/improvement.

Conduct interviews with District operation and maintenance staff and review maintenance and overflow records. Determine cleaning frequency and characterize typical wastewater flow within each pipeline. The District can provide a list of areas where existing sewer capacity issues are known.

Review the existing CCTV program and provide input on if the District needs to add more staff and equipment, contract out a portion of the CCTV services to a private firm, partner with a nearby agency to share resources or other innovative strategies in order to meet the CCTV goal for the District. The analysis shall consider current staffing levels as part of the analysis and what impact any future full time equivalent (FTEs) would be realized.

Review the previously prepared Climate Change Adaptation Program Coastal Hazards Monitoring Plan to obtain an understanding of the identified impacts to the specific District infrastructure. The information located in the Coastal Hazards Monitoring Plan will be used in Task 3.

Task 2.2 Field Investigation. Complete a field review and inspection to verify existing conditions. This shall consist of surface-based manhole inspections, which include digital photography of both upstream and downstream pipes (up to 50 locations).

Pipelines will be CCTV inspected by the District during low flow periods without the use of bypass pumping or flow diversions for any locations that have not been inspected in the last 3 years. Consultant will assign a rating to the inspected manholes and interceptor pipelines based on the information gathered.

Task 2.3 Condition Assessment Database. The data collected from the inspections and reviews shall be entered into a computer database program and provided to the District. The database will be structured/designed such that its usefulness extends beyond the preparation of this master plan and can be linked to other interceptor databases and maps developed in this project.

Task 2.4 Analysis and Technical Memorandum. Analyze the condition data collected along with other information (e.g., pipeline age and material, evidence of I/I, O&M staff observations) to prioritize reaches for further CCTV inspection. Prepare draft and final technical memoranda for District review, summarizing the condition inspections and recommending additional CCTV inspections.

Task 2.5 Additional CCTV. Upon authorization by the District, perform additional CCTV inspections at an agreed-upon price. Add the additional data to the condition database. The estimated costs and fees for this task are specifically excluded.

TASK 3. CLIMATE CHANGE ADAPTATION PROGRAM – LIFE EXPECTANCY ANALYSIS

The purpose of the life expectancy analysis (Phase II of the Adaptation Program) is to determine when the facility and associated infrastructure cannot function without substantial investment in new infrastructure and protective measures, at which point it might be appropriate to relocate the existing facility or associated infrastructure. The life expectancy analysis shall include information on each component of the collection system (mains, lift stations, manholes, etc.). A condition assessment and evaluation of the District’s treatment plant components has been completed by another consultant. A copy of the final document will be provided to the selected Consultant. The two reports will need to be coordinated so the District has one document that covers both collection and treatment plant components. The life expectancy analysis will consist of the following tasks.

Task 3.1 Data Collection and Review. Review of the previously prepared Coastal Hazards Monitoring Plan (Task 2.1) will be required to understand the area of the District where the life expectancy analysis is to focus. A District wide review is also warranted to better understand the impacts of climate change elsewhere in the District (non-coastal).

Task 3.2 Draft Technical Memorandum Deliverable. As outlined in the Regional Water Quality Control Board NPDES permit for the District, review the requirements in Section 6.3.6.1 (Attachment B) to develop a draft life expectancy analysis technical memorandum that encompasses the following: information on each component of the collection system as described above, the installation date of the equipment/asset, upgraded equipment/asset dates and the current condition of that equipment/asset, major upgrade events, the expected lifespan and repair/maintenance and replacement costs of each item of equipment or asset based on industry accepted sources, manufacturer’s information, or the reports of other municipalities with similarly sized facilities and the expected remaining years of use for the overall associated infrastructure.

Task 3.3 Final Technical Memorandum Deliverable. Meet with the District to review the District comments on the draft technical memorandum deliverable. Incorporate the comments into the final technical memorandum document and provide the final technical memorandum in electronic format (MS Word and .pdf along with all of the exhibits that are included in the document). This deliverable is due by May 4, 2025. Coordination with the treatment plant component life expectancy analysis deliverable may be required.

TASK 4. FUTURE REGULATORY CONSIDERATIONS

Task 4.1 Sewer Lateral I/I Mitigation. The District has certain areas of the collection system with infiltration from elevated groundwater that presents itself after continued rain events cause the groundwater to rise. While the District has lined several main pipelines during the recent rainy season, the District noticed an increase in wastewater flow over an extended period (days). The Consultant shall prepare a technical memorandum outlining what options the District has for managing groundwater infiltration into the collection system. The technical memorandum shall review and comment on the current ordinance stating the current lateral is private property ownership, how other wastewater agencies are addressing the private lateral repair/rehabilitation/sealing issue at an agency level to reduce the infiltration. The technical memorandum shall include different technologies for lateral replacement (conventional and trenchless), financial aspects/programs being implemented by other wastewater agencies and legal processes surrounding the private property lateral requirements. The technical memorandum shall include a cost/benefit review of addressing the infiltration occurring within private laterals. This technical memorandum can be coupled with the efforts in Task 3.

TASK 5. CAPITAL IMPROVEMENT PROGRAM

The purpose of the Capital Improvement Program task is to develop a prioritized list of repairs, replacements, and new facilities to the wastewater interceptor system, their cost and schedule. The District contracts with a consulting firm that updates and maintains the existing District collection system wastewater model. Coordination with that consulting firm will be required during this task in order to obtain the information regarding the system flows and potential capacity issue areas during modeled or previously flow metered events. The information captured by this task, will be input in the model by the modeling consultant and the results provided to the Master Plan Consultant for their use/recommendations. Recommended major pipeline repair/rehabilitation projects and additional I/I investigations shall then be included in the Capital Improvement Program. This task consists of the following activities:

Task 5.1 Project Identification. Review projects in current Capital Improvement Project (CIP) list. Based on criteria and ranking weights to be identified jointly with District staff, develop a prioritized list of recommended system improvement and replacement projects that can be implemented over the next 10 years.

Task 5.2 Project Development. For each capital improvement project, provide a brief graphic and narrative conceptual design summary, describing the anticipated improvements, estimated cost, and basis for improvements. Develop a planning-level unit costs database for major pipeline components. The unit costs shall provide the basis for future planning-level cost estimates. The costs shall be based upon the Consultant's experience, as well as any unit cost information that the District has obtained from recent infrastructure construction projects. The Consultant shall include the rationale and basis for the unit costs in the master plan. Develop project phasing (2 to 5 year increments, including 10 year) based on priority and anticipated available funds.

Task 5.3 Develop Implementation Strategy. Conduct a replacement/rehabilitation needs analysis that defines long-term replacement/rehabilitation costs and provides the tools required to establish sound financial replacement/rehabilitation strategies. The results of this effort shall include projected asset replacement/rehabilitation costs on a year-by-year basis through the planning period, and recommendations regarding long-term financial strategies to meet replacement/rehabilitation needs. This task will include the information gathered in Task 3 Life Expectancy Analysis. The Implementation

strategy will keep the life expectancy analysis as a separate component of the strategy. This will allow the District to see the immediate projects and ones that may be necessary beyond the document 10 year window, but that should be tracked.

Task 5.4 CIP Documentation. The data collected (e.g., priority list, costs, etc.) and the results of the data analysis shall be provided to the District in the form of a digitized database and technical memorandum. Draft and final technical memorandums shall be submitted for review and approval.

TASK 6. REPORTS AND DOCUMENTATION

The purpose of this task is to provide concise documentation of the Master Plan and present the recommended capital improvement program. Project documentation shall consist of the following:

Task 6.1 Master Plan Report. Prepare formal Master Plan Report consisting of summary sections, final technical memoranda prepared for the project, and required appended materials and documents. The final report shall contain reference information as well as stand-alone documents that would be suitable for distribution to the general public or used for briefings to the District Board on the key elements of the plan and its implementation. A draft shall be prepared for review and comment. The final document shall be submitted as originals, 5 bound hard copies, and as Adobe Acrobat PDF of the entire document for archiving and reprinting.

Task 6.2 Summary Report. A stand-alone summary document that informs the general public and District Board on key elements of the plan and its implementation. A draft shall be submitted for review and comment

Task 6.3 Electronic Report. An Adobe Acrobat PDF version of the Master Plan Report shall be prepared (one electronic .pdf version). After the final acceptance of the electronic report, Consultant shall be available to assist the District's information technology staff with the integration of the PDF reports into the District's Internet home page.

III. RESPONSES

The response shall include at a minimum the information listed herein; incomplete or unclear information may be grounds for rejection. The response shall be organized as follows:

1. Letter Proposal

The Proposal may be submitted as a letter proposal addressed to:

Bryce Swetek, P.E.
Engineering Manager
Montecito Sanitary District
1042 Monte Cristo Lane
Santa Barbara, CA 93108

The letter proposal shall be submitted electronically to Bryce Swetek, P.E. at bswetek@montsan.org. The email subject line shall say, "RFP: Wastewater Collection System Master Plan". The RFP must be received by 4:00 PM, November 22, 2024.

Late proposals will not be accepted. Any RFP received prior to the time and date specified above may be withdrawn or modified by written request of the proposer provided the modified proposal is received prior to the time and date specified above.

2. Experience and Qualifications

- a. Provide a brief history of the firm, including name of the firm, the year the firm was established under the current name, and the closest office location to the project. Indicate any other previous names for the firm during the last five years and the year any name change was effective.
- b. Provide general information concerning the Consultant's qualifications and descriptions of at least 3 relevant projects. Indicate who in the firm performed specific functions on the projects. For any incomplete projects, clearly indicate the status of the project.
- c. Identify firm personnel, including any subconsultants, that will be assigned to the key positions and show the relationships on an Organizational Chart and provide which office they are located.
- d. Provide three clients as a reference, including at least two for whom services were rendered during the past two years, preferably for services similar to those outlined in this solicitation; include contact information for each reference.

3. Project Understanding and Approach

Provide a statement demonstrating the Consultant's understanding of the Project and proposed approach to the Project scope of work, broken down by tasks and subtasks. Proposals shall identify specific milestones and deliverables for each task. Consultant may revise the scope of services in this RFP and should call out the proposed revisions in their proposal.

4. Estimated Schedule

The proposal must include an estimated schedule to complete the Project scope of work. Describe the Consultant's ability to meet the proposed schedule and timing of each task in the scope of work.

5. Estimated Level of Effort

The proposal shall include a table listing the personnel involved in the project, the anticipated hours associated with each individual's level of effort identified by task as well as inclusion of a Professional Rate Sheet listing the different classifications of labor. The table is to be based on the Consultant's estimation for performing the services based on the Consultant's understanding of the Project's scope of work.

6. Conflicts

Identify any conflicts which could affect the ability to perform the work in a timely fashion over the duration of the contract.

7. Quality Assurance/Quality Control

Provide a brief description of in-place and proposed Quality Assurance & Quality Control practices applicable for this project.

8. Assumptions and Additional Comments

The proposal shall include any assumptions made, comments, suggestions, or additions for the District to consider in selecting the firm. Identify the potential benefit, value, or impact these may have to the District.

9. Contract Requirements

The District will be utilizing a Professional Services Agreement (PSA) included as Attachment C for your review. The terms of Agreement are not subject to change. The Consultant must comply with applicable local, State, and Federal laws including prevailing wage rates and their payment in accordance with California Labor Code, Section 1775. Provide an affirmative statement indicating acceptance of the terms of the Agreement.

IV. SELECTION CRITERIA

From the proposals received, the District will select the most qualified firm for the project. Selection will be based on information provided in the proposal and will be based on the following criteria:

1. Qualifications: The Consultant's (including subconsultants, if any) firm as well as relevant experience and ability to perform the Scope of Services as outlined above, based on information provided by the Consultant and client references.
2. Approach: The Consultant's understanding of the Project as demonstrated by their approach to completing the Services requested above.
3. Schedule: The Consultant's availability and ability to perform the Scope of Services in a timely manner.
4. References: The Consultant's client references, the Consultant's performance on similar studies, and their knowledge of, and familiarity with, the District's geographic region.
5. Level of Effort: The District is seeking a reasonable level of effort for the Scope of Services as outlined in the RFP and will consider the significance of any proposed changes/additions to the Scope of Services.

V. RESERVATION OF RIGHTS

The following is a list of rights of the District:

1. The Montecito Sanitary District reserves the right to:
 - a. Reject any and all responses received.
 - b. Issue a subsequent RFP.
 - c. Cancel the entire RFP.
 - d. Remedy technical errors in the RFP process.
 - e. Negotiate with any, all, or none of the Respondents to the RFP.

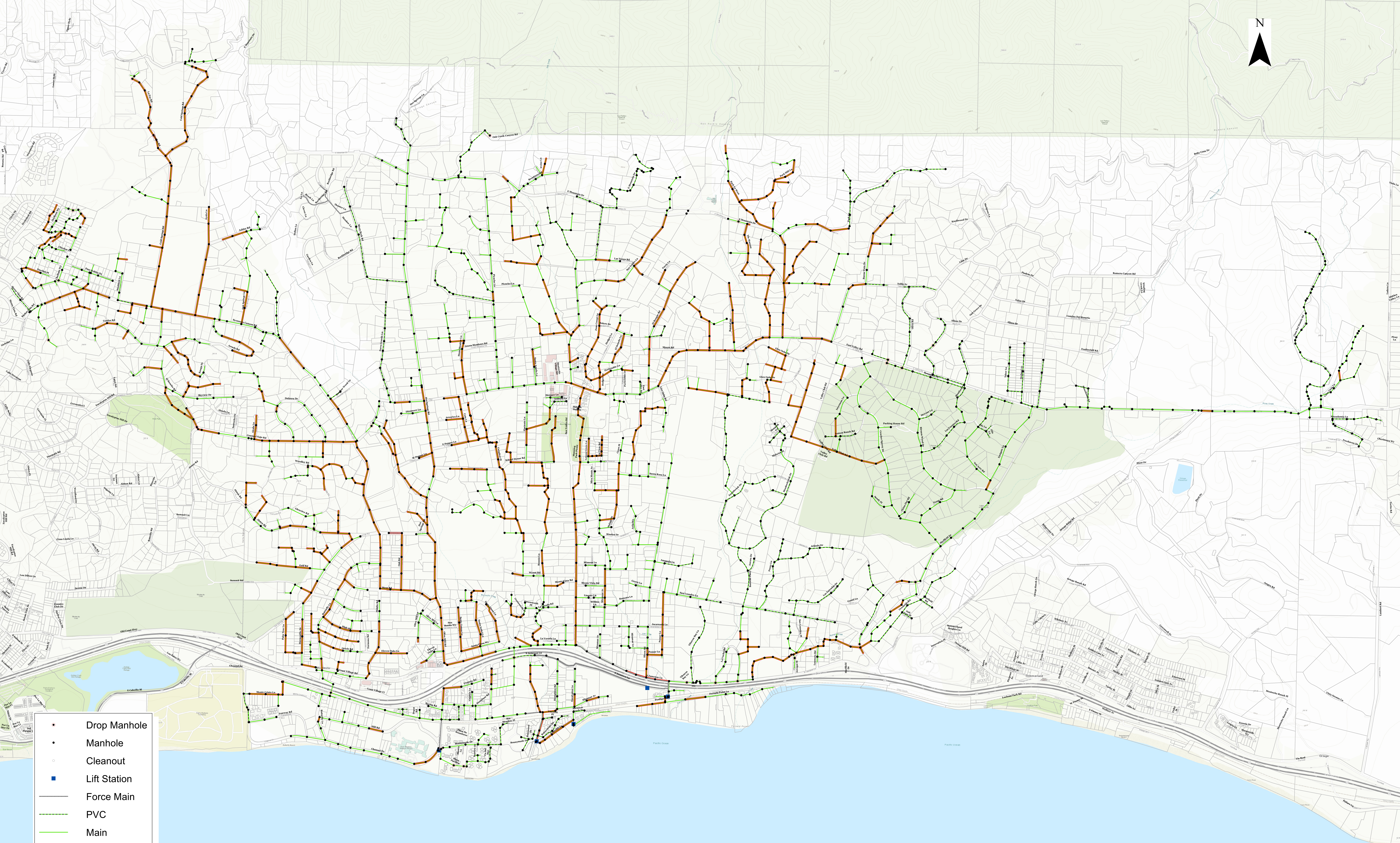
- f. Waive informalities and irregularities.
 - g. Make multiple recommendation(s) to the MSD Board.
 - h. Request additional information or clarification.
 - i. All responses and their contents will become the property of MSD.
2. The District will not reimburse Consultants or sub-consultants for any costs associated with any travel and/or per diem incurred in any presentations or for any costs in preparing and submitting the responses.
3. The District reserves the right to end, in its sole discretion, negotiations at any time with any or all Consultants. This RFQ does not commit the District to enter into a contract, nor does it obligate it to pay any costs incurred in the preparation and submission of responses or in anticipation of a contract.
4. Failure to respond to the requirements outlined in this RFP may result in the Consultant's disqualification as non-responsive to the RFP.

VI. INQUIRES

All inquiries related to this RFP shall be sent to Bryce Swetek, P.E. at bswetek@montsan.org

VII. ATTACHMENTS

- A. District GIS Collection System Map
- B. District NPDES Permit Section 6.3.6.1
- C. Sample Professional Services Agreement



- Drop Manhole
- Manhole
- Cleanout
- Lift Station
- Force Main
- PVC
- Main
- Lined Main
- Parcel

MONTECITO SANITARY DISTRICT 2023 MAINTENANCE MAP

March, 2023

must have adequate facilities to divert surface water runoff from adjacent areas to protect the boundaries of such sites from erosion, and to prevent drainage from treatment and storage sites.

The treatment, storage, disposal, or reuse of sewage sludge and solids must not cause waste material to be in a position where it is, or can be, conveyed from the treatment and storage sites and deposited into waters of the State. The Discharger is responsible for ensuring that all biosolids produced at its Facility are used or disposed of in accordance with the above rules, regardless of whether the Discharger uses or disposes of the biosolids itself or transfers them to another party for further treatment, use, or disposal. The Discharger is responsible for informing subsequent preparers, applicers, and disposers of the requirements that they must adhere to these rules.

6.3.5.2. **Pretreatment – Not Applicable**

6.3.5.3. **Discharges of Stormwater.** For the control of storm water discharged from the site of the wastewater treatment and disposal facilities, if applicable, the Discharger shall seek authorization to discharge under and meet the requirements of the State Water Resources Control Board's Water Quality Order 2014-0057-DWQ, NPDES General Permit No. CAS000001, *Waste Discharge Requirements for Discharges of Storm Water Associated with Industrial Activities Excluding Construction Activities*.

6.3.5.4. **Statewide General Waste Discharge Requirements for Sanitary Sewer Systems.** The Order requires coverage by and compliance with applicable provisions of the effective General Waste Discharge Requirements for Sanitary Sewer Systems.

6.3.6. **Other Special Provisions**

6.3.6.1. **Climate Change Adaptation Program**

The Discharger must develop a climate change adaptation program to identify and address climate change hazards and vulnerabilities at the facility, including all associated infrastructure (e.g., treatment facilities, conveyances to discharge points, mains, pump stations, and discharge facilities). The climate change adaptation program will consist of three separate sections (coastal hazards monitoring plan, life expectancy analysis, and climate change adaptation plan). The climate change adaptation program must be developed using the H++ scenario² and each plan must be based on the latest and best available science on climate projections and hazards. The analysis conducted as part of the climate change adaptation program should include future rates of erosion rather than using current erosion rate over the next 75-100 years. The minimum requirements and associated due dates for each of

² The State of California Sea-Level Rise Guidance (Ocean Protection Council 2018) recommends which sea level rise scenarios to evaluate and specifically recommends evaluating the extreme risk aversion (also called H++) scenario for critical infrastructure projects. The guidance can be found online at: [State of California Sea-Level Rise Guidance](#)

these deliverables are as follows:

6.3.6.1.1. Coastal Hazards Monitoring Plan.

By May 4, 2024, the Discharger must submit a coastal hazards monitoring Plan, for Executive Officer approval, that establishes the framework and parameters for: (1) regularly monitoring bluff erosion tidal inundation, and other coastal hazards at the site; (2) identifying the level of threat those hazards present to the facility, collection system, and associated infrastructure; (3) identifying control measures³ necessary to protect and accommodate the existing location and facility to allow uninterrupted function of wastewater treatment; and (4) identifying tidal inundation/bluff erosion 'thresholds' to establish when facility changes (including potential plant relocation) need to be pursued in order to ensure continued function of the wastewater treatment facility in a manner that will be protective of human health and the environment. At the request of the Discharger, the Central Coast Water Board Executive Officer may provide an extension to the due date for submittal of the coastal hazards Monitoring Plan, provided the Discharger demonstrates significant progress has been made on the coastal hazards monitoring plan and there is good cause for the extension

6.3.6.1.2 Life Expectancy Analysis

By May 4, 2025, the Discharger must submit a life expectancy analysis for Executive Officer approval. The primary purpose of the analysis is to determine when the facility and associated infrastructure cannot function without substantial investment in new infrastructure and protective measures, at which point it might be appropriate to relocate the existing facility or associated infrastructure. The life expectancy analysis shall include information on each component of the facility (e.g., headworks, clarifiers, digesters, etc.) and within the collection system (e.g., mains, pump stations, etc.); the installation date of each component; upgraded component dates and the current condition of that equipment; major upgrade events; the expected lifespan and repair/maintenance and replacement costs of each component based on industry accepted sources, manufacturers' information, or the reports of other municipalities with similarly sized facilities; and the expected remaining years of use for each component and for the overall facility and associated infrastructure. At the request of the Discharger, the Central Coast Water Board Executive Officer may provide an extension to the due date for submittal of the life expectancy analysis, provided the Discharger demonstrates significant progress has been made on the life expectancy analysis and there is good cause for the extension.

³ Control measures include emergency procedures, contingency plans, alarm/notification systems, training, backup power and equipment, and the need for planned mitigations to ameliorate climate induced impacts such as changing influent and receiving water quality and conditions, as well as the impact of rising sea level, storm surges and back-to-back severe storms that are expected to become more frequent.

**PROFESSIONAL SERVICES AGREEMENT
FOR DESIGN PROFESSIONALS**

(Montecito Sanitary District / [Company or Individual])

1. IDENTIFICATION

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the Montecito Sanitary District, a California Special District (“District”), and _____, a _____ (“Consultant”).

2. RECITALS

- 2.1. District has determined that it requires the following professional services from a consultant: **[enter description of consultant’s services]**
- 2.2. Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.
- 2.3. Consultant represents that it has no known relationships with third parties, District Board members, or employees of the District which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code Section 1090, the Political Reform Act (Government Code Section 81000 *et seq.*), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, District and Consultant agree as follows:

3. DEFINITIONS

- 3.1. “Design Professional”: A Design Professional is any individual satisfying one or more of the following: (1) licensed as an architect pursuant to Business and Professions Code 5500 *et seq.*, (2) licensed as a landscape architect pursuant to Business and Professions Code 5615 *et seq.*, (3) licensed as a professional land surveyor pursuant to Business and Professions Code 8700 *et seq.*, or (4) registered as a professional engineer pursuant to Business and Professions Code 6700 *et seq.*
- 3.2. “Scope of Services”: Such professional services as are set forth in Consultant’s **[enter consultant’s proposal date]** proposal to District attached hereto as Exhibit A and incorporated herein by this reference.
- 3.3. “Agreement Administrator”: The Agreement Administrator for this project is **[Name and title]**. The Agreement Administrator shall be the principal point of

contact at the District for this project. All services under this Agreement shall be performed at the request of the Agreement Administrator. The Agreement Administrator will establish the timetable for completion of services and any interim milestones. District reserves the right to change this designation upon written notice to Consultant

- 3.4. “Approved Fee Schedule”: Consultant’s compensation rates are set forth in the fee schedule attached hereto as Exhibit B and incorporated herein by this reference. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the parties.
- 3.5. “Maximum Amount”: The highest total compensation and costs payable to Consultant by District under this Agreement. The Maximum Amount under this Agreement is [redacted] Dollars (\$ [redacted]).
- 3.6. “Commencement Date”: [date].
- 3.7. “Termination Date”: [date]

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Termination Date unless extended by written agreement of the parties or terminated earlier under Section 18 (“Termination”) below. Consultant may request extensions of time to perform the services required hereunder. Such extensions shall be effective if authorized in advance by District in writing and incorporated in written amendments to this Agreement.

5. CONSULTANT’S DUTIES

- 5.1. **Services.** Consultant shall perform the services identified in the Scope of Services. District shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- 5.2. **Coordination with District.** In performing services under this Agreement, Consultant shall coordinate all contact with District through its Agreement Administrator.
- 5.3. **Budgetary Notification.** Consultant shall notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform the Agreement Administrator, in writing, of Consultant’s estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.

- 5.4. **Professional Standards.** Consultant shall perform all work consistent with the degree of care and skill ordinarily exercised by other similar professionals providing the same or similar services under the same or similar circumstances. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict of interest provisions of Government Code § 1090 and the Political Reform Act (Government Code § 81000 et seq.).
- 5.5. **Campaign Contributions.** This Agreement is subject to Government Code Section 84308, as amended by SB 1439. Consultant shall disclose any contribution in an amount of more than two hundred fifty dollars (\$250) made within the preceding 12 months by the party or the party's agent. Consultant shall provide a signed copy of the attached Campaign Contribution Disclosure Form to the District prior to, or concurrent with, the Consultant's execution of this Agreement.
- 5.6. **Avoid Conflicts.** During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if such work would present a conflict interfering with performance under this Agreement. However, District may consent in writing to Consultant's performance of such work.
- 5.7. **Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. [Name of Project Manager] shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without District's prior written consent.
- 5.8. **Substitution of Personnel.** Any persons named in the proposal or Scope of Services constitutes a promise to the District that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of District. If District and Consultant cannot agree as to the substitution of key personnel, District may terminate this Agreement for cause.
- 5.9. **Permits and Approvals.** Consultant shall be responsible for applying for, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement. This includes, but shall not be limited to, professional licenses, encroachment permits and building and safety permits and inspections.

- 5.10. **Notification of Organizational Changes.** Consultant shall notify the Agreement Administrator, in writing, of any change in name, ownership or control of Consultant's firm or of any subcontractor. Change of ownership or control of Consultant's firm may require an amendment to this Agreement.
- 5.11. **Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to District under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of District. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of District or as part of any audit of District, for a period of three (3) years after final payment under this Agreement.

6. SUBCONTRACTING

- 6.1. **General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.
- 6.2. **Consultant Responsible.** Consultant shall be responsible to District for all services to be performed under this Agreement.
- 6.3. **Identification in Fee Schedule.** All subcontractors shall be specifically listed and their billing rates identified in the Approved Fee Schedule, Exhibit B. Any changes must be approved by the Agreement Administrator in writing as an amendment to this Agreement.

7. COMPENSATION

- 7.1. **General.** District agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by District in advance.
- 7.2. **Invoices.** Consultant shall submit to District an invoice, on a monthly basis or as otherwise agreed to by the Agreement Administrator, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by

employee name and classification or position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.

- 7.3. **Taxes.** District shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.4. **Disputes.** The parties agree to meet and confer at mutually agreeable times to resolve any disputed amounts contained in an invoice submitted by Consultant.
- 7.5. **Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Services unless prior written approval is given by the District through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of the District.

8. PREVAILING WAGES

Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects including the design and preconstruction phases of a covered public works project. Consultant shall defend, indemnify, and hold the District, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure of Consultant to comply with the Prevailing Wage Laws.

9. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material, and all electronic files, including computer-aided design files, developed by Consultant in the performance of this Agreement (such written material and electronic files are collectively known as “written products”) shall be and remain the property of District without restriction or limitation upon its use or dissemination by District except as provided by law. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

10. RELATIONSHIP OF PARTIES

- 10.1. **General.** Consultant is, and shall at all times remain as to District, a wholly independent contractor.
- 10.2. **No Agent Authority.** Consultant shall have no power to incur any debt, obligation, or liability on behalf of District or otherwise to act on behalf of District as an agent. Neither District nor any of its agents shall have control over the conduct of Consultant or any of Consultant’s employees, except as set forth in

this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of District.

- 10.3. **Independent Contractor Status.** Under no circumstances shall Consultant or its employees look to the District as an employer. Consultant shall not be entitled to any benefits. District makes no representation as to the effect of this independent contractor relationship on Consultant's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Consultant specifically assumes the responsibility for making such a determination. Consultant shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation, and other applicable federal and state taxes.
- 10.4. **Indemnification of CalPERS Determination.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the District, Consultant shall indemnify, defend, and hold harmless District for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of District.

11. INDEMNIFICATION

- 11.1. **Definitions.** For purposes of this Section 11, "Consultant" shall include Consultant, its officers, employees, servants, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement. "District" shall include District, its board, officials, officers, agents, employees and volunteers.
- 11.2. **Consultant to Indemnify District.** Where the services to be provided by Consultant under this Agreement are design professional services, as that term is defined under Civil Code Section 2782.8, Consultant agrees to indemnify, defend and hold harmless, the District, its officers, officials, employees and volunteers from any and all claims, demands, costs or liability that actually or allegedly arise out of, or pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant and its agents in the performance of services under this contract, but this indemnity does not apply to liability for damages for bodily injury, property damage or other loss, arising from the sole negligence, active negligence or willful misconduct by the District, its officers, official employees, and volunteers. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of the District, then Consultant's indemnification and defense obligations shall be reduced in proportion to the established comparative liability of the District and shall not exceed Consultant's proportionate percentage of fault.

- 11.3. As respects all acts or omissions which do not arise directly out of the performance of design professional services, including but not limited to those acts or omissions normally covered by general and automobile liability insurance, and to the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the District, its board, officers, officials, agents, employees, and volunteers from and against any claims, demands, losses, liability of any kind or nature (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees) where the same arise out of, are in connection with, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or sub-contractors of Consultant, excepting those which arise out of the active negligence, sole negligence or willful misconduct of the District, its board, officers, officials, employees and volunteers.
- 11.4. **Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential or otherwise, Property damage shall include injury to any personal or real property. Consultant shall not be required to indemnify District for such loss or damage as is caused by the sole active negligence or willful misconduct of the District. If it is finally adjudicated that liability is caused by the comparative negligence or willful misconduct of an indemnified party, then Consultant's indemnification obligation shall be reduced in proportion to the established comparative liability.
- 11.5. **Waiver of Statutory Immunity.** The obligations of Consultant under this Section 11 are not limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to District.
- 11.6. **Indemnification by Subcontractors.** Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 11 from each and every subcontractor or any other person or entity involved in the performance of this Agreement on Consultant's behalf.
- 11.7. **Insurance Not a Substitute.** District does not waive any indemnity rights by accepting any insurance policy or certificate required pursuant to this Agreement. Consultant's indemnification obligations apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.
- 11.8. **Civil Code.** The parties are aware of the provisions of Civil Code 2782.8 relating to the indemnification and the duty and the cost to defend a public agency by a Design Professional and agree that this Section 11 complies therewith.

12. INSURANCE

12.1. **Insurance Required.** Consultant shall maintain insurance as described in this section and shall require all of its subcontractors, consultants, and other agents to do the same. Approval of the insurance by the District shall not relieve or decrease any liability of Consultant Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.

12.2. **Documentation of Insurance.** District will not execute this agreement until it has received a complete set of all required documentation of insurance coverage. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. Consultant shall file with District:

- Certificate of Insurance, indicating companies acceptable to District, with a Best's Rating of no less than A:VII showing. The Certificate of Insurance must show the Montecito Sanitary District, its board of directors, commissions, officers, and employees of Montecito Sanitary District as additional insured parties. The Certificate of Insurance must include the following reference: [insert project name]
- Documentation of Best's rating acceptable to the District.
- Original endorsements effecting coverage for all policies required by this Agreement.

12.3. **Coverage Amounts.** Insurance coverage shall be at least in the following minimum amounts:

- Professional Liability Insurance: \$1,000,000 per claim
\$2,000,000 aggregate
- General Liability:
 - General Aggregate: \$2,000,000
 - Products Comp/Op Aggregate \$2,000,000
 - Personal & Advertising Injury \$1,000,000
 - Each Occurrence \$1,000,000
 - Fire Damage (any one fire) \$ 50,000
 - Medical Expense (any 1 person) \$ 5,000
- Workers' Compensation:
 - Workers' Compensation Statutory Limits
 - EL Each Accident \$1,000,000
 - EL Disease - Policy Limit \$1,000,000
 - EL Disease - Each Employee \$1,000,000

- Automobile Liability
 - Any vehicle, combined single limit
\$1,000,000

Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements or limits shall be available to the District as additional insured. Furthermore, the requirements for coverage and limits shall be the greater of (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured.

- 12.4. **General Liability Insurance.** Commercial General Liability Insurance shall be no less broad than ISO form CG 00 01. Coverage must be on a standard Occurrence form. Claims-Made, modified, limited or restricted Occurrence forms are not acceptable.
- 12.5. **Worker’s Compensation Insurance.** Consultant is aware of the provisions of Section 3700 of the Labor Code which requires every employer to carry Workers’ Compensation (or to undertake equivalent self-insurance), and Consultant will comply with such provisions before commencing the performance of the work of this Agreement. If such insurance is underwritten by any agency other than the State Compensation Fund, such agency shall be a company authorized to do business in the State of California.
- 12.6. **Automobile Liability Insurance.** Covered vehicles shall include owned if any, non-owned, and hired automobiles and, trucks.
- 12.7. **Professional Liability Insurance or Errors & Omissions Coverage.** The deductible or self-insured retention may not exceed \$50,000. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work. Coverage shall be continued for two years after the completion of the work by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Agreement.
- 12.8. **Claims-Made Policies.** If any of the required policies provide coverage on a claims-made basis the Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Claims-Made Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.

- 12.9. **Additional Insured Endorsements.** The District, its Board of Directors, Commissions, officers, and employees of the District must be endorsed as an additional insured for each policy required herein, other than Professional Errors and Omissions, for liability arising out of ongoing and completed operations by or on behalf of the Consultant. Consultant's insurance policies shall be primary as respects any claims related to or as the result of the Consultant's work. Any insurance, pooled coverage or self-insurance maintained by the District, its elected or appointed officials, directors, officers, agents, employees, volunteers, or consultants shall be non-contributory. All endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. General liability coverage can be provided using an endorsement to the Consultant's insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37.
- 12.10. **Failure to Maintain Coverage.** In the event any policy is canceled prior to the completion of the project and the Consultant does not furnish a new certificate of insurance prior to cancellation, District has the right, but not the duty, to obtain the required insurance and deduct the premium(s) from any amounts due the Consultant under this Agreement. Failure of the Consultant to maintain the insurance required by this Agreement, or to comply with any of the requirements of this section, shall constitute a material breach of this Agreement.
- 12.11. **Notices.** Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. Consultant shall provide no less than 30 days' notice of any cancellation or material change to policies required by this Agreement. Consultant shall provide proof that cancelled or expired policies of insurance have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages. The name and address for Additional Insured Endorsements, Certificates of Insurance and Notices of Cancellation is: Montecito Sanitary District, Attn: John Weigold, General manager, 1042 Monte Cristo Lane, Santa Barbara, CA 93108.
- 12.12. **Consultant's Insurance Primary.** The insurance provided by Consultant, including all endorsements, shall be primary to any coverage available to District. Any insurance or self-insurance maintained by District and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.
- 12.13. **Waiver of Subrogation.** Consultant hereby waives all rights of subrogation against the District. Consultant shall additionally waive such rights either by endorsement to each policy or provide proof of such waiver in the policy itself.
- 12.14. **Report of Claims to District.** Consultant shall report to the District, in addition to the Consultant's insurer, any and all insurance claims submitted to Consultant's insurer in connection with the services under this Agreement.

- 12.15. **Premium Payments and Deductibles.** Consultant must disclose all deductibles and self-insured retention amounts to the District. The District may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within retention amounts. Ultimately, District must approve all such amounts prior to execution of this Agreement.
- 12.16. District has no obligation to pay any premiums, assessments, or deductibles under any policy required in this Agreement. Consultant shall be responsible for all premiums and deductibles in all of Consultant’s insurance policies. The amount of deductibles for insurance coverage required herein are subject to District’s approval.
- 12.17. **Duty to Defend and Indemnify.** Consultant’s duties to defend and indemnify District under this Agreement shall not be limited by the foregoing insurance requirements and shall survive the expiration or early termination of this Agreement.

13. MUTUAL COOPERATION

- 13.1. **District Cooperation in Performance.** District shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant’s services under this Agreement.
- 13.2. **Consultant Cooperation in Defense of Claims.** If any claim or action is brought against District relating to Consultant’s performance in connection with this Agreement, Consultant shall render any reasonable assistance that District may require in the defense of that claim or action.

14. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, electronic mail or overnight courier service during Consultant’s and District’s regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to District
 Montecito Sanitary District
 Attn: John Weigold
 General Manager
 1042 Monte Cristo Lane
 Santa Barbara, CA 93108

If to Consultant
 [Name]
 [Address]
 [Address]
 Telephone:
 Email:

With courtesy copy to:

Aleks R. Giragosian, Esq.
Montecito Sanitary District General Counsel
Colantuono, Highsmith & Whatley, PC
790 E. Colorado Blvd., Ste. 850
Pasadena, Angeles, CA 91101
Telephone: (213) 542-5700
Email: agiragosian@chwlaw.us

15. SURVIVING COVENANTS

The parties agree that the covenants contained in paragraph 5.11 (Records), paragraph 10.4 (Indemnification of CalPERS Determination), Section 11 (Indemnity), paragraph 12.8 (Claims-Made Policies), paragraph 13.2 (Consultant Cooperation in Defense of Claims), paragraph 12.13 (Waiver of Subrogation), paragraph 12.6 (Automobile Liability Insurance), Section 15 (Surviving Covenants), Section 17 (Interpretation of Agreement), and Section 18 (General Provisions) of this Agreement shall survive the expiration or termination of this Agreement, subject to the provisions and limitations of this Agreement and all otherwise applicable statutes of limitations and repose.

16. TERMINATION

- 16.1. **District Termination.** District may terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All District data, documents, objects, materials or other tangible things shall be returned to District upon the termination or expiration of this Agreement.
- 16.2. **Consultant Termination.** Consultant may terminate this Agreement for a material breach by the District of this Agreement upon 30 days' notice.
- 16.3. **Compensation Following Termination.** Upon termination, Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement. The District shall have the benefit of such work as may have been completed up to the time of such termination.
- 16.4. **Remedies.** District retains any and all available legal and equitable remedies for Consultant's breach of this Agreement.

17. INTERPRETATION OF AGREEMENT

- 17.1. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.

- 17.2. **Integration of Exhibits.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the provisions of this Agreement and its exhibits, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between District and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on by District and Consultant.
- 17.3. **Headings.** The headings and captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the language of the section or paragraph shall control and govern in the construction of this Agreement.
- 17.4. **Pronouns.** Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).
- 17.5. **Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 17.6. **No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

18. GENERAL PROVISIONS

- 18.1. **Confidentiality.** All data, documents, discussion, or other information developed or received by Consultant for performance of this Agreement are deemed confidential and Consultant shall not disclose it without prior written consent by District. District shall grant such consent if disclosure is legally required. All District data shall be returned to District upon the termination or expiration of this Agreement.
- 18.2. **Conflicts of Interest.** Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working

solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subcontractor to file, a Statement of Economic Interest with the District's Filing Officer if required under state law in the performance of the services. For breach or violation of this warranty, District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of District, during the term of his or her service with District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

- 18.3. **Non-assignment.** Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without District's prior written consent, and any attempt to do so shall be void and of no effect. District shall not be obligated or liable under this Agreement to any party other than Consultant.
- 18.4. **Binding on Successors.** This Agreement shall be binding on the successors and assigns of the parties.
- 18.5. **No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.
- 18.6. **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 18.7. **Non-Discrimination.** Consultant shall not discriminate against any employee or applicant for employment because of race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition (cancer-related), marital status, ancestry, or sexual orientation. Employment actions to which this provision applies shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; or in terms, conditions or privileges of employment, and selection for training. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, the provisions of this nondiscrimination clause.
- 18.8. **Waiver.** No provision, covenant, or condition of this Agreement shall be deemed to have been waived by District or Consultant unless in writing signed by one authorized to bind the party asserted to have consented to the waiver. The waiver by District or Consultant of any breach of any provision, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision, covenant, or condition.

- 18.9. **Excused Failure to Perform.** Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in District's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.10. **Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any or all of such other rights, powers or remedies.
- 18.11. **Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs expended in the action.
- 18.12. **Venue.** The venue for any litigation shall be Santa Barbara County, California and Consultant hereby consents to jurisdiction in Santa Barbara County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.
- 18.13. **Counterparts; Electronic Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument. The parties acknowledge and agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature, electronically scanned and transmitted versions (e.g., via pdf) of an original signature, or a digital signature.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“DISTRICT”
Montecito Sanitary District
Authorized Signatories:

“CONSULTANT”
[Name of Company or Individual]

Signature: _____
Printed: _____
Title: _____
Date: _____

Signature: _____
Printed: _____
Title: _____
Date: _____

Attest:

Signature: _____
Printed: _____
Title: District Clerk
Date: _____

Approved as to Form:

Signature: _____
Printed: _____
Title: District Counsel
Date: _____

EXHIBIT A
SCOPE OF SERVICES

EXHIBIT B
FEE SCHEDULE



Stantec Consulting Services Inc.
200 East Carrillo Street, Suite 101
Santa Barbara CA 93101-2137

December 12, 2024

Project/File: 184083000

Bryce Swetek, P.E.
Montecito Sanitary District
1042 Monte Cristo Lane
Santa Barbara, CA 93108
bswetek@montsan.org

Dear Mr. Swetek,

Reference: Proposal- Wastewater Collection System Master Plan_V1

1 Letter Proposal

Stantec Consulting Services Inc. (Stantec) is pleased to electronically submit this proposal to provide engineering services for the Montecito Sanitary District Wastewater Collection System Master Plan project. The District requires a plan to help manage the increasing infill development and sewer main extensions projects. In addition, the plan will include a life expectancy analysis (condition assessment) of the collection system to meet the Regional Water Quality Control Board's requirements.

2 Experience and Qualifications

a. Firm History

In 1954, Stantec began providing water resource engineering services to improve the quality of life in communities where it worked. Over the last 70 years, we have added a full complement of engineering and planning disciplines to our portfolio to better serve the needs of our clients. We take pride in a long history of being part of the communities we serve.

Stantec is a community of more than 31,000 employees working in more than 400 locations worldwide. With 850+ water resource specialists working across 26 offices in California, we provide a full range of services to meet your project requirements. As a leading provider of wastewater and water resources engineering services throughout the world, we consistently rank in the top five design firms for water/wastewater. In partnership with our clients, Stantec provides practical solutions by leveraging strong local teams with solid understanding of issues and global expertise. Our local team based in Santa Barbara, has a long and successful history of working with the Montecito Sanitary District (District), State and Federal agencies, municipalities, and permitting agencies throughout California.

Stantec does not have any other previous company names for the firm during the last five years.

Reference: Proposal- Wastewater Collection System Master Plan

b. Qualifications and Relevant Projects

Stantec has extensive experience supporting and delivering projects for the District and surrounding agencies. Throughout California Stantec has been involved with many wastewater collection system master plans, wastewater treatment master plans, sewer pipeline assessments, and sewer lift station assessments. We have local expertise and vast resources to handle all the District's needs on this project.

Carrie Poytress is a Senior Technical Leader and Project Manager with Stantec and has over 20 years of civil engineering experience focused on water and wastewater from concept through construction. Based on her project management and wastewater design experience, she is a catalyst for creative team collaboration, focusing on successful delivery of every project. In addition to managing project schedules, costs, quality, and scope, she addresses and resolves changes quickly with the owner to minimize project impact. By anticipating potential data or project component gaps and challenges early, Carrie mitigates risks and resolves conflicts within our design team and subconsultants, District management, and the community. Her approach adopts clear and concise communication to regularly consult, obtain approval, share information, and provide reports as needed. Carrie will proactively manage our proposed team in the decision-making process, to avoid project delays. Carrie served as the Engineering Manager for Montecito Sanitary District for 5 years and has extensive knowledge of the District's wastewater collection system and community challenges.

Gabe Aronow is a Principal in Stantec's Water business operating unit and has over 30 years of experience focused on planning, engineering design, and project management of water and wastewater projects. His work has ranged from planning and permitting through design, construction, and operational support. He has led many significant master planning, pipeline, and wastewater treatment design efforts. Gabe's recent experience includes acting as project manager for wastewater collection system master planning projects for the Cities of Benicia, Grass Valley, Woodlake, Newman, and Merced, California. He managed the hydraulic modeling process, future development and expansion analyses, system deficiencies report, and capital improvement recommendations presented in those documents.

Jonny Zukowski is a Senior Civil Engineer with Stantec's Water business operating unit who focuses on water and wastewater projects. He has over 13 years of experience planning and designing wastewater projects ranging from collection master plans, sewer pipeline rehabilitation, sewer lift station and force main design, gravity sewer design, bore and jack, and horizontal directional drilling design for numerous municipalities and clients within the Central Coast of California. He has gained extensive experience providing planning level concepts, modeling, final design, construction documents, and support during construction.

Brianna Webb is an engineer-in-training within Stantec's Water group and brings nine years of experience specializing in hydraulic modeling services for planning and design of water and wastewater systems. Her expertise includes collection system capacity evaluations, master planning, preliminary and detailed designs, inflow and infiltration studies, and utilizing computational models in planning and design of water and wastewater systems. Breanna was the lead hydraulic modeler for the Lincoln, Merced, and Dixon wastewater collection system sewer master plans. She also has experience in permitting, as well as design of wastewater discharge and recycling projects.

Reference: Proposal- Wastewater Collection System Master Plan

Below are brief summaries of relevant projects:

- 1. Lincoln Sewer Master Plan Update and Capital Improvement Recommendations, Lincoln, CA:**
Stantec evaluated the wastewater collection system capacity needs within current and future boundaries of the City. Stantec built a hydraulic model of the City's collection system to simulate various flow conditions within the system. This process included updating the City's GIS database of the sewer system using record drawings and survey information, as well as collecting flow monitoring data to identify sources of I/I and calibrate the model. The calibrated model was used to evaluate the capacity of the existing collection system and identify improvements to address existing capacity concerns. Projections of the future wastewater flow were developed using historical wastewater flow and population data in conjunction with development densities and land uses from the City's General Plan. Future flow projections were added to the model and used to develop phasing strategies for Capital Improvement Projects (CIP) to serve build-out of the City's General Plan and regional flow contributors. The data was compiled in a CIP list that the City has used to develop user fees and future connection fees. Since the development of the hydraulic model, the City has called on Stantec to provide specific analysis for on-going developments. Through these efforts, the existing system model has been expanded to include smaller diameter pipelines and evaluate alternative servicing strategies than those presented in the Master Plan. Gabe Aronow led the land use planning, wastewater generation estimates, GIS model review, flow monitoring evaluation, condition assessment, and will review the master plan. Breanna Webb prepared the wastewater generation estimates, built and calibrated the model, review the infrastructure conditions, and will write the master plan document. Gabe and Breanna are currently assessing the sewer lift stations for rehabilitation needs and preparing the Collection System Master Plan Update.
- 2. Benicia Water and Wastewater Master Plan Update and Condition Assessments, Benicia, CA:**
The City's wastewater infrastructure includes a 12-MGD wastewater treatment plant, 23 sewage lift stations, and 150 miles of sewer collection system with high flow diversion facilities and an effluent outfall to the Carquinez Strait. All the facilities operate acceptably, however, most of the City and wastewater facilities were built in the 1960s, leaving some critical infrastructure nearing the end of its useful life. This project included physical inspection of all accessible assets with discipline experts (structural, civil, mechanical, electrical, instrumentation, SCADA), ranking assets based on condition and risk, and identifying recommended improvements. The project also modeled the water distribution system and wastewater collection system to identify capacity constraints and assess reliability and sustainability improvements. Prospective water and wastewater permit drivers for future improvements were also identified along with possible funding programs. The deliverables included water and wastewater master plan update documents, each comprised of 13 technical memorandums that summarized the assessment of all the City's assets and recommended CIP improvements. CIP projects were prioritized by risk, which was determined as the product of the likelihood of failure and the consequence of failure. Gabe Aronow was the project manager and technical lead. Breanna Webb evaluated alternatives and presented the results in a capacity evaluation report.
- 3. Los Olivos Septic to Sewer Project, Los Olivos, CA:** Stantec prepared the topographic survey, the 30% engineering design, and cost estimate for a gravity sewer collection system for the 376 parcels within the Los Olivos Special Problems Area that are currently utilizing septic systems. The design includes 32,750 linear feet of gravity sewer mains, 101 sewer maintenance holes, and a lift station. The project also included a location study, solids loading calculations, and preliminary site layout for the

Reference: Proposal- Wastewater Collection System Master Plan

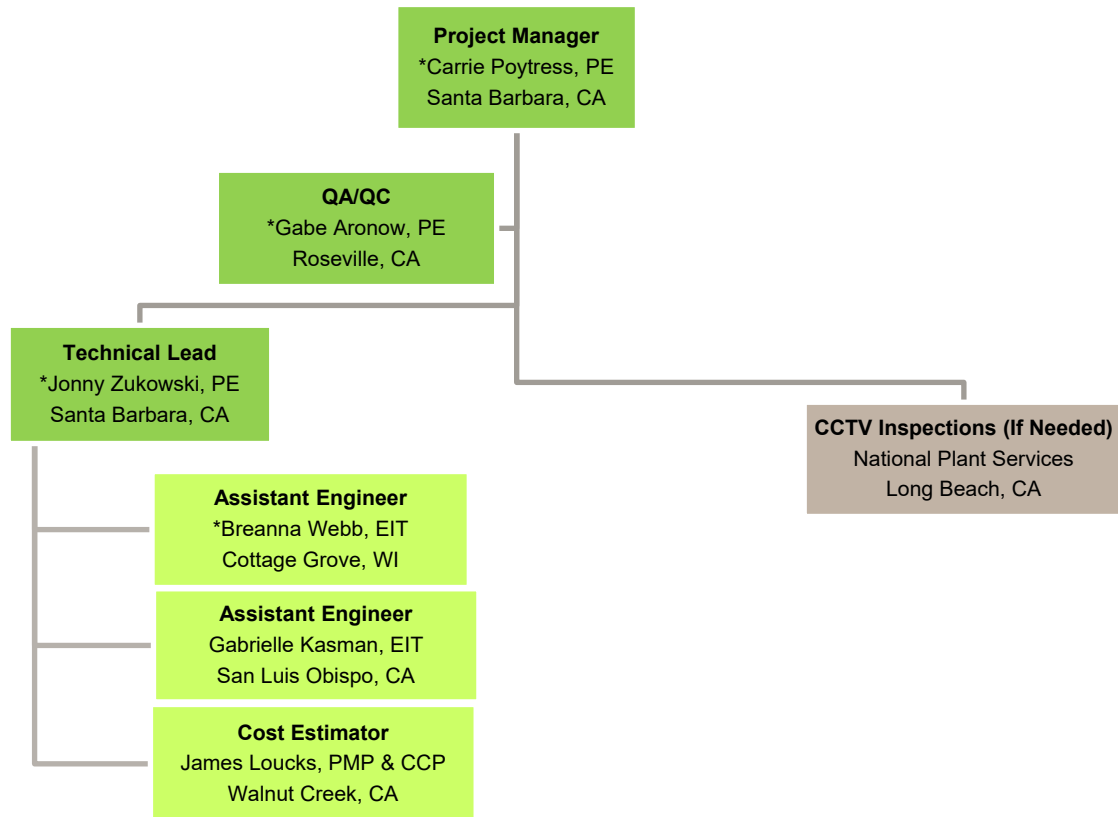
treatment plant. The Los Olivos Community Services District is currently comparing the gravity system to a hybrid collection system and connecting to the City of Solvang for treatment. Carrie Poytress and Jonny Zukowski designed the sewer collection system and prepared the 30% submittal package. Matthew Vernon reviewed the topographic survey for accuracy and completeness. Gabe Aronow prepared the loading calculations and reviewed the collection system design. Carrie and Gabe laid out the treatment plant to be accessible and adaptable to multiple site locations. Carrie also presented the gravity collection system alternative at a community meeting.

4. **Manteca Wastewater Collection System Master Plan and Sewer Rate Study, Manteca, CA:** After building a trusted partnership with the City of Manteca over the past decade, Stantec prepared a Collection System Master Plan (finalized in 2023). Stantec developed a wastewater model of the City's existing collection system after reviewing flow data, historical sanitary sewer overflows (SSOs), condition assessment data (previously done by Stantec on 52,150 linear feet of gravity sewer piping and 187 manholes), O&M maintenance records, GIS and land use maps, and record drawings. Stantec's subconsultant, V&A, provided a flow monitoring study that was used to calibrate the hydraulic model and capture flow patterns from distinct land use types. To identify issues and deficiencies within the current system, the new model will help the City identify the level of service performance of the existing system under dry and wet weather flow conditions. Stantec prepared the Collection System Master Plan with detailed recommendations for follow-up actions to address sewer repairs and rehabilitations. Additionally, Stantec provided cost opinions and priorities for recommended projects to be incorporated into the City's CIP program. Gabe Aronow was the technical lead and Breanna Webb built the model and prepared the master plan.
5. **Dixon Sewer Collection System Master Plan, Dixon, CA:** Stantec prepared the Collection System Master Plan that included analysing the existing data (record drawings, GIS database, LiDAR data, hydraulic modeling, CCTV inspections, SSO and complaints) to help assess conflicts and identify data gaps. Our team determined dry and wet weather flow projections, rainfall dependent I/I and established unit flow factors for land use types to develop design-flow criteria. The team conducted a hydraulic analysis and developed a new collection system hydraulic model, including flow monitoring to calibrate the model. Stantec updated the GIS database with modified diameters, invert and rim elevations and field findings. The new Collection System Master Plan includes assessment of asset conditions, identified performance deficiencies and mitigation recommendations, and proposed improvements through development of a CIP list with construction cost estimates and five- and 10-year priority projects. Gabe Aronow provided QA/QC for model and master plan deliverables. Breanna Webb built and calibrated the model, updated the GIS, and assisted the City with the condition assessment.

c. Personnel

Carrie Poytress will be the Project Manager and the main point of contact for the Stantec team. Gabe Aronow will be the QA/QC Lead. Jonny Zukowski will be the Technical Lead and Breanna Webb will work closely with Jonny to ensure the wastewater collection system master plan meets the District's objectives and quality standards. Our organization chart below demonstrates how our team members will be organized and managed to help ensure the project runs smoothly and efficiently. The office location for each person is also included. The key positions are noted with an asterisk.

Reference: Proposal- Wastewater Collection System Master Plan



Organization Chart

d. Client References

1. Araceli Cazarez, Engineering Manager
City of Lincoln
600 Sixth Street
Lincoln, CA 95648
916-434-2486
araceli.cazarez@lincolnca.gov
2. Somporn Boonsalat, Deputy Engineering Director
City of Manteca
1001 West Center Street
Manteca, CA 95337
209-456-8429
sboonsalat@manteca.gov
3. Carrie Wenslawski, Public Works Management Analyst
City of Benicia
250 East L Street
Benicia, CA 94510
707-746-4236
cwenslawski@ci.benicia.ca.us

Reference: Proposal- Wastewater Collection System Master Plan

3 Project Understanding and Approach

The District has not had a wastewater collection system master plan in the past. The previous 2004 Site Master Plan was focused on the treatment plant site with no information or recommendations for the collection system. With increasing infill development and sewer main extensions projects constructed sporadically, a collection system master plan is overdue. The master plan will be a critical tool for maintaining a reliable and efficient wastewater collection system, supporting both current and future community needs. The plan will meet several purposes:

1. **Condition Assessment-** evaluates the current state of the collection system.
2. **Life Expectancy Analysis-** uses the condition assessment to determine when the collection system cannot function without substantial investment per the Regional Water Quality Control Board's (RWQCB) requirements.
3. **Regulatory Compliance-** helps ensure that the collection system meets all relevant regulatory, environmental, and public health requirements.
4. **Capital Improvement Planning-** prioritizes and schedules projects to help allocate funding efficiently.
5. **Documentation-** provides documentation to inform the public and District Board

The collection system master plan will act as a road map and the CIP is the destination. In this way, the resulting CIP will be what the District works with over time to implement, capital project by capital project.

Scope of Work

The Scope of Work is broken down by tasks and subtasks with deliverables noted for each task. Milestones are noted with an asterisk (*) in the deliverables list for each task. *The proposed revisions in the scope of work are noted in italics.*

TASK 1 PROJECT MANAGEMENT

1.1 Meetings

Stantec will invite key staff members to participate in meetings with Montecito Sanitary District. The anticipated meetings include the following:

- Project kick-off meeting, video conference with three (3) Stantec representatives
- Ten (10) video conferences with three (3) Stantec representatives
- Two (2) in person meetings with one (1) Stantec representative.

Stantec will attend the kick-off meeting with District staff to refine the project scope and objectives and to identify critical project success factors, including conflicts and schedule concerns. Stantec will prepare a

Reference: Proposal- Wastewater Collection System Master Plan

schedule for completion of the project to be discussed at the kick-off meeting. The schedule will include milestone dates for submittals and key meetings. We anticipate two weeks for District review of each submittal. Stantec will prepare and distribute the meeting summary within one week following the meeting.

Stantec will participate in regular review video conference meetings to be conducted at appropriate intervals throughout the project to facilitate communication and ensure that work is being completed in accordance with the scope of services. An average of one meeting per month is envisioned, although additional informal meetings and communications will occur in conjunction with the conduct of specific tasks.

1.2 Project Management

Stantec will provide an experienced project manager to lead the project and act as the point of contact for the Stantec team. The project management task will include the following key sub-tasks:

1. General project coordination and communication.
2. Management of scope, schedule, budget, and internal project team. Stantec anticipates two weeks for District review of each deliverable.
3. Preparation of monthly invoices and update schedule throughout the project.
4. Project closeout activities and final delivery and approval of the project.

1.3 Presentations

Stantec will prepare two presentations for the District Board to explain the goals and objectives to the Wastewater Collection System Master Plan. *Stantec will provide the slides to the District prior to the presentation for review and will incorporate comments. The final slides will be provided to the District.*

1.4 Quality Control/ Quality Assurance

Stantec will develop and implement proven QA/QC measures throughout the project to ensure ongoing and consistent quality control throughout the project. As part of the QA/QC measures, Stantec will capture comments from review meetings and submittals, and thoroughly check the work product to ensure that comments are addressed.

Task 1 Deliverables:

- Kick-off meeting summary (Word and PDF)
- Monthly progress report and invoices (PDF)
- *Goals and objectives presentation slides (PowerPoint and PDF)*

TASK 2 EXISTING SYSTEM OVERVIEW (CONDITION ASSESSMENT)

Stantec will review existing information to determine the condition of the existing wastewater collection system. Existing system overview items will include the following:

Reference: Proposal- Wastewater Collection System Master Plan

2.1 Review Existing Information

Stantec will provide a list of existing information for the District to provide such as existing plans, reports, and documents including available maps, drawings, and other visual/graphic data (i.e., District atlas maps, record drawings, CCTV inspection reports and logs, physical inspection records, and photographs, etc.). Stantec will review the information and the most recent version of the District's existing Sewer System Management Plan (SSMP), to obtain familiarity with the District's existing system, programs, and areas of identified improvements. The Master Plan document will incorporate any Capital Improvement Projects that the SSMP has identified as areas of concern/improvement.

Stantec will conduct interviews with District Operation and Maintenance staff and review maintenance and overflow records. *Based on information from the District, Stantec will document the cleaning frequency and characterize the typical wastewater flow within each pipeline and discuss where the cleaning frequency has negative impact to the District's operations. It is our understanding that some locations are being cleaned more often than the District wants due to hydraulic/alignment issues.* The District will provide a list of areas where existing sewer capacity issues are known for Stantec to review.

The District has a CCTV program with a goal to perform CCTV of the entire collection system every six years. Stantec will review the existing CCTV program and based on communication with District O&M staff, will provide input on if the District needs to add more staff and equipment, contract out a portion of the CCTV services to a private firm, partner with a nearby agency to share resources, or other innovative strategies to meet the CCTV goal for the District. The analysis shall consider current staffing levels as part of the analysis and what impact any future full time equivalent (FTEs) would be realized.

Stantec will review the previously prepared Climate Change Adaptation Program Coastal Hazards Monitoring Plan to obtain an understanding of the identified impacts to the specific District infrastructure. The information located in the Coastal Hazards Monitoring Plan will be used in Task 3.

2.2 Field Investigation

Stantec will prepare a lift station condition field assessment form that will be filled out with Stantec and District Operations and Maintenance staff together for each lift station which includes the following sections:

- *Mechanical equipment*
- *Electrical and instrumentation equipment*
- *Structural*
- *Above-ground piping*
- *Site security*
- *Site civil condition*
- *Miscellaneous*
- *Consequence of failure*
- *Probability of failure*
- *Redundancy*
- *Photograph checklist*
- *Additional findings unique to the facility*

Reference: Proposal- Wastewater Collection System Master Plan

The completed forms will be submitted to the District as an Appendix in the conditions assessment technical memorandum.

Information on the existing conditions of the manholes will be provided by the District. No field review or manholes inspections will be performed.

Pipelines will be CCTV inspected by the District during low flow periods without the use of bypass pumping or flow diversions for any locations that have not been inspected in the last 3 years. The District will use the Pipeline Assessment Certification Program (PACP) Methodology developed by NASSCO to rate the structural and operational condition of existing CCTV inspected sewers. Stantec will use that information and assign a risk score for each defect found per its condition and consequence of failure rating system.

The results will be used to map the condition of sewers throughout the collection system and identify high priority locations that may require immediate attention. The assessment will also provide recommendations for future condition assessment programs, and operational programs to address issues identified during the baseline assessment.

Below is a consequence of failure score example:

Risk Score = Condition x Consequence		Condition Score (Probability of Failure)				
		1 Very Good	2 Good	3 Fair	4 Poor	5 Very Poor
Consequence of Failure	C Low Impact	4	5	4	2	4
	M Medium Impact	4	4	3	2	1
	A High Impact	4	4	6	1	1

Number of Facilities	
High	2
Medium	14
Low	15

2.3 Condition Assessment Database

The data collected from the inspections and reviews will be entered into a computer database program and provided to the District. The database will be structured/ designed for ongoing use by the District and can be linked to other interceptor databases and maps developed in this project. Stantec and the District will agree to the database format and program.

2.4 Analysis and Technical Memorandum

Stantec will analyze the condition assessment data collected along with other information (e.g., pipeline age and material, evidence of I/I, O&M staff observations) to prioritize reaches for further CCTV inspection.

Reference: Proposal- Wastewater Collection System Master Plan

Stantec will prepare draft and final technical memoranda for District review, summarizing the condition inspections and recommending additional CCTV inspections. *Stantec anticipates two weeks for the District to review the draft memorandum and then Stantec will meet with the District to review the District comments on the deliverable. Stantec will incorporate the comments into the final technical memorandum document and provide the final technical memorandum in electronic format (MS Word and .pdf along with all the exhibits that are included in the document)*

2.5 Additional CCTV

Upon authorization by the District, National Plant Services as a subconsultant to Stantec, will perform additional CCTV inspections at an agreed-upon price. The additional data from these inspections will be added to the condition database. The estimated costs and fees for this task are specifically excluded.

Task 2 Deliverables:

- *Request for information list (Excel)*
- *Condition assessment database (to be agreed upon format)*
- *Draft conditions assessment technical memorandum (Word and PDF)*
- *Final conditions assessment technical memorandum (Word and PDF)*

TASK 3 CLIMATE CHANGE ADAPTATION PROGRAM – LIFE EXPECTANCY ANALYSIS

The purpose of the life expectancy analysis (Phase II of the Adaptation Program) is to determine when the facility and associated infrastructure cannot function based age, location, and environmental risks without substantial investment in new infrastructure and protective measures, at which point it might be appropriate to relocate the existing facility or associated infrastructure. The life expectancy analysis will include information on each component of the collection system (mains, lift stations, manholes, etc.). A condition assessment and evaluation of the District's treatment plant components has been completed by another consultant and will be provided to Stantec. Stantec will coordinate the collection system life expectancy analysis to follow the format of the treatment plant report and combine the two sections into one document that covers both collection and treatment plant components. Stantec will reference the treatment plant report but will not make changes to their analysis or recommendations. The life expectancy analysis will consist of the following tasks:

3.1 Data Collection and Review

Stantec will review the previously prepared Coastal Hazards Monitoring Plan (Task 2.1) to understand the areas of the District where the life expectancy analysis is to focus. A District wide review is also warranted to better understand the impacts of climate change elsewhere in the District (non-coastal).

3.2 Draft Technical Memorandum Deliverable

As outlined in the Regional Water Quality Control Board NPDES permit for the District, Stantec will review the requirements in Section 6.3.6.1 (Attachment B) to develop a draft life expectancy analysis technical

Reference: Proposal- Wastewater Collection System Master Plan

memorandum that encompasses the following: information on each component of the collection system (mains, lift stations, manholes, etc.), the installation date of the equipment/asset, upgraded equipment/asset dates and the current condition of that equipment/asset, major upgrade events, the expected lifespan and repair/maintenance and replacement costs of each item of equipment or asset based on industry accepted sources, manufacturer's information, or the reports of other municipalities with similarly sized facilities and the expected remaining years of use for the overall associated infrastructure.

3.3 Final Technical Memorandum Deliverable

Stantec anticipates two weeks for the District to review the draft memorandum and then Stantec will meet with the District to review the District comments on the deliverable. Stantec will incorporate the comments into the final technical memorandum document and provide the final technical memorandum in electronic format (MS Word and .pdf along with all the exhibits that are included in the document). Stantec will combine the treatment plant component life expectancy analysis with the collection system analysis. Stantec will provide the combined report to the District, but it is the District's responsibility to submit this combined deliverable to the RWQCB by May 4, 2025, for Executive Officer approval.

Task 3 Deliverables:

- Draft collection system life expectancy analysis technical memorandum (Word and PDF)
- Final collection system life expectancy analysis technical memorandum (Word and PDF)

TASK 4 FUTURE REGULATORY CONSIDERATIONS

Task 4.1 Sewer Lateral Infiltration and Inflow (I/I) Mitigation.

The District has certain areas of the collection system with infiltration from elevated groundwater that presents itself after continued rain events cause the groundwater to rise. While the District has lined several main pipelines, the District noticed an increase in influent wastewater flow within the sewer mains and to the treatment plant over multiple days during the recent rainy season.

Stantec will prepare a draft technical memorandum outlining what options the District has for managing groundwater infiltration into the collection system. The technical memorandum will review and comment on the current ordinance stating the current sewer lateral is private property ownership, how other wastewater agencies are addressing the private lateral repair/rehabilitation/sealing issue at an agency level to reduce the infiltration. The technical memorandum will include different technologies for lateral replacement (conventional and trenchless), financial aspects/programs being implemented by other wastewater agencies and legal processes surrounding the private property lateral requirements. The technical memorandum will include a cost/benefit review of addressing the infiltration occurring within private laterals.

Stantec anticipates two weeks for the District to review the draft technical memorandum and then Stantec will meet with the District to review the District comments on the deliverable. Stantec will incorporate the comments into the final technical memorandum document and provide the final technical memorandum in electronic format (MS Word and .pdf along with all the exhibits that are included in the document).

Reference: Proposal- Wastewater Collection System Master Plan

Task 4 Deliverables:

- Draft infiltration and inflow management technical memorandum (Word and PDF)
- Final infiltration and inflow management technical memorandum (Word and PDF)

TASK 5 CAPITAL IMPROVEMENT PROGRAM

The purpose of the Capital Improvement Program (CIP) task is to develop a prioritized list of repairs, replacements, and new facilities to the wastewater collection system, their cost and schedule. The District contracts with a consulting firm that updates and maintains the existing District collection system wastewater model. Coordination with that consulting firm will be required during this task to obtain the information regarding the system flows and potential capacity issue areas during modeled or previously flow metered events *and future flows from future septic to sewer projects The solution to the potential capacity issues shall be provided by the modeling consultant for inclusion into the CIP list.* Recommended major pipeline repair/rehabilitation projects and additional I/I investigations will then be included in the Capital Improvement Program *and will need to be modeled by the modeling consultant to understand the impacts of these projects. The modeling results will be provided to Stantec to help inform our recommendations.* This task consists of the following activities:

5.1 Project Identification

Stantec will review the current Capital Improvement Project (CIP) list. Stantec will work with the District staff to develop a list of evaluation criteria and a weight for each criterion. Mutually, Stantec and the District will assign a score for each evaluation criterion for each project. Stantec will develop a prioritized list of recommended system improvement and replacement projects that can be implemented over the next 10 years.

5.2 Project Development

For each capital improvement project, Stantec will provide a brief graphic and narrative conceptual design summary describing the anticipated improvements, estimated cost, and basis for improvements. *We assume that each project summary will be one (1) page.*

Stantec will develop a planning-level unit costs database for major pipeline components. The unit costs will provide the basis for future planning-level cost estimates. The costs will be based upon the Consultant's experience, as well as any unit cost information that the District has obtained from recent infrastructure construction projects. Stantec will include the rationale and basis for the unit costs in the master plan.

Stantec will develop project phasing (2-to-5-year increments, including 10 year) based on priority and the District's anticipated available funds each year.

5.3 Develop Implementation Strategy

Stantec will conduct a replacement/ rehabilitation needs analysis that defines long-term replacement/ rehabilitation costs and provides the tools required to establish sound financial replacement/ rehabilitation

Reference: Proposal- Wastewater Collection System Master Plan

strategies. The results of this effort will include projected asset replacement/ rehabilitation costs on a year-by-year basis through the planning period, and recommendations regarding long-term financial strategies to meet replacement/ rehabilitation needs. The implementation strategy will keep the life expectancy analysis as a separate component of the strategy. This will allow the District to see the immediate projects and ones that may be necessary beyond the document 10-year window, but that should be tracked.

Task 5.4 CIP Documentation

The data collected (e.g., priority list, costs, etc.) and the results of the data analysis will be provided to the District in the form of a digitized database and technical memorandum. *Draft and final technical memorandums will be submitted for review and approval. Stantec anticipates two weeks for the District to review the draft memorandum and then Stantec will meet with the District to review the District comments on the deliverable. Stantec will incorporate the comments into the final technical memorandum document and provide the final technical memorandum in electronic format (MS Word and .pdf along with all the exhibits that are included in the document).*

Task 5 Deliverables:

- Planning-level unit costs database (to be agreed upon)
- Draft CIP technical memorandum (Word and PDF)
- Final CIP technical memorandum (Word and PDF)

TASK 6 REPORTS AND DOCUMENTATION

The purpose of this task is to provide concise documentation of the Master Plan and present the recommended capital improvement program. Project documentation shall consist of the following:

6.1 Master Plan Report

Stantec will prepare the formal Master Plan Report consisting of summary sections, final technical memoranda prepared as part of the previous tasks, and the required appended materials and documents. The final report will contain reference information as well as stand-alone documents that would be suitable for distribution to the public or used for briefings to the District Board on the key elements of the plan and its implementation. A draft master plan report will be prepared for review and comment. The final document will be submitted as original five (5) bound hard copies, and as a PDF of the entire document for archiving and reprinting.

6.3 Electronic Report Support

A PDF version of the Master Plan Report shall be prepared (one electronic .pdf version). After the final acceptance of the electronic report. Stantec will be available to assist the District's information technology staff with the integration of the PDF report into the District's Internet home page.

Reference: Proposal- Wastewater Collection System Master Plan

Task 6 Deliverables:

- Draft Master Plan Report (Word and PDF)
- Final Master Plan Report (Word, PDF, and 5 hard copies)

4 Estimated Schedule

The estimated project schedule by Task is shown in Table 1, on the following page, to complete the Scope of Work *(to be updated based on the notice to proceed date and as agreed to at the kick-off meeting)*. The Climate Change Adaptation Program Life Expectancy Analysis Task 3.3 Final Technical Memorandum Deliverable is due to the RWCQB by May 4, 2025. The Technical Memorandums and Master Plan report are the milestones. This schedule assumes two weeks for the District to review each deliverable.

5 Fee Estimate

Table 2 shows the fee estimate including the work effort in hours estimated to complete this project by personnel, task, and billing level. The billing levels correspond to billing rates on the attached Stantec 2025 Rate Sheet. A billing rate sheet is also included for National Plant Services.

Table 1 Schedule by Task

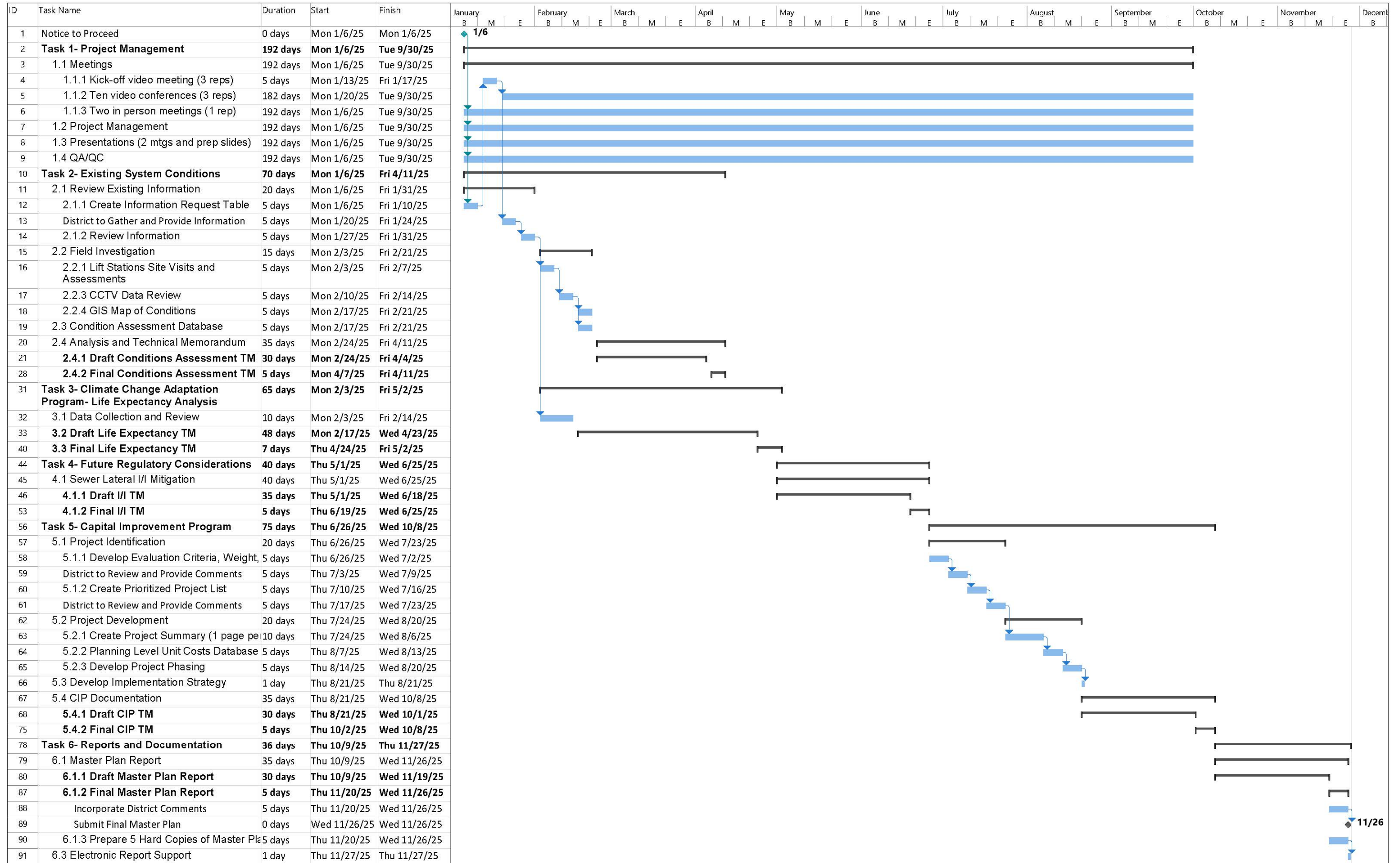


Table 2 Fee Estimate

	Project Manager	QA/QC	Technical Lead	EIT	EIT	Cost Estimator	GIS Support	Expenses	
Name	Poytress, Carrie	Aronow, Gabe	Zukowski, Jonny	Webb, Breanna	Kasman, Gabrielle	Loucks, James	Cha, Curtis		
Billing Level	Level 15	Level 18	Level 14	Level 12	Level 10	Level 16	Level 11		
Project Billing Rate (T&M)	274	302	261	231	204	292	219	\$1.05	
Total Units (T&M)	210	48	268	64	232	40	86	371.43	
Total Fee (T&M)	\$57,540	\$14,496	\$69,948	\$14,784	\$47,328	\$11,680	\$18,834	\$390	

	Hours	Labour	Expense	Total
Total	948	\$234,610	\$390	\$235,000

Task	Task Name	Units								Hours	Labour	Expense	Total
1	Project Management									174	\$48,348	\$21	\$48,369
1.1	Meetings									42	\$10,836	\$21	\$10,857
1.1.1	Kick-off video meeting (3 representatives)	4		2	2					8	\$2,080	\$0	\$2,080
1.1.2	Ten video conferences (3 representatives)	10		10	10					30	\$7,660	\$0	\$7,660
1.1.3	Two in person meetings (1 representative)	4						20		4	\$1,096	\$21	\$1,117
1.2	Project Management	72								72	\$19,728	\$0	\$19,728
1.3	Presentations (2 meetings and prep of slides)	12								12	\$3,288	\$0	\$3,288
1.4	QA/QC		48							48	\$14,496	\$0	\$14,496
2	Existing System Conditions									216	\$52,042	\$0	\$52,042
2.1	Review Existing Information									42	\$10,042	\$0	\$10,042
2.1.1	Create Information Request Table	2		4						6	\$1,592	\$0	\$1,592
2.1.2	Review Information	2		16	2	16				36	\$8,450	\$0	\$8,450
2.2	Field Investigation									46	\$11,904	\$0	\$11,904
2.2.1	Lift Stations Site Visits and Assessments	12								12	\$3,288	\$0	\$3,288
2.2.2	CCTV Data Review	4		20						24	\$6,316	\$0	\$6,316
2.2.3	GIS Map of Conditions	2						8		10	\$2,300	\$0	\$2,300
2.3	Condition Assessment Database	2		20	8	8		20		58	\$13,628	\$0	\$13,628
2.4	Analysis and Technical Memorandum									70	\$16,468	\$0	\$16,468
2.4.1	Draft Conditions Assessment TM	8		16		20		4		48	\$11,324	\$0	\$11,324
2.4.2	Final Conditions Assessment TM	2		8		8		4		22	\$5,144	\$0	\$5,144
3	Climate Change Adaptation Program- Life Expectancy Analysis									136	\$30,790	\$0	\$30,790
3.1	Data Collection and Review	2		2	2	4				10	\$2,348	\$0	\$2,348
3.2	Draft Life Expectancy TM	6		20	20	48		20		114	\$25,656	\$0	\$25,656
3.3	Final Life Expectancy TM	2		2	2	4		2		12	\$2,786	\$0	\$2,786
4	Future Regulatory Considerations									48	\$11,970	\$0	\$11,970
4.1	Sewer Lateral I/I Mitigation									48	\$11,970	\$0	\$11,970
4.1.1	Draft I/I TM	4		16	8			4		32	\$7,996	\$0	\$7,996
4.1.2	Final I/I TM	2		8	2			4		16	\$3,974	\$0	\$3,974
5	Capital Improvement Program									286	\$70,848	\$0	\$70,848
5.1	Project Identification									60	\$15,180	\$0	\$15,180
5.1.1	Develop Evaluation Criteria, Weight, and Score	4		16	8	4		4		36	\$8,812	\$0	\$8,812
5.1.2	Create Prioritized Project List	8		16						24	\$6,368	\$0	\$6,368
5.2	Project Development									142	\$35,468	\$0	\$35,468
5.2.1	Create Project Summary (1 page per project, assume 20 projects)	4		32		48				84	\$19,240	\$0	\$19,240
5.2.2	Planning Level Unit Costs Database	2		4		4		40		50	\$14,088	\$0	\$14,088
5.2.3	Develop Project Phasing	4		4						8	\$2,140	\$0	\$2,140
5.3	Develop Implementation Strategy	8		4						12	\$3,236	\$0	\$3,236
5.4	CIP Documentation									72	\$16,964	\$0	\$16,964
5.4.1	Draft CIP TM	4		20		20		4		48	\$11,272	\$0	\$11,272
5.4.2	Final CIP TM	4		8		8		4		24	\$5,692	\$0	\$5,692
6	Reports and Documentation									88	\$20,612	\$369	\$20,981
6.1	Master Plan Report									84	\$19,516	\$369	\$19,885
6.1.1	Draft Master Plan Report	8		12		32		4		56	\$12,728	\$0	\$12,728
6.1.2	Final Master Plan Report	4		8		8		4		24	\$5,692	\$0	\$5,692
6.1.3	Prepare 5 Hard Copies of Master Plan Report	4							351.43	4	\$1,096	\$369	\$1,465
6.2	Electronic Report Support	4								4	\$1,096	\$0	\$1,096

Reference: Proposal- Wastewater Collection System Master Plan

6 Conflicts

There are no known conflicts at this time which could affect Stantec's ability to perform the work in a timely fashion over the duration of the contract.

7 Quality Assurance/ Quality Control

Our QA/QC program has been well-tested and has been successful over time because of our firm's diverse experience and expertise. Our QA/QC process involves proactive planning and implementation of appropriate procedural controls to provide and promote consistent delivery of high-quality services and work products. Stantec employs a technical expert review for every deliverable produced.

We internally perform intra-discipline QC meetings to avoid conflicts and address gaps and overlaps in designs. Then comments are addressed by the design team and responses are documented. This process allows us to review all content with an experienced engineer and with knowledge of the project, as well as our technical advisors who can look for issues that may not be apparent to those who have been involved in the day-to-day preparation of the deliverable. In addition to this two-step review, all project activities and deliverables are overseen and checked by the task leads for the project. This strategy not only provides thorough quality assurance for our deliverables but also provides consistency amongst analyses and deliverables. The same rigor is applied to our subconsultants work. The implementation of our QA/QC plan will result in a high-quality design and a successful project on time and within budget.

For this contract, Gabe Aronow will serve as our QA/QC lead and will develop a specific QA/QC plan for this project and auditing documentation to help ensure adherence to the QA/QC plan throughout the project. Gabe Aronow will sign off on each deliverable to confirm that the QA/QC process is being followed and will be available to discuss results of the quality process directly with the District.

8 Assumptions

This proposal includes the following assumptions and additional comments:

- Stantec will provide the list of requested information at the project kick-off meeting. The schedule assumes the District will provide the information within 1 week.
- Two weeks for District review of each deliverable.
- Twenty projects were assumed for the project summary pages.
- The District will provide one set of combined comments from each draft technical memorandum or report. The agreed upon comments will be incorporated into the final technical memorandum or report.
- It is the District's responsibility to submit this combined deliverable to the RWQCB by May 4, 2025, for Executive Officer approval.

Reference: Proposal- Wastewater Collection System Master Plan

Services Not Included

The following services and all other services not specifically listed herein are excluded:

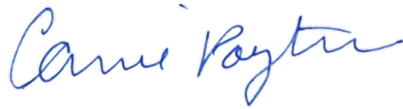
1. Governmental and public agency fees.
2. Sub-surface utility detection or potholing services.
3. Updating or calibrating the sewer collection model.
4. Running the sewer collection model.
5. Revisions to work completed or underway due to a change in information or instruction provided to Stantec by the District. A request for authorization of additional services would be provided for District approval prior to any additional work.
6. CCTV inspections (the estimated costs and fees are excluded per the District's direction)
7. Services not listed herein.

9 Contract Requirements

Stantec has reviewed the Professional Services Agreement (PSA) provided by the District in the RFP. Stantec has accepted the revised terms of the Agreement.

Regards,

Stantec Consulting Services Inc.



Carrie Poytress P.E.
Senior Technical Leader
Phone: (805) 308-9158
carrie.poytress@stantec.com

Attachment: Stantec 2025 Rate Sheet, National Plant Services Rates Email

SCHEDULE OF BILLING RATES – 2025

Billing Level	Hourly Rate	Description												
3	\$133	Junior Level position <input type="checkbox"/> Independently carries out assignments of limited scope using standard procedures, methods, and techniques <input type="checkbox"/> Assists senior staff in carrying out more advanced procedures <input type="checkbox"/> Completed work is reviewed for feasibility and soundness of judgment <input type="checkbox"/> Graduate from an appropriate post-secondary program or equivalent <input type="checkbox"/> Generally, one to three years' experience												
4	\$141													
5	\$158													
6	\$165	Fully Qualified Professional Position <input type="checkbox"/> Carries out assignments requiring general familiarity within a broad field of the respective profession <input type="checkbox"/> Makes decisions by using a combination of standard methods and techniques <input type="checkbox"/> Actively participates in planning to ensure the achievement of objectives <input type="checkbox"/> Works independently to interpret information and resolve difficulties <input type="checkbox"/> Graduate from an appropriate post-secondary program, with credentials or equivalent <input type="checkbox"/> Generally, three to six years' experience												
7	\$179													
8	\$187													
9	\$195	First Level Supervisor or first complete Level of Specialization <input type="checkbox"/> Provides applied professional knowledge and initiative in planning and coordinating work programs <input type="checkbox"/> Adapts established guidelines as necessary to address unusual issues <input type="checkbox"/> Decisions accepted as technically accurate, however may on occasion be reviewed for soundness of judgment <input type="checkbox"/> Graduate from an appropriate post-secondary program, with credentials or equivalent <input type="checkbox"/> Generally, five to nine years' experience												
10	\$204													
11	\$219													
12	\$231	Highly Specialized Technical Professional or Supervisor of groups of professionals <input type="checkbox"/> Provides multi-discipline knowledge to deliver innovative solutions in related field of expertise <input type="checkbox"/> Participates in short- and long-range planning to ensure the achievement of objectives <input type="checkbox"/> Makes responsible decisions on all matters, including policy recommendations, work methods, and financial controls associated with large expenditures <input type="checkbox"/> Reviews and evaluates technical work <input type="checkbox"/> Graduate from an appropriate post-secondary program, with credentials or equivalent <input type="checkbox"/> Generally, ten to fifteen years' experience with extensive, broad experience												
13	\$241													
14	\$261													
15	\$274	Senior Level Consultant or Management <input type="checkbox"/> Recognized as an authority in a specific field with qualifications of significant value <input type="checkbox"/> Provides multi-discipline knowledge to deliver innovative solutions in related field of expertise <input type="checkbox"/> Independently conceives programs and problems for investigation <input type="checkbox"/> Participates in discussions to ensure the achievement of program and/or project objectives <input type="checkbox"/> Makes responsible decisions on expenditures, including large sums or implementation of major programs and/or projects <input type="checkbox"/> Graduate from an appropriate post-secondary program, with credentials or equivalent <input type="checkbox"/> Generally, more than twelve years' experience with extensive experience												
16	\$292													
17	\$301													
18	\$302	Senior Level Management under review by Vice President or higher <input type="checkbox"/> Recognized as an authority in a specific field with qualifications of significant value <input type="checkbox"/> Responsible for long range planning within a specific area of practice or region <input type="checkbox"/> Makes decisions which are far reaching and limited only by objectives and policies of the organization <input type="checkbox"/> Plans/approves projects requiring significant human resources or capital investment <input type="checkbox"/> Graduate from an appropriate post-secondary program, with credentials or equivalent <input type="checkbox"/> Generally, fifteen years' experience with extensive professional and management experience												
19	\$313													
20	\$324													
21	\$344													
Survey Crews		<table border="1"> <thead> <tr> <th>Crew Size</th> <th>Regular Rate</th> <th>Overtime Rate</th> </tr> </thead> <tbody> <tr> <td>1-Person</td> <td>\$250</td> <td>\$307</td> </tr> <tr> <td>2-Person</td> <td>\$380</td> <td>\$495</td> </tr> <tr> <td>3-Person</td> <td>\$511</td> <td>\$683</td> </tr> </tbody> </table>	Crew Size	Regular Rate	Overtime Rate	1-Person	\$250	\$307	2-Person	\$380	\$495	3-Person	\$511	\$683
Crew Size	Regular Rate	Overtime Rate												
1-Person	\$250	\$307												
2-Person	\$380	\$495												
3-Person	\$511	\$683												

Expert Witness Services carry a 50% premium on labor. Overtime may be charged at 1.5 times the standard billing rate. All labor rates will be subject to annual increase.

T-3 2025 CA

Poytress, Carrie

From: Dennis Keene <dennis@nationalplant.com>
Sent: Tuesday, November 19, 2024 9:51 AM
To: Poytress, Carrie
Subject: Re: CCTV Inspections Montecito

Follow Up Flag: Follow up
Flag Status: Flagged

Good morning !

Sight unseen, a CCTV truck with an Operator and a Tech with a utility truck can inspect approximately 2700' per day.

This is assuming that all the pipe is clean, with multiple runs in sequence. If the segments are piecemeal and the crew has to move around a lot, the crew is not going to get the 2700' per day. As a starting point, our price per foot for 8" pipe is \$1.86/LF.

Inspection of 6" pipe is typically higher.

If you have a lot of pipe and can provide maps, we can give it a serious look. If the work is going to be piecemeal, for the sake of discussion, use \$5000/Day for the TV w/2 techs. We would welcome the opportunity to work with you. We are available to you at your convenience to meet with your and discuss this in more detail.

Thanks for contacting NPS. I hope to hear from you soon.

Regards,

Dennis Keene

President



NATIONAL PLANT SERVICES, INC.

1461 Harbor Avenue
Long Beach, CA 90813

Mobile: (310) 261-0970
Phone: (562) 436-7600
www.nationalplant.com



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

Phone: (805) 969-4200
www.montsan.org

MONTECITO SANITARY DISTRICT

STAFF REPORT – 5D

DATE: December 18, 2024

TO: Board of Directors

FROM: John Weigold, General Manager
Bryce Swetek, Engineering Manager

SUBJECT: Septic to Sewer Strategic Plan

RECOMMENDATION:

It is recommended that the Board consider:

1. Authorizing the General Manager to negotiate a contract with Water Systems Consulting (WSC) to prepare engineering planning documents for the Septic to Sewer Strategic Plan; and
2. Authorizing the General Manager to approve expenditures of up to twenty percent (20%) of the negotiated amount as an amendment allowance for any changes in scope of work.

DISCUSSION:

Background – Staff issued a Request for Proposal (RFP) seeking proposals from professional engineering consultants to prepare the District’s Septic to Sewer Strategic Plan (Strategic Plan) to address sewer main extensions to the unserved properties. The Strategic Plan will incorporate an overall plan for the system, but also consider gravity pipeline extensions, District owned/maintained lift stations, individual residential force main ejector pump systems, neighborhood low pressure force main network systems, etc. The District’s purpose for developing a Strategic Plan is to provide guidance to District staff and residents on what an effective sewer collection system would look like in their respective areas.

Request for Proposal Process and Results – Staff issued the RFP on October 18, 2024. Staff reached out to several consulting firms, including Carollo Engineers (Carollo), Kennedy Jenks (KJ), Cannon, HDR, NV5, MNS Engineers (MNS), Stantec Consulting Services (Stantec), and WSC. These eight firms were specifically pursued due to their

expertise in wastewater design, as well as having local experience. A virtual, non-mandatory pre-proposal meeting was held on November 6, 2024, and five of the firms attended. Staff received proposals from MNS, Stantec, and WSC on December 6, 2024. Carollo, KJ, HDR, and Cannon notified Staff that they decided not propose on the project primarily due to concerns regarding workloads and schedule. We are still seeking feedback from NV5.

District Staff and Phoenix Civil Engineering reviewed the proposals and filled out an Evaluation Form per consulting firm. The purpose of the evaluation is to review the firms’ qualifications, approach to the project, schedule, references, and level of effort. Each criterion was scored from 1-10 with 1 showing poorly and 10 showing excellence. The table below represents a summary of the evaluation as well as the anticipated fee and responsiveness from each firm:

Consulting Firm	Qualifications	Approach	Schedule	References	Level of Effort	Approximate Proposal Amount	Proposal Status
MNS	7.5	8	7	8	7	\$126,000	Responsive
Stantec	7.5	7.5	7	8	7.5	\$185,000	Responsive
WSC	8	8	7	8	7.5	\$120,000	Responsive (Recommended Firm)

Analysis – Justifications – The anticipated contract amount of approximately \$120,000 submitted by WSC is an acceptable bid that is responsive to and meets the requirements of the proposal. Staff notes all three firms were responsive, demonstrated clear collection system and alternative analysis experience, and are each capable of executing the project.

Staff recommends the Board authorize the General Manager to negotiate a contract with WSC. WSC’s proposal (Attachment 2) demonstrated relevant project experience, a well-rounded team of engineering and graphics professionals, an acceptable schedule, and includes a level of effort in line with the District’s expectations.

Fiscal Impact – The Septic to Sewer Strategic Plan is included in the Fiscal Year 2024-25 CIP Budget with \$150,000. Staff plans to negotiate with WSC to look for efficiencies and confirm scope of this effort. Staff notes a recent contract with WSC for the District’s Sewer Model, which will be utilized to inform the Septic to Sewer Strategic Plan. Additionally, Staff plans to contract out project management work for this effort which is anticipated to cost \$10,000.

DEPARTMENTS INVOLVED: Engineering, Collections, and Administration

ATTACHMENTS:

1. Montecito Sanitary District RFP
2. WSC Proposal



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108
General Manager: John Weigold

A Public Service Agency

PHONE: (805) 969-4200
FAX: (805) 969-9049
E-MAIL: jweigold@montsan.org

Request for Proposal (RFP)

Consultant Services
For
Septic to Sewer Strategic Plan

October 18, 2024

Submittals due December 6, 2024, by 4:00 PM

A virtual, non-mandatory Preproposal Meeting will be held
on November 6, 2024 at 1:00 p.m. Meeting link to be
provided.

I. INTRODUCTION

Montecito Sanitary District is located in Santa Barbara County approximately 3 miles south of the City of Santa Barbara. It provides wastewater collection, pumping and treatment to the 10,000 residents of the unincorporated community. The wastewater collected is primarily residential. There are some commercial customers and no industrial customers in the District's wastewater system. The District boundaries are located along the coastline and extending to the foothills. The wastewater treatment plant treats approximately 500,000 gallons a day and wastewater is transported to the inlet of the treatment plant via four wastewater lift stations. The District is primarily a gravity wastewater collection system. The existing collection system extends towards the mountains; however, as development of residential lots has occurred over the years, there was no collection system piping in place and septic systems were installed. These septic systems over time have failed and as there was no system wide District plan in place to address the issue and future sewer main extensions frequently each was handled on a case by case or neighborhood by neighborhood basis.

The Montecito Sanitary District (MSD/District) is seeking proposals from professional engineering consultants to prepare a District plan to address sewer main extensions to the unserved public. The plan will incorporate an overall plan for the system, but also consider gravity pipeline extensions, District owned/maintained lift stations, individual residence force main ejector pump systems, neighborhood low pressure force main network systems, etc. A map, dated in August of 2020, of the existing facilities and sewer main extension area to be analyzed is provided as Attachment A. The areas of focus are the blue and green areas shown on the attachment. An updated version of this map will be provided to the selected Consultant.

The District's purpose for developing a septic to sewer strategic plan is to provide guidance to staff and residents on what an effective sewer collection system would look like in their respective areas. The section of the District that the plan will focus on is between the end of the current gravity collection system piping and manhole structures to the District boundary where parcels are or may be developed in the future. The topography of this area is challenging as it is primarily foothill areas where some parcels may be above the existing road or parcels may be below the existing road. In addition, there are multiple creek crossings in the area. The plan will focus on recommendations that will present sewer collection piping and cleanout/manhole/valve structures in public right-of-way/roads rather than easements over private property. Residents may have to install systems to pump their wastewater up to a road for collection. The plan will include evaluations of culvert and bridge crossings. The plan will be comprehensive such that staff will be able to utilize the document to provide guidance to residents whether they are developing a new lot or if they are currently on septic and in need of converting to the recommended collection system. There may be instances where a group of residents want to combine efforts and are in need of a more comprehensive sewer main extension. The document that is prepared should be divided into collection system sewersheds (individual sewer drainage areas/collection of pipes that aggregate together and join the larger District collection system at one manhole) to facilitate the future connection work.

II. SCOPE OF WORK

Consultant is expected to perform the following services/tasks described below. The District will consider any additions or refinements to the proposed scope of work that the Consultant may recommend, provided the changes meet the intent of the scope.

TASK 1. PROJECT MANAGEMENT

The purpose of this task is to collect all information required to begin the project as well as to manage the project through completion. This task includes the following:

Task 1.1 Meetings. Attend a kick-off meeting with District staff to refine scope and objectives and to identify critical project success factors, including conflicts and schedule concerns.

Participate in monthly review video conference meetings to be conducted at appropriate intervals throughout the project in order to facilitate communication and ensure that work is being completed in accordance with the scope of services. An average of one meeting per month is envisioned, although additional informal meetings and communications will occur in conjunction with the conduct of specific tasks. Assume a total of 10 video conferences and 2 in person meetings.

Task 1.2 Project Management. Submit monthly progress reports along with invoices, identifying work completed in the previous month, work anticipated in the next month, and key issues.

Task 1.3 Presentations. Prepare one presentation to the District Board or other interested parties to explain the goals and objectives of the sewer main extension development plan.

TASK 2. EXISTING SYSTEM OVERVIEW

The purpose of the existing system overview is to obtain information on the existing wastewater pipeline backbone system serving each sewershed that will incorporate area(s) of currently unserved parcels. This will be important to assign a contributory flow to the existing system. This task includes the following:

Task 2.1 Review Existing Information. Review existing plans, reports, and documents including available maps, drawings, and other visual/graphic data (i.e., base maps, District atlas maps, record drawings, CCTV inspection tapes and records, photographs, etc.) of the existing sewer pipelines that the sewer main extensions will connect to. The District can provide a list of areas where existing sewer capacity issues are known in relation to future sewer main extensions.

Task 2.2 Field Investigation. Complete a field review and inspection to verify existing conditions. This shall consist of developing general familiarity with the areas where the sewer main extensions would be installed (topography, existing street placement, etc.).

Task 2.3 Future Parcel Discharge Option Review. Analyze the parcel locations and existing sewer system layout to develop a preliminary analysis of the type of connection that each parcel could utilize. Some parcels may be able to utilize different options. Research potential manufacturers/products capable of providing a low pressure pumped system for the District to standardize upon. The analysis will develop a matrix of benefits and issues as well as rough order of magnitude for residential systems.

Provide recommendations for the District to consider in their development of standard requirements associated with a pumped, low pressure residential wastewater discharge system.

TASK 3. EXISTING SYSTEM MODELING (BY OTHERS)

The District utilizes a consulting firm to manage the existing collection sewer model. As part of this project, wastewater contributions from the proposed sewer main extension areas will be provided at nodes that are located in the existing model. The nodes will be provided by the modeling consultant based on the location identified by the Consultant selected as part of this project. The flows associated with the sewer extension area will be analyzed by the District's modeling consultant. It will be important for the Consultant on this project to provide input regarding average wastewater flow to be generated at each node based on the flow generation rates provided by the District.

TASK 4. SEWER MAIN EXTENSION PROJECT ALTERNATIVES ANALYSIS

The purpose of this task is to develop projects per identified sewershed and determine the engineering feasibility of gravity systems (with potential system requirements for lift stations) compared to low pressure force main systems. A list of costs associated with each project alternative and sewershed areas shall be further broken down per parcel. The information provided in this task will be used to educate the public and for discussions with prospective developer(s) and/or individual parcel owners to establish budgetary costs that will be associated with the extension project. This task consists of the following activities:

Task 4.1 Collection System Technology. Define, provide situational use, and graphics for the collection system technologies considered in the strategic plan, including:

1. Gravity Systems
 - a. Gravity Mains
 - b. Gravity Laterals
2. District Lift Stations
3. Low Pressure Force Systems
 - a. Low Pressure Mains
 - b. Low Pressure Laterals
 - c. Private Pump Stations
 - i. Pump Configurations
 - ii. Backup Power

Task 4.2 Project Identification. Identify projects based on sewersheds and then further divided into the respective parcels within the sewershed. Project identification will include the individual parcel requirements, but also the main extension to receive the wastewater that is generated from the parcel. The sewer main will consist of low-pressure force main, gravity pipeline or a combination of both depending on topography or other constraints.

Task 4.3 Project Development. For each sewer main extension project (by sewershed), develop two to three feasible project alternatives considering various collection system technologies and the needs of the sewershed. Provide a brief graphic and narrative conceptual design summary for each developed alternative, describing the anticipated improvements, estimated cost, and basis for improvements. Develop a planning-level unit costs database for each parcel including the shared cost of the sewer main extension that is shared by the neighborhood as well as any individual parcel cost,

such as private pump station. The unit costs shall provide the basis for future planning-level cost estimates. The costs shall be based upon the Consultant’s experience, as well as any unit cost information that the District has obtained from recent infrastructure construction projects. The Consultant shall include the rationale and basis for the unit costs in the summary document.

TASK 5. PROJECTS REPORT AND RECOMMENDATIONS

The purpose of this task is to provide concise documentation of the Strategic Plan and present the recommended capital improvement program. Project documentation shall consist of the following:

Task 5.1 Septic to Sewer Strategic Plan Report. Prepare the draft and formal Septic to Sewer Strategic Plan Report consisting of summary sections, final technical memoranda prepared for the project, and required appended materials and documents. This report shall include the recommended project alternative per sewershed as developed in Task 4.3. The final report shall contain reference information as well as stand-alone documents that would be suitable for distribution to the general public or used for briefings to the District Board on the key elements of the plan and its implementation. A draft shall be prepared for review and comment. The final document shall incorporate the District’s review comments and be submitted as originals: 2 bound paper copies, and as an electronic PDF of the entire document for archiving and reprinting.

Task 5.2 Electronic Report. An electronic PDF version of the Sewer Main Extension Implementation Plan Report shall be prepared.

III. RESPONSES

The response shall include at a minimum the information listed herein; incomplete or unclear information may be grounds for rejection. The response shall be organized as follows:

1. Letter Proposal

The Proposal may be submitted as a letter proposal addressed to:

Bryce Swetek, P.E.
Engineering Manager
Montecito Sanitary District
1042 Monte Cristo Lane
Santa Barbara, CA 93108

The letter proposal shall be submitted electronically to Bryce Swetek, P.E. at bswetek@montsan.org. The email subject line shall say, “RFP: Septic to Sewer Strategic Plan”. The RFP must be received by 4:00 PM, December 6, 2024.

Late proposals will not be accepted. Any RFP received prior to the time and date specified above may be withdrawn or modified by written request of the proposer provided the modified proposal is received prior to the time and date specified above.

2. Experience and Qualifications

- a. Provide a brief history of the firm, including name of the firm, the year the firm was established under the current name, and the closest office location to the project. Indicate any other previous names for the firm during the last five years and the year any name change was effective.
- b. Provide general information concerning the Consultant’s qualifications and descriptions of at least 3 relevant projects. Indicate who in the firm performed specific functions on the projects. For any incomplete projects, clearly indicate the status of the project.
- c. Identify firm personnel, including any subconsultants, that will be assigned to the key positions and show the relationships on an Organizational Chart and provide which office they are located.
- d. Provide three clients as a reference, including at least two for whom services were rendered during the past two years, preferably for services similar to those outlined in this solicitation; include contact information for each reference.

3. Project Understanding and Approach

Provide a statement demonstrating the Consultant’s understanding of the Project and proposed approach to the Project scope of work, broken down by tasks and subtasks. Proposals shall identify specific milestones and deliverables for each task. Consultant may revise the scope of services in this RFP and should call out the proposed revisions in their proposal.

4. Estimated Schedule

The proposal must include an estimated schedule to complete the Project scope of work. Describe the Consultant’s ability to meet the proposed schedule and timing of each task in the scope of work.

5. Estimated Level of Effort

The proposal shall include a table listing the personnel involved in the project, the anticipated hours associated with each individual’s level of effort identified by task as well as inclusion of a Professional Rate Sheet listing the different classifications of labor. The table is to be based on the Consultant’s estimation for performing the services based on the Consultant’s understanding of the Project’s scope of work.

6. Conflicts

Identify any conflicts which could affect the ability to perform the work in a timely fashion over the duration of the contract.

7. Quality Assurance/Quality Control

Provide a brief description of in-place and proposed Quality Assurance & Quality Control practices applicable for this project.

8. Assumptions and Additional Comments

The proposal shall include any assumptions made, comments, suggestions, or additions for the District to consider in selecting the firm. Identify the potential benefit, value, or impact these may have to the District.

9. Contract Requirements

The District will be utilizing a Professional Services Agreement (PSA) included as Attachment B for your review. The terms of Agreement are not subject to change. The Consultant must comply with applicable local, State, and Federal laws including prevailing wage rates and their payment in accordance with California Labor Code, Section 1775. Provide an affirmative statement indicating acceptance of the terms of the Agreement.

IV. SELECTION CRITERIA

From the proposals received, the District will select the most qualified firm for the project. Selection will be based on information provided in the proposal and will be based on the following criteria:

1. Qualifications: The Consultant's (including subconsultants, if any) firm as well as relevant experience and ability to perform the Scope of Services as outlined above, based on information provided by the Consultant and client references.
2. Approach: The Consultant's understanding of the Project as demonstrated by their approach to completing the Services requested above.
3. Schedule: The Consultant's availability and ability to perform the Scope of Services in a timely manner.
4. References: The Consultant's client references, the Consultant's performance on similar studies, and their knowledge of, and familiarity with, the District's geographic region.
5. Level of Effort: The District is seeking a reasonable level of effort for the Scope of Services as outlined in the RFP and will consider the significance of any proposed changes/additions to the Scope of Services.

V. RESERVATION OF RIGHTS

The following is a list of rights of the District:

1. The Montecito Sanitary District reserves the right to:
 - a. Reject any and all responses received.
 - b. Issue a subsequent RFP.
 - c. Cancel the entire RFP.
 - d. Remedy technical errors in the RFP process.
 - e. Negotiate with any, all, or none of the Respondents to the RFP.
 - f. Waive informalities and irregularities.
 - g. Make multiple recommendation(s) to the MSD Board.
 - h. Request additional information or clarification.
 - i. All responses and their contents will become the property of MSD.

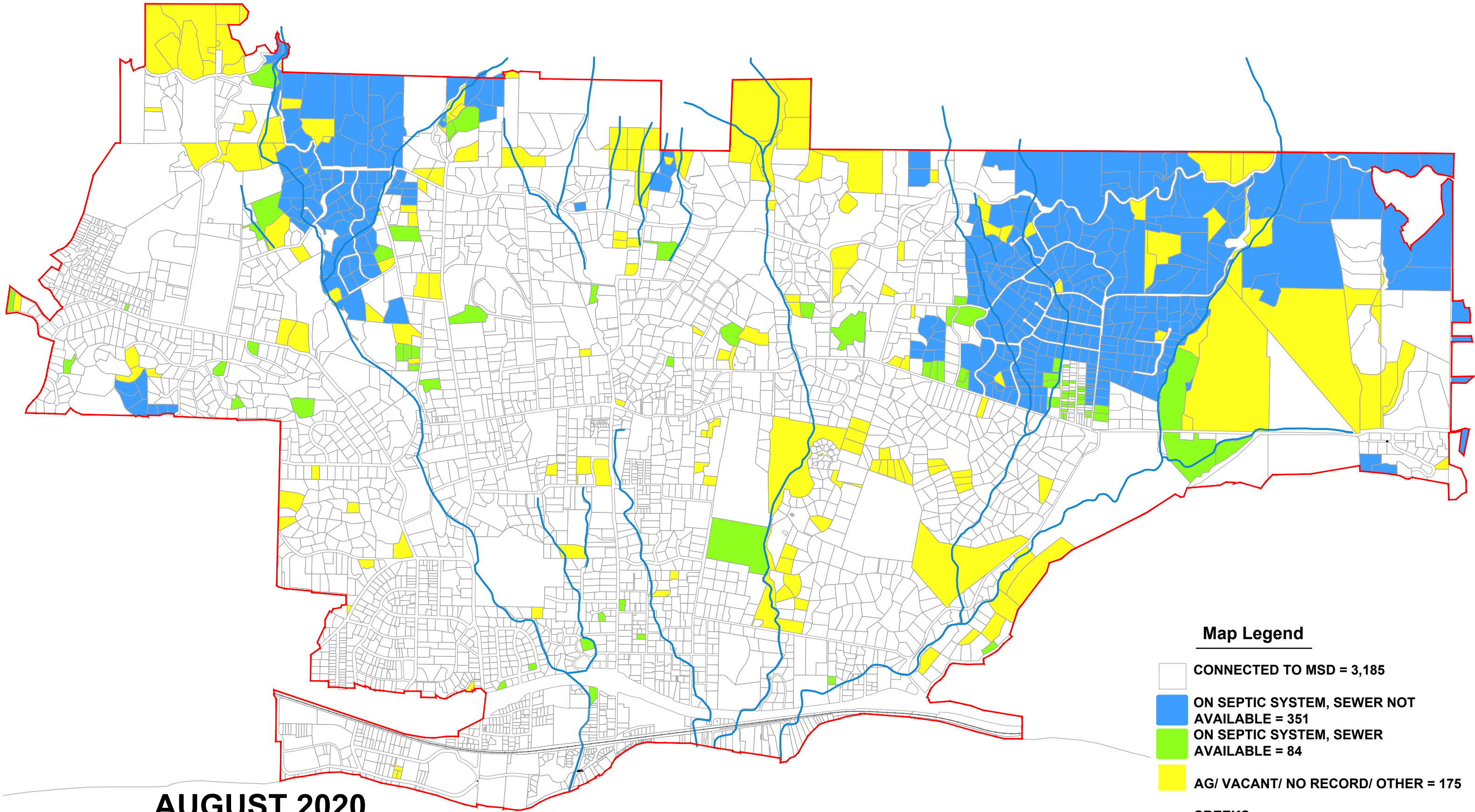
2. The District will not reimburse Consultants or sub-consultants for any costs associated with any travel and/or per diem incurred in any presentations or for any costs in preparing and submitting the responses.
3. The District reserves the right to end, in its sole discretion, negotiations at any time with any or all Consultants. This RFQ does not commit the District to enter into a contract, nor does it obligate it to pay any costs incurred in the preparation and submission of responses or in anticipation of a contract.
4. Failure to respond to the requirements outlined in this RFP may result in the Consultant's disqualification as non-responsive to the RFP.

VI. INQUIRES







All inquiries related to this RFP shall be sent to Bryce Swetek, P.E. at bswetek@montsan.org

VII. ATTACHMENTS

- A. Approximate Sewer Main Extension Plan Area
- B. Sample Professional Services Agreement



Map Legend

-  CONNECTED TO MSD = 3,185
-  ON SEPTIC SYSTEM, SEWER NOT AVAILABLE = 351
-  ON SEPTIC SYSTEM, SEWER AVAILABLE = 84
-  AG/ VACANT/ NO RECORD/ OTHER = 175
-  CREEKS
-  DISTRICT BOUNDARY

AUGUST 2020

Map of District Residents on Septic Systems

Montecito Sanitary District

**PROFESSIONAL SERVICES AGREEMENT
FOR DESIGN PROFESSIONALS**

(Montecito Sanitary District / [Company or Individual])

1. IDENTIFICATION

This PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into by and between the Montecito Sanitary District, a California Special District (“District”), and _____, a _____ (“Consultant”).

2. RECITALS

- 2.1. District has determined that it requires the following professional services from a consultant: **[enter description of consultant’s services]**
- 2.2. Consultant represents that it is fully qualified to perform such professional services by virtue of its experience and the training, education and expertise of its principals and employees. Consultant further represents that it is willing to accept responsibility for performing such services in accordance with the terms and conditions set forth in this Agreement.
- 2.3. Consultant represents that it has no known relationships with third parties, District Board members, or employees of the District which would (1) present a conflict of interest with the rendering of services under this Agreement under Government Code Section 1090, the Political Reform Act (Government Code Section 81000 *et seq.*), or other applicable law, (2) prevent Consultant from performing the terms of this Agreement, or (3) present a significant opportunity for the disclosure of confidential information.

NOW, THEREFORE, for and in consideration of the mutual covenants and conditions herein contained, District and Consultant agree as follows:

3. DEFINITIONS

- 3.1. “Design Professional”: A Design Professional is any individual satisfying one or more of the following: (1) licensed as an architect pursuant to Business and Professions Code 5500 *et seq.*, (2) licensed as a landscape architect pursuant to Business and Professions Code 5615 *et seq.*, (3) licensed as a professional land surveyor pursuant to Business and Professions Code 8700 *et seq.*, or (4) registered as a professional engineer pursuant to Business and Professions Code 6700 *et seq.*
- 3.2. “Scope of Services”: Such professional services as are set forth in Consultant’s **[enter consultant’s proposal date]** proposal to District attached hereto as Exhibit A and incorporated herein by this reference.
- 3.3. “Agreement Administrator”: The Agreement Administrator for this project is **[Name and title]**. The Agreement Administrator shall be the principal point of

contact at the District for this project. All services under this Agreement shall be performed at the request of the Agreement Administrator. The Agreement Administrator will establish the timetable for completion of services and any interim milestones. District reserves the right to change this designation upon written notice to Consultant

- 3.4. “Approved Fee Schedule”: Consultant’s compensation rates are set forth in the fee schedule attached hereto as Exhibit B and incorporated herein by this reference. This fee schedule shall remain in effect for the duration of this Agreement unless modified in writing by mutual agreement of the parties.
- 3.5. “Maximum Amount”: The highest total compensation and costs payable to Consultant by District under this Agreement. The Maximum Amount under this Agreement is [redacted] Dollars (\$ [redacted]).
- 3.6. “Commencement Date”: [date].
- 3.7. “Termination Date”: [date]

4. TERM

The term of this Agreement shall commence at 12:00 a.m. on the Commencement Date and shall expire at 11:59 p.m. on the Termination Date unless extended by written agreement of the parties or terminated earlier under Section 18 (“Termination”) below. Consultant may request extensions of time to perform the services required hereunder. Such extensions shall be effective if authorized in advance by District in writing and incorporated in written amendments to this Agreement.

5. CONSULTANT’S DUTIES

- 5.1. **Services.** Consultant shall perform the services identified in the Scope of Services. District shall have the right to request, in writing, changes in the Scope of Services. Any such changes mutually agreed upon by the parties, and any corresponding increase or decrease in compensation, shall be incorporated by written amendment to this Agreement.
- 5.2. **Coordination with District.** In performing services under this Agreement, Consultant shall coordinate all contact with District through its Agreement Administrator.
- 5.3. **Budgetary Notification.** Consultant shall notify the Agreement Administrator, in writing, when fees and expenses incurred under this Agreement have reached eighty percent (80%) of the Maximum Amount. Consultant shall concurrently inform the Agreement Administrator, in writing, of Consultant’s estimate of total expenditures required to complete its current assignments before proceeding, when the remaining work on such assignments would exceed the Maximum Amount.

- 5.4. **Professional Standards.** Consultant shall perform all work consistent with the degree of care and skill ordinarily exercised by other similar professionals providing the same or similar services under the same or similar circumstances. Consultant shall keep itself fully informed of and in compliance with all local, state, and federal laws, rules, and regulations in any manner affecting the performance of this Agreement, including all Cal/OSHA requirements, the conflict of interest provisions of Government Code § 1090 and the Political Reform Act (Government Code § 81000 et seq.).
- 5.5. **Campaign Contributions.** This Agreement is subject to Government Code Section 84308, as amended by SB 1439. Consultant shall disclose any contribution in an amount of more than two hundred fifty dollars (\$250) made within the preceding 12 months by the party or the party's agent. Consultant shall provide a signed copy of the attached Campaign Contribution Disclosure Form to the District prior to, or concurrent with, the Consultant's execution of this Agreement.
- 5.6. **Avoid Conflicts.** During the term of this Agreement, Consultant shall not perform any work for another person or entity for whom Consultant was not working at the Commencement Date if such work would present a conflict interfering with performance under this Agreement. However, District may consent in writing to Consultant's performance of such work.
- 5.7. **Appropriate Personnel.** Consultant has, or will secure at its own expense, all personnel required to perform the services identified in the Scope of Services. All such services shall be performed by Consultant or under its supervision, and all personnel engaged in the work shall be qualified to perform such services. [Name of Project Manager] shall be Consultant's project administrator and shall have direct responsibility for management of Consultant's performance under this Agreement. No change shall be made in Consultant's project administrator without District's prior written consent.
- 5.8. **Substitution of Personnel.** Any persons named in the proposal or Scope of Services constitutes a promise to the District that those persons will perform and coordinate their respective services under this Agreement. Should one or more of such personnel become unavailable, Consultant may substitute other personnel of at least equal competence upon written approval of District. If District and Consultant cannot agree as to the substitution of key personnel, District may terminate this Agreement for cause.
- 5.9. **Permits and Approvals.** Consultant shall be responsible for applying for, at its sole cost and expense, all permits and regulatory approvals necessary for Consultant's performance of this Agreement. This includes, but shall not be limited to, professional licenses, encroachment permits and building and safety permits and inspections.

- 5.10. **Notification of Organizational Changes.** Consultant shall notify the Agreement Administrator, in writing, of any change in name, ownership or control of Consultant's firm or of any subcontractor. Change of ownership or control of Consultant's firm may require an amendment to this Agreement.
- 5.11. **Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to District under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such documents shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of District. In addition, pursuant to Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds ten thousand dollars, all such documents and this Agreement shall be subject to the examination and audit of the State Auditor, at the request of District or as part of any audit of District, for a period of three (3) years after final payment under this Agreement.

6. SUBCONTRACTING

- 6.1. **General Prohibition.** This Agreement covers professional services of a specific and unique nature. Except as otherwise provided herein, Consultant shall not assign or transfer its interest in this Agreement or subcontract any services to be performed without amending this Agreement.
- 6.2. **Consultant Responsible.** Consultant shall be responsible to District for all services to be performed under this Agreement.
- 6.3. **Identification in Fee Schedule.** All subcontractors shall be specifically listed and their billing rates identified in the Approved Fee Schedule, Exhibit B. Any changes must be approved by the Agreement Administrator in writing as an amendment to this Agreement.

7. COMPENSATION

- 7.1. **General.** District agrees to compensate Consultant for the services provided under this Agreement, and Consultant agrees to accept payment in accordance with the Fee Schedule in full satisfaction for such services. Compensation shall not exceed the Maximum Amount. Consultant shall not be reimbursed for any expenses unless provided for in this Agreement or authorized in writing by District in advance.
- 7.2. **Invoices.** Consultant shall submit to District an invoice, on a monthly basis or as otherwise agreed to by the Agreement Administrator, for services performed pursuant to this Agreement. Each invoice shall identify the Maximum Amount, the services rendered during the billing period, the amount due for the invoice, and the total amount previously invoiced. All labor charges shall be itemized by

employee name and classification or position with the firm, the corresponding hourly rate, the hours worked, a description of each labor charge, and the total amount due for labor charges.

- 7.3. **Taxes.** District shall not withhold applicable taxes or other payroll deductions from payments made to Consultant except as otherwise required by law. Consultant shall be solely responsible for calculating, withholding, and paying all taxes.
- 7.4. **Disputes.** The parties agree to meet and confer at mutually agreeable times to resolve any disputed amounts contained in an invoice submitted by Consultant.
- 7.5. **Additional Work.** Consultant shall not be reimbursed for any expenses incurred for work performed outside the Scope of Services unless prior written approval is given by the District through a fully executed written amendment. Consultant shall not undertake any such work without prior written approval of the District.

8. PREVAILING WAGES

Consultant is aware of the requirements of California Labor Code Section 1720, et seq., and 1770, et seq., as well as California Code of Regulations, Title 8, Section 16000, et seq., (“Prevailing Wage Laws”), which require the payment of prevailing wage rates and the performance of other requirements on certain “public works” and “maintenance” projects including the design and preconstruction phases of a covered public works project. Consultant shall defend, indemnify, and hold the District, its elected officials, officers, employees, and agents free and harmless from any claim or liability arising out of any failure or alleged failure of Consultant to comply with the Prevailing Wage Laws.

9. OWNERSHIP OF WRITTEN PRODUCTS

All reports, documents or other written material, and all electronic files, including computer-aided design files, developed by Consultant in the performance of this Agreement (such written material and electronic files are collectively known as “written products”) shall be and remain the property of District without restriction or limitation upon its use or dissemination by District except as provided by law. Consultant may take and retain copies of such written products as desired, but no such written products shall be the subject of a copyright application by Consultant.

10. RELATIONSHIP OF PARTIES

- 10.1. **General.** Consultant is, and shall at all times remain as to District, a wholly independent contractor.
- 10.2. **No Agent Authority.** Consultant shall have no power to incur any debt, obligation, or liability on behalf of District or otherwise to act on behalf of District as an agent. Neither District nor any of its agents shall have control over the conduct of Consultant or any of Consultant’s employees, except as set forth in

this Agreement. Consultant shall not represent that it is, or that any of its agents or employees are, in any manner employees of District.

- 10.3. **Independent Contractor Status.** Under no circumstances shall Consultant or its employees look to the District as an employer. Consultant shall not be entitled to any benefits. District makes no representation as to the effect of this independent contractor relationship on Consultant's previously earned California Public Employees Retirement System ("CalPERS") retirement benefits, if any, and Consultant specifically assumes the responsibility for making such a determination. Consultant shall be responsible for all reports and obligations including, but not limited to: social security taxes, income tax withholding, unemployment insurance, disability insurance, and workers' compensation, and other applicable federal and state taxes.
- 10.4. **Indemnification of CalPERS Determination.** In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement claims or is determined by a court of competent jurisdiction or CalPERS to be eligible for enrollment in CalPERS as an employee of the District, Consultant shall indemnify, defend, and hold harmless District for the payment of any employee and/or employer contributions for CalPERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of District.

11. INDEMNIFICATION

- 11.1. **Definitions.** For purposes of this Section 11, "Consultant" shall include Consultant, its officers, employees, servants, agents, or subcontractors, or anyone directly or indirectly employed by either Consultant or its subcontractors, in the performance of this Agreement. "District" shall include District, its board, officials, officers, agents, employees and volunteers.
- 11.2. **Consultant to Indemnify District.** Where the services to be provided by Consultant under this Agreement are design professional services, as that term is defined under Civil Code Section 2782.8, Consultant agrees to indemnify, defend and hold harmless, the District, its officers, officials, employees and volunteers from any and all claims, demands, costs or liability that actually or allegedly arise out of, or pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant and its agents in the performance of services under this contract, but this indemnity does not apply to liability for damages for bodily injury, property damage or other loss, arising from the sole negligence, active negligence or willful misconduct by the District, its officers, official employees, and volunteers. If it is finally adjudicated that liability is caused by the comparative active negligence or willful misconduct of the District, then Consultant's indemnification and defense obligations shall be reduced in proportion to the established comparative liability of the District and shall not exceed Consultant's proportionate percentage of fault.

- 11.3. As respects all acts or omissions which do not arise directly out of the performance of design professional services, including but not limited to those acts or omissions normally covered by general and automobile liability insurance, and to the full extent permitted by law, Consultant agrees to indemnify, defend and hold harmless the District, its board, officers, officials, agents, employees, and volunteers from and against any claims, demands, losses, liability of any kind or nature (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including attorney's fees and costs, court costs, interest, defense costs, and expert witness fees) where the same arise out of, are in connection with, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or sub-contractors of Consultant, excepting those which arise out of the active negligence, sole negligence or willful misconduct of the District, its board, officers, officials, employees and volunteers.
- 11.4. **Scope of Indemnity.** Personal injury shall include injury or damage due to death or injury to any person, whether physical, emotional, consequential or otherwise, Property damage shall include injury to any personal or real property. Consultant shall not be required to indemnify District for such loss or damage as is caused by the sole active negligence or willful misconduct of the District. If it is finally adjudicated that liability is caused by the comparative negligence or willful misconduct of an indemnified party, then Consultant's indemnification obligation shall be reduced in proportion to the established comparative liability.
- 11.5. **Waiver of Statutory Immunity.** The obligations of Consultant under this Section 11 are not limited by the provisions of any workers' compensation act or similar act. Consultant expressly waives its statutory immunity under such statutes or laws as to District.
- 11.6. **Indemnification by Subcontractors.** Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth here in this Section 11 from each and every subcontractor or any other person or entity involved in the performance of this Agreement on Consultant's behalf.
- 11.7. **Insurance Not a Substitute.** District does not waive any indemnity rights by accepting any insurance policy or certificate required pursuant to this Agreement. Consultant's indemnification obligations apply regardless of whether or not any insurance policies are determined to be applicable to the claim, demand, damage, liability, loss, cost or expense.
- 11.8. **Civil Code.** The parties are aware of the provisions of Civil Code 2782.8 relating to the indemnification and the duty and the cost to defend a public agency by a Design Professional and agree that this Section 11 complies therewith.

12. INSURANCE

12.1. **Insurance Required.** Consultant shall maintain insurance as described in this section and shall require all of its subcontractors, consultants, and other agents to do the same. Approval of the insurance by the District shall not relieve or decrease any liability of Consultant Any requirement for insurance to be maintained after completion of the work shall survive this Agreement.

12.2. **Documentation of Insurance.** District will not execute this agreement until it has received a complete set of all required documentation of insurance coverage. However, failure to obtain the required documents prior to the work beginning shall not waive the Consultant's obligation to provide them. Consultant shall file with District:

- Certificate of Insurance, indicating companies acceptable to District, with a Best's Rating of no less than A:VII showing. The Certificate of Insurance must show the Montecito Sanitary District, its board of directors, commissions, officers, and employees of Montecito Sanitary District as additional insured parties. The Certificate of Insurance must include the following reference: [insert project name]
- Documentation of Best's rating acceptable to the District.
- Original endorsements effecting coverage for all policies required by this Agreement.

12.3. **Coverage Amounts.** Insurance coverage shall be at least in the following minimum amounts:

- Professional Liability Insurance: \$1,000,000 per claim
 \$2,000,000 aggregate

- General Liability:
 - General Aggregate: \$2,000,000
 - Products Comp/Op Aggregate \$2,000,000
 - Personal & Advertising Injury \$1,000,000
 - Each Occurrence \$1,000,000
 - Fire Damage (any one fire) \$ 50,000
 - Medical Expense (any 1 person) \$ 5,000

- Workers' Compensation:
 - Workers' Compensation Statutory Limits
 - EL Each Accident \$1,000,000
 - EL Disease - Policy Limit \$1,000,000
 - EL Disease - Each Employee \$1,000,000

- Automobile Liability
 - Any vehicle, combined single limit
\$1,000,000

Any available insurance proceeds broader than or in excess of the specified minimum insurance coverage requirements or limits shall be available to the District as additional insured. Furthermore, the requirements for coverage and limits shall be the greater of (1) the minimum coverage and limits specified in this Agreement, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured.

- 12.4. **General Liability Insurance.** Commercial General Liability Insurance shall be no less broad than ISO form CG 00 01. Coverage must be on a standard Occurrence form. Claims-Made, modified, limited or restricted Occurrence forms are not acceptable.
- 12.5. **Worker’s Compensation Insurance.** Consultant is aware of the provisions of Section 3700 of the Labor Code which requires every employer to carry Workers’ Compensation (or to undertake equivalent self-insurance), and Consultant will comply with such provisions before commencing the performance of the work of this Agreement. If such insurance is underwritten by any agency other than the State Compensation Fund, such agency shall be a company authorized to do business in the State of California.
- 12.6. **Automobile Liability Insurance.** Covered vehicles shall include owned if any, non-owned, and hired automobiles and, trucks.
- 12.7. **Professional Liability Insurance or Errors & Omissions Coverage.** The deductible or self-insured retention may not exceed \$50,000. If the insurance is on a Claims-Made basis, the retroactive date shall be no later than the commencement of the work. Coverage shall be continued for two years after the completion of the work by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the work under this Agreement.
- 12.8. **Claims-Made Policies.** If any of the required policies provide coverage on a claims-made basis the Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work. Claims-Made Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after completion of the contract of work. If coverage is canceled or non-renewed, and not replaced with another claims-made policy form with a Retroactive Date prior to the contract effective date, the Consultant must purchase “extended reporting” coverage for a minimum of five (5) years after completion of contract work.

- 12.9. **Additional Insured Endorsements.** The District, its Board of Directors, Commissions, officers, and employees of the District must be endorsed as an additional insured for each policy required herein, other than Professional Errors and Omissions, for liability arising out of ongoing and completed operations by or on behalf of the Consultant. Consultant's insurance policies shall be primary as respects any claims related to or as the result of the Consultant's work. Any insurance, pooled coverage or self-insurance maintained by the District, its elected or appointed officials, directors, officers, agents, employees, volunteers, or consultants shall be non-contributory. All endorsements shall be signed by a person authorized by the insurer to bind coverage on its behalf. General liability coverage can be provided using an endorsement to the Consultant's insurance at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10 and CG 20 37.
- 12.10. **Failure to Maintain Coverage.** In the event any policy is canceled prior to the completion of the project and the Consultant does not furnish a new certificate of insurance prior to cancellation, District has the right, but not the duty, to obtain the required insurance and deduct the premium(s) from any amounts due the Consultant under this Agreement. Failure of the Consultant to maintain the insurance required by this Agreement, or to comply with any of the requirements of this section, shall constitute a material breach of this Agreement.
- 12.11. **Notices.** Consultant shall provide immediate written notice if (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; (3) or the deductible or self-insured retention is increased. Consultant shall provide no less than 30 days' notice of any cancellation or material change to policies required by this Agreement. Consultant shall provide proof that cancelled or expired policies of insurance have been renewed or replaced with other policies providing at least the same coverage. Such proof will be furnished at least two weeks prior to the expiration of the coverages. The name and address for Additional Insured Endorsements, Certificates of Insurance and Notices of Cancellation is: Montecito Sanitary District, Attn: John Weigold, General manager, 1042 Monte Cristo Lane, Santa Barbara, CA 93108.
- 12.12. **Consultant's Insurance Primary.** The insurance provided by Consultant, including all endorsements, shall be primary to any coverage available to District. Any insurance or self-insurance maintained by District and/or its officers, employees, agents or volunteers, shall be in excess of Consultant's insurance and shall not contribute with it.
- 12.13. **Waiver of Subrogation.** Consultant hereby waives all rights of subrogation against the District. Consultant shall additionally waive such rights either by endorsement to each policy or provide proof of such waiver in the policy itself.
- 12.14. **Report of Claims to District.** Consultant shall report to the District, in addition to the Consultant's insurer, any and all insurance claims submitted to Consultant's insurer in connection with the services under this Agreement.

- 12.15. **Premium Payments and Deductibles.** Consultant must disclose all deductibles and self-insured retention amounts to the District. The District may require the Consultant to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within retention amounts. Ultimately, District must approve all such amounts prior to execution of this Agreement.
- 12.16. District has no obligation to pay any premiums, assessments, or deductibles under any policy required in this Agreement. Consultant shall be responsible for all premiums and deductibles in all of Consultant’s insurance policies. The amount of deductibles for insurance coverage required herein are subject to District’s approval.
- 12.17. **Duty to Defend and Indemnify.** Consultant’s duties to defend and indemnify District under this Agreement shall not be limited by the foregoing insurance requirements and shall survive the expiration or early termination of this Agreement.

13. MUTUAL COOPERATION

- 13.1. **District Cooperation in Performance.** District shall provide Consultant with all pertinent data, documents and other requested information as is reasonably available for the proper performance of Consultant’s services under this Agreement.
- 13.2. **Consultant Cooperation in Defense of Claims.** If any claim or action is brought against District relating to Consultant’s performance in connection with this Agreement, Consultant shall render any reasonable assistance that District may require in the defense of that claim or action.

14. NOTICES

Any notices, bills, invoices, or reports required by this Agreement shall be deemed received on: (i) the day of delivery if delivered by hand, electronic mail or overnight courier service during Consultant’s and District’s regular business hours; or (ii) on the third business day following deposit in the United States mail if delivered by mail, postage prepaid, to the addresses listed below (or to such other addresses as the parties may, from time to time, designate in writing).

If to District
 Montecito Sanitary District
 Attn: John Weigold
 General Manager
 1042 Monte Cristo Lane
 Santa Barbara, CA 93108

If to Consultant
 [Name]
 [Address]
 [Address]
 Telephone:
 Email:

With courtesy copy to:

Aleks R. Giragosian, Esq.
Montecito Sanitary District General Counsel
Colantuono, Highsmith & Whatley, PC
790 E. Colorado Blvd., Ste. 850
Pasadena, Angeles, CA 91101
Telephone: (213) 542-5700
Email: agiragosian@chwlaw.us

15. SURVIVING COVENANTS

The parties agree that the covenants contained in paragraph 5.11 (Records), paragraph 10.4 (Indemnification of CalPERS Determination), Section 11 (Indemnity), paragraph 12.8 (Claims-Made Policies), paragraph 13.2 (Consultant Cooperation in Defense of Claims), paragraph 12.13 (Waiver of Subrogation), paragraph 12.6 (Automobile Liability Insurance), Section 15 (Surviving Covenants), Section 17 (Interpretation of Agreement), and Section 18 (General Provisions) of this Agreement shall survive the expiration or termination of this Agreement, subject to the provisions and limitations of this Agreement and all otherwise applicable statutes of limitations and repose.

16. TERMINATION

- 16.1. **District Termination.** District may terminate this Agreement for any reason on five calendar days' written notice to Consultant. Consultant agrees to cease all work under this Agreement on or before the effective date of any notice of termination. All District data, documents, objects, materials or other tangible things shall be returned to District upon the termination or expiration of this Agreement.
- 16.2. **Consultant Termination.** Consultant may terminate this Agreement for a material breach by the District of this Agreement upon 30 days' notice.
- 16.3. **Compensation Following Termination.** Upon termination, Consultant shall be paid based on the work satisfactorily performed at the time of termination. In no event shall Consultant be entitled to receive more than the amount that would be paid to Consultant for the full performance of the services required by this Agreement. The District shall have the benefit of such work as may have been completed up to the time of such termination.
- 16.4. **Remedies.** District retains any and all available legal and equitable remedies for Consultant's breach of this Agreement.

17. INTERPRETATION OF AGREEMENT

- 17.1. **Governing Law.** This Agreement shall be governed and construed in accordance with the laws of the State of California.

- 17.2. **Integration of Exhibits.** All documents referenced as exhibits in this Agreement are hereby incorporated into this Agreement. In the event of any material discrepancy between the provisions of this Agreement and its exhibits, the provisions of this Agreement shall prevail. This instrument contains the entire Agreement between District and Consultant with respect to the transactions contemplated herein. No other prior oral or written agreements are binding upon the parties. Amendments hereto or deviations herefrom shall be effective and binding only if made in writing and executed on by District and Consultant.
- 17.3. **Headings.** The headings and captions appearing at the commencement of the sections hereof, and in any paragraph thereof, are descriptive only and for convenience in reference to this Agreement. Should there be any conflict between such heading, and the section or paragraph thereof at the head of which it appears, the language of the section or paragraph shall control and govern in the construction of this Agreement.
- 17.4. **Pronouns.** Masculine or feminine pronouns shall be substituted for the neuter form and vice versa, and the plural shall be substituted for the singular form and vice versa, in any place or places herein in which the context requires such substitution(s).
- 17.5. **Severability.** If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, then such term or provision shall be amended to, and solely to the extent necessary to, cure such invalidity or unenforceability, and shall be enforceable in its amended form. In such event, the remainder of this Agreement, or the application of such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected, and each term and provision of this Agreement shall be valid and be enforced to the fullest extent permitted by law.
- 17.6. **No Presumption Against Drafter.** Each party had an opportunity to consult with an attorney in reviewing and drafting this agreement. Any uncertainty or ambiguity shall not be construed for or against any party based on attribution of drafting to any party.

18. GENERAL PROVISIONS

- 18.1. **Confidentiality.** All data, documents, discussion, or other information developed or received by Consultant for performance of this Agreement are deemed confidential and Consultant shall not disclose it without prior written consent by District. District shall grant such consent if disclosure is legally required. All District data shall be returned to District upon the termination or expiration of this Agreement.
- 18.2. **Conflicts of Interest.** Consultant maintains and warrants that it has not employed nor retained any company or person, other than a bona fide employee working

solely for Consultant, to solicit or secure this Agreement. Further, Consultant warrants that it has not paid nor has it agreed to pay any company or person, other than a bona fide employee working solely for Consultant, any fee, commission, percentage, brokerage fee, gift or other consideration contingent upon or resulting from the award or making of this Agreement. Consultant further agrees to file, or shall cause its employees or subcontractor to file, a Statement of Economic Interest with the District's Filing Officer if required under state law in the performance of the services. For breach or violation of this warranty, District shall have the right to rescind this Agreement without liability. For the term of this Agreement, no member, officer, or employee of District, during the term of his or her service with District, shall have any direct interest in this Agreement, or obtain any present or anticipated material benefit arising therefrom.

- 18.3. **Non-assignment.** Consultant shall not delegate, transfer, subcontract or assign its duties or rights hereunder, either in whole or in part, without District's prior written consent, and any attempt to do so shall be void and of no effect. District shall not be obligated or liable under this Agreement to any party other than Consultant.
- 18.4. **Binding on Successors.** This Agreement shall be binding on the successors and assigns of the parties.
- 18.5. **No Third-Party Beneficiaries.** Except as expressly stated herein, there is no intended third-party beneficiary of any right or obligation assumed by the parties.
- 18.6. **Time of the Essence.** Time is of the essence for each and every provision of this Agreement.
- 18.7. **Non-Discrimination.** Consultant shall not discriminate against any employee or applicant for employment because of race, sex (including pregnancy, childbirth, or related medical condition), creed, national origin, color, disability as defined by law, disabled veteran status, Vietnam veteran status, religion, age (40 and above), medical condition (cancer-related), marital status, ancestry, or sexual orientation. Employment actions to which this provision applies shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; or in terms, conditions or privileges of employment, and selection for training. Consultant agrees to post in conspicuous places, available to employees and applicants for employment, the provisions of this nondiscrimination clause.
- 18.8. **Waiver.** No provision, covenant, or condition of this Agreement shall be deemed to have been waived by District or Consultant unless in writing signed by one authorized to bind the party asserted to have consented to the waiver. The waiver by District or Consultant of any breach of any provision, covenant, or condition of this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or any other provision, covenant, or condition.

- 18.9. **Excused Failure to Perform.** Consultant shall not be liable for any failure to perform if Consultant presents acceptable evidence, in District's sole judgment, that such failure was due to causes beyond the control and without the fault or negligence of Consultant.
- 18.10. **Remedies Non-Exclusive.** Each right, power and remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise shall be cumulative and shall be in addition to every other right, power, or remedy provided for herein or now or hereafter existing at law, in equity, by statute, or otherwise. The exercise, the commencement of the exercise, or the forbearance from the exercise by any party of any one or more of such rights, powers or remedies shall not preclude the simultaneous or later exercise by such party of any or all of such other rights, powers or remedies.
- 18.11. **Attorneys' Fees.** If legal action shall be necessary to enforce any term, covenant or condition contained in this Agreement, the prevailing party shall be entitled to an award of reasonable attorneys' fees and costs expended in the action.
- 18.12. **Venue.** The venue for any litigation shall be Santa Barbara County, California and Consultant hereby consents to jurisdiction in Santa Barbara County for purposes of resolving any dispute or enforcing any obligation arising under this Agreement.
- 18.13. **Counterparts; Electronic Signatures.** This Agreement may be signed in one or more counterparts, each of which shall be deemed an original, but all of which together shall be deemed one and the same instrument. The parties acknowledge and agree that this Agreement may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed or emailed versions of an original signature, electronically scanned and transmitted versions (e.g., via pdf) of an original signature, or a digital signature.

TO EFFECTUATE THIS AGREEMENT, the parties have caused their duly authorized representatives to execute this Agreement on the dates set forth below.

“DISTRICT”
Montecito Sanitary District
Authorized Signatories:

“CONSULTANT”
[Name of Company or Individual]

Signature: _____
Printed: _____
Title: _____
Date: _____

Signature: _____
Printed: _____
Title: _____
Date: _____

Attest:

Signature: _____
Printed: _____
Title: District Clerk
Date: _____

Approved as to Form:

Signature: _____
Printed: _____
Title: District Counsel
Date: _____

EXHIBIT A
SCOPE OF SERVICES

EXHIBIT B
FEE SCHEDULE



Consultant Services for Septic to Sewer Strategic Plan

DECEMBER 2024

MONTECITO SANITARY DISTRICT





Proposal for Consultant Services for Septic to Sewer Strategic Plan

December 6, 2024

Montecito Sanitary District

Bryce Swetek ^{PE}
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Dear Bryce Swetek,

Montecito Sanitary District (MSD/District) is seeking proposals to prepare a plan to address sewer main extensions to the unserved public. Water Systems Consulting, Inc. (WSC), specializes in delivering customized planning documents and evaluating collection system infrastructure for small- to mid-size municipalities on the Central Coast.

By partnering with WSC, your organization will receive:

A Strategic Partner for a Strategic Plan. We've been with MSD through several strategic planning efforts producing accurate cost estimates and detailed alternatives analysis. We also provide similar strategic and septic to sewer planning efforts throughout the Central Coast through a well-defined approach that aligns with the District's goals.

Effective cost control through creative and flexible ideas. Evaluating alternatives that weigh near-term capital costs with long-term operational costs will allow MSD and future customers to choose the most appropriate and cost-effective connection solutions.

Extensive knowledge of MSD's collection system. We've been working on the District's model and have looked at impacts to several lift stations as part of the recent Summerland intertie project. While cost control is important to MSD and potential customers, understanding downstream impacts to limited capacity mains, trunks, and lift stations will guide the District through how to allocate potential costly downstream pipeline or pump upgrades.

If you have any questions on any aspect of our proposal, please contact WSC's proposed Project Manager, Michael Goymerac or Principal in Charge and QA/QC, Dylan Wade.

Sincerely,

Water Systems Consulting, Inc.

Micheal Goymerac ^{PE}
Project Manager

Dylan Wade ^{PE}
Principal in Charge | Vice President

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Experience and Qualifications

1

WSC History

WSC is Your Trusted Partner

WSC is an engineering firm that specializes in the assessment, analysis, planning, design, construction, and optimization of wastewater treatment, collection systems, and disposal solutions. We are purposefully organized to work collaboratively with our clients, applying proven approaches, state-of-the-art tools, and knowledge-driven innovation to deliver truly outstanding results.

Firm Overview

WSC is an employee-owned S-Corporation, incorporated in San Luis Obispo, California. Founded in 2007, WSC continually delivers innovative and value-added service to clients. Our closest office to the District is our headquarters in San Luis Obispo.

WSC's team includes wastewater experts who have experience preparing septic to sewer plans, designing collection and treatment systems, leading infrastructure construction projects, building sewer models and capital improvement plan tools, and supporting wastewater asset management programs.

Our team brings the experience, expertise, and a commitment to successfully deliver the Septic to Sewer Strategic Plan. We will leverage our relationships with District staff and our knowledge of the District's procedures, standards, sewer sheds, and facilities from our work on your hydraulic model, sewer main CIPP lining project, Summerland Sanitary District (SSD) intertie project, and Enhanced Recycled Water Feasibility Study. We are committed to providing proactive and effective coordination, continuous integration with your staff, and our unique understanding of area-specific issues that will help WSC deliver cost-effective, high-quality work.

Focus on Client Service

WSC prioritizes our clients. We deliver clear, consistent communication, high-quality deliverables, robust quality assurance and quality control (QA/QC), and industry leading project management processes so our clients can keep their focus on providing safe, reliable service to their customers.

About WSC

Type of Corporation:

S-Corporation

Date of Incorporation:

December 4, 2007

Location of Incorporation:

California

Size of Company:

74 employees

Headquarters:

805 Aerovista Place, Suite 201
San Luis Obispo, CA 93401

Project Experience

Relevant Project Descriptions

Septic to Sewer Planning

City of Atascadero

WSC is serving as the Program Manager for the replacement of the Atascadero Water Resource Recovery Facility. WSC is leading the development of technical reports, negotiations with the Regional Water Quality Control Board and potential project partners, assessing the operations and maintenance spaces, procurement of professional services, and consideration of collaborative delivery. As part of the City's collection system master planning effort, WSC conducted a septic to sewer conversion study that evaluated unserved areas for inclusion in the City's sewer system. The evaluation organized areas into sewer sheds and included analysis of which parcels could be grouped together and prioritized based on cost of inclusion, needed infrastructure, and operations and maintenance considerations.

Key Staff: Dylan Wade (Project Manager), Michael Goymerac (Engineering Support), Lauren Gruelich (CAD & GIS)

Status of Project: Septic to Sewer Plan complete, WRF replacement program currently in the preliminary design phase.

Septic to Sewer Planning

San Miguel Community Services District

WSC prepared a Clean Water State Revolving Fund Planning Application for a septic to sewer conversion project for San Miguel CSD. The septic to sewer project includes connecting a total of 98 properties within the District's service area that currently utilize septic systems. Twenty of the existing homes located within the District's current sewer service area would require new laterals to connect to the nearest sewer pipeline. The additional 78 homes would require an extension of the sewer service area to the east side of the District's service area, including approximately 13,700 feet of new gravity sewer mains, one new lift station, and 900 feet of sewer forcemain. The planning project's scope of work includes preliminary engineering, final design of the sewer system extensions and new private laterals, and environmental compliance. The overall budget for the planning grant is \$1,465,000.

Key Staff: Dylan Wade (Technical Advisor)

Status of Project: Grant application complete, Septic to Sewer Plan ongoing.

Enhanced Recycled Feasibility Study

Montecito Water and Sanitary Districts

The project provided Montecito with clear direction for implementation of a joint water reuse project with the goal of producing a new local drought-proof water supply for the community and reducing the discharge of treated wastewater to the ocean. This collaborative project built on the previous recycled water planning efforts by evaluating regional partnerships and developing next steps, as well as incorporating updated information, such as California's draft direct potable reuse regulations. The project contained a "mini" master plan for the wastewater treatment plant, evaluating flows, capacity, upgrade/replacement needs, and costs.

WSC performed a pipeline modeling and alternatives analysis for the conveyance infrastructure (pump stations, tanks, and pipelines) to deliver recycled water to various customers depending on the scenario. Capital, implementation, construction, and future ongoing operations/maintenance costs were developed for each alternative. The study looked at four primary project concepts: non-potable reuse and irrigation within Montecito, regional indirect potable reuse in partnership with neighboring Carpinteria, local direct potable reuse within Montecito, and regional direct potable reuse in partnership with neighboring Santa Barbara.

Key Staff: Michael Goymerac (Engineering Support)

Status of Project: Completed

SSD-MSD Sewer Intertie

Montecito Sanitary District

As a subconsultant to Carollo Engineers, WSC supported the SSD and MSD Collection System and Flow Equalization Analysis for Montecito Water District (MWD) Reuse Study. The Santa Barbara County Board of Supervisors tasked the engineering team with evaluating a collaborative water reuse project between SSD, MSD, and MWD. The report was an extension of a broader potable water reuse evaluation within Santa Barbara County. WSC performed a flow analysis, collection system analysis, and evaluated a range of feasible intertie locations. These locations were vetted in the field and presented to MSD and SSD for input. From these feasible locations, WSC evaluated four alternative intertie locations presenting the various required infrastructure, impacts to existing collection system, costs, criteria, and project benefits.

Results were documented in a Summary Report as well as through a series of Board presentations with the various stakeholder agencies (MSD, SSD, MWD, etc.).

Key Staff: Michael Goymerac (Project Engineer), Cason Roberts (Engineering Support)

Status of Project: Ongoing (to be completed in early 2025)

Airport Utilities Extension Planning and Design

City of Paso Robles

WSC performed an alternatives analysis, and developed preliminary and final designs for the expansion of the City’s wastewater, potable water, and recycled water systems into the area around the Paso Robles Airport. The existing properties were generally on septic systems although some properties had onsite biological wastewater treatment with disposal through leachfields or holding tanks using trucks to pump sewage and dump it at the City’s WWTP. WSC used spatially allocated sewer flows, a GIS-based hydraulic model, detailed constraints analysis, and life-cycle cost evaluation to evaluate alternative pipeline and pump station configurations for a multi-phased utilities expansion in this area. WSC then designed approximately 7,650 LF of 16-inch water main; 4,800 LF of 16-inch recycled water main; 8,190 LF of 8-, 10-, and 12-inch gravity sewer mains; 3,500 LF of 6-inch force main; and one lift station. WSC updated base mapping and conducted utility research to avoid critical conflicts in the project area. The project required existing services and equipment to remain functional during construction.

Key Staff: Adam Donald (Project Engineer), Michael Goymerac (Engineering Support)

Status of Project: Completed

Sewer Hydraulic Modeling Services

Montecito Sanitary District

Since 2021, WSC has developed and maintained a computer hydraulic model of the District’s wastewater collection system. The system includes approximately 75 miles of gravity sewer, along with five pump stations and associated force mains. WSC assigned sanitary flows and wet weather flows to manholes throughout the system and calibrated the flow assignment using measured data from ten temporary flow meter locations. WSC used the model to identify potential capacity constraints and evaluate potential improvements.

The model is substantially complete and has been further updated in recent years, particularly due to the investigation of a potential Summerland Sanitary District connection to MSD. In early 2024, WSC provided a status of the model for Staff review. Staff determined the model requires further improvements and calibration. While some calibration efforts were completed in 2021, further calibration is required, particularly during the upcoming 2024/25 wet weather season. As a result of these continued efforts, the Sewer Modeling Contract was recently awarded to WSC to support further planning efforts and capture additional wet weather calibration.

Key Staff: Jeroen Olthof (Project Manager, Lead Modeler), Cason Roberts (Modeling Support)

Status of Project: Ongoing

Firm Personnel

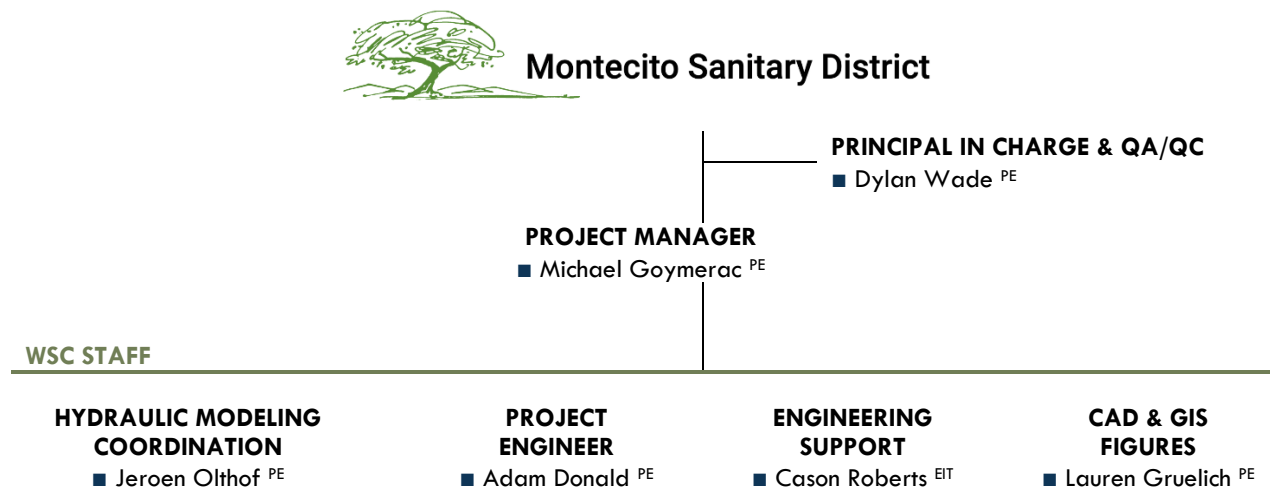
A team you can trust to deliver value.

We have purposefully organized our team to work collaboratively with the District to apply proven approaches and knowledge-driven innovation to deliver truly outstanding results.

Organizational Chart

Our team includes strong leadership, starting with our proposed Principal in Charge, Dylan Wade, and Project Manager, Michael Goymerac, who will serve as the main points of contact for the District. They will be supported by WSC’s Hydraulic Modeling Lead Jeroen Olthof, who has provided hydraulic modeling services to the District for years. They will be supported by a team of experienced and qualified engineers, including Adam Donald, Cason Roberts, and Lauren Grasberger. Our team has worked together and knows how to efficiently and collaboratively deliver high-quality sewer system solutions.

Bios for key staff are included on the following pages. Resumes for all staff are included in the appendix of the proposal.



References

WSC Delivers Value to Our Clients



Septic to Sewer Planning

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See page 3.



Septic to Sewer Planning

San Miguel Community Services District

Kelly Dodds

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kelly.dodds@sanmiguelcsd.org

See page 3.



Airport Utilities Extension Planning and Design

City of Paso Robles

Christopher Alakel, PE

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calakel@prcity.com.

See page 5.

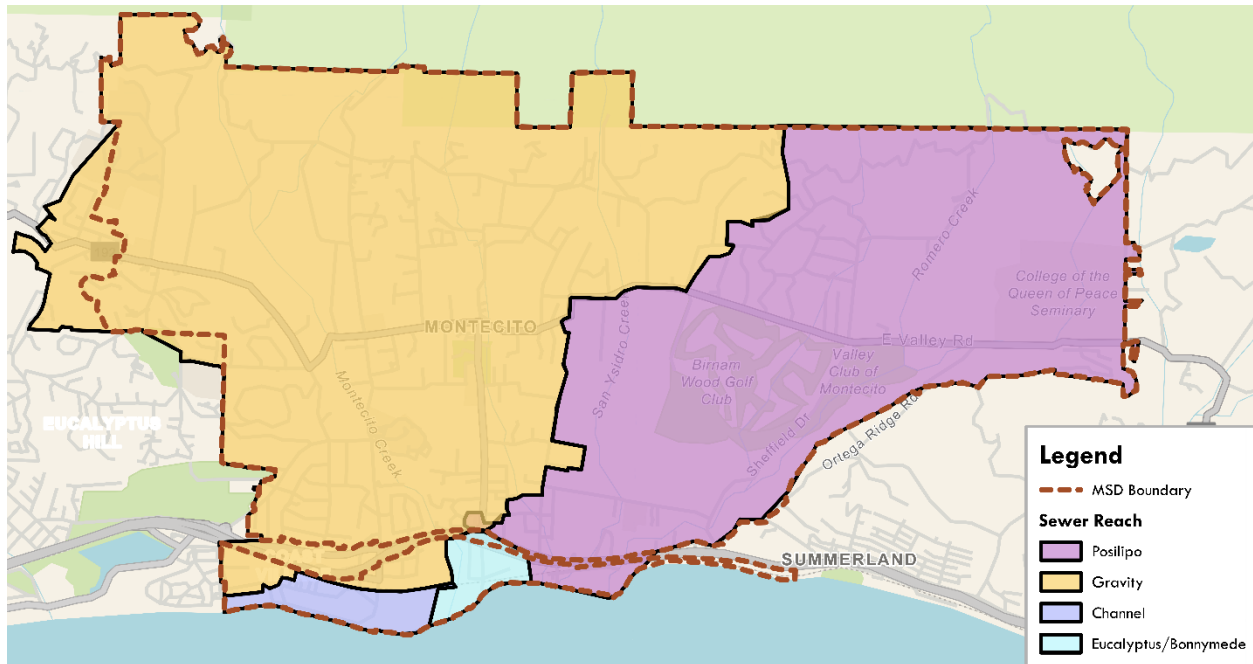
Project Understanding and Approach

2

Project Understanding

The Septic to Sewer Strategic Plan will provide guidance to staff and residents on effective sewer expansion.

MSD operates a collection system in the community of Montecito within unincorporated Santa Barbara County. The collection system serves over 3,000 connections through more than 70 miles of pipelines and five lift stations. MSD’s collection system is generally bound by the Santa Ynez Mountain range to the north and Pacific Ocean to the south. The collection system is indicative of many California coastal communities in that it generally flows from the high elevation coastal mountains to a series of lower elevation trunks and lift stations. The general flow direction from north to south is ultimately collected at MSD’s WWTP located in the southwest corner of their district boundary.



MSD’s collection system is split into four distinct reaches which are labeled on the map above by the lift station they drain to. The western most reach flows completely by gravity to the WWTP.

The eastern most Posilipo reach flows by gravity north to south eventually to the District’s largest lift station on Posilipo Lane. Two smaller reaches generally collect low-lying connections between Highway 101 and the Pacific Ocean through the Channel Drive, Bonnymede Drive, and Eucalyptus Lane lift stations. A fifth lift station is dedicated to the Miramar Hotel. The remaining largest and most western reach flows by gravity to two Highway 101 crossings at North Jameson (just west of San Ysidro Road) and Coast Village Circle (across to Butterfly Lane). Understanding the existing reaches and potential downstream impacts from bringing new sewer sheds online, neighborhoods, and properties will be key in considering the slate of potential alternatives and costs associated with connecting future parcels and general regions to

the collection system. Our methodology for addressing these potential constraints is discussed further in the following Approach section.

The purpose for developing a septic to sewer strategic plan is to provide guidance to staff and residents on effective sewer collection system expansion to new areas, reaches, and parcels. The plan is intended to focus on expansion from the end of the current gravity collection system piping and manhole structures to the current District boundary. The plan will consider topographical challenges including elevations of parcels related to adjacent streets, creek crossings, and required infrastructure (e.g., gravity and force mains, residential lift stations, regional lift stations, manholes, cleanouts, and other structures). The plan will provide enough flexibility so that MSD and potential customers understand the required costs and impacts that could result from connecting single parcels, multiple parcels, or groupings of parcels (i.e., neighborhoods).

Critical Success Factors

WSC will be MSD’s responsive and committed partner to deliver a flexible septic to sewer strategic plan that will be a guidance document for the District, existing customers, and customers looking to connect in the future. Our approach is guided by the following key success factors:

- ✓ **A Strategic Partner for a Strategic Plan** – WSC has successfully collaborated with MSD through several recent strategic planning efforts producing accurate cost estimates and detailed alternatives analysis. Our recent partnerships and collaboration will allow for an easier and more streamlined project effort. We are knowledgeable of the District’s system, familiar with your staff, and understand the projects goals and intent. We also provide similar strategic efforts throughout the Central Coast, offering a well-defined approach for septic to sewer planning that aligns with the District’s goals.
- ✓ **Effective cost control through creative and flexible ideas** – Evaluating alternatives that weigh near-term capital costs with long-term operational costs will allow MSD and future customers to choose the most appropriate and cost-effective connection solution.
- ✓ **Extensive knowledge of MSD’s collection system** – We are MSD’s selected modeling consultant and have looked at impacts to several lift stations as part of the recent SSD-MSD intertie project. While cost control is important to MSD and potential customers, understanding downstream impacts to limited capacity mains, trunks, and lift stations will prevent additional cost to MSD through early identification of needs for pipeline and/or pump upgrades triggered by new connections.

Approach

WSC provides a strategic partner with experience and knowledge of the District’s collection system to deliver a flexible and cost-effective septic to sewer plan.

Extending reliable sewer service within the District’s boundaries provides many key benefits to potential customers including offering reliable sewage disposal, less maintenance, avoids compliance with increasingly strict regulatory requirements, removes cost of expensive rehabilitation or replacement of septic systems, benefits property values, and reduces contributions to regional or local groundwater or adjacent potable well contamination. Likewise, for the District there are also many benefits including adding more customer base, increased recycled water production, low flow issues, regional groundwater quality, access to potential funding, and potential capacity improvements to downstream infrastructure (if required).

With these benefits in mind, WSC has proposed the following approach to the District’s Septic to Sewer Strategic Plan:

A Strategic Partner for a Strategic Plan

WSC has been a key partner in developing recent strategic plans and projects for the District as well as other agencies in the area. We recently guided the District through analysis of key strategic planning documents and feasibility studies including the Enhanced Recycled Water Feasibility Study and the MSD and Summerland Sanitary District intertie study. Through these efforts, we have analyzed existing and future infrastructure, evaluated creek and bridge crossings, performed field investigations, provided infrastructure alternatives analysis, and cost estimates. From these recent partnerships and other nearby septic to sewer planning (San Miguel CSD and Atascadero) we offer a well-defined and proven approach outlined in the sections below that align with your project goals. We are familiar with the District’s staff and system which will facilitate information exchange, collaboration, and efficiency.

A Well-Defined Approach Meets the District’s Plan Objectives

Provided our experience as a collaborative partner, we have extensive knowledge of the District’s existing collection system. This will allow efficiency during the initial data collection and system review phase (Task 2 of the Scope of Work) as well as making sure proposed approaches consider the existing system. After reviewing the initial data, we will generate sewer sheds and analyze potential connection options for properties within each sewer shed. WSC will present initial sewer sheds and connection options with the District for input before continuing onto the alternatives analysis. From this initial input WSC and the District will focus on higher priority sewer sheds (i.e., areas with greatest potential for connecting multiple properties). During this phase, WSC will perform site visits within the highest priority sewer sheds to note general topography, potential constraints or limitations such as bridges, creeks, or potential

easement requirements. From this we will estimate which properties will need residential pump stations.

As part of the alternatives analysis, WSC will evaluate potential alternatives for each sewer shed weighing cost, constructability, and topographic limitations (elevations, grades, bridges, creeks, etc.). Costs will be prepared for alternatives, including costs to be borne by each potential customer. WSC’s approach to cost is described later in our approach.



WSC staff met with MSD operations staff as part of a field investigation effort for the MSD-SSD intertie project. In the photo above, WSC and MSD staff were looking at a potential connection manhole in Sheffield Drive. Similarly, for the Septic to Sewer Strategic Plan we will visit potential high priority sewer sheds to field verify topography and residential connection options.

WSC envisions a Strategic Plan that is organized by sewer shed or neighborhood. Under each sewer shed section, maps showing required infrastructure and proposed connecting type will be presented for each potential property. Costs will be itemized by infrastructure type and include appropriate escalations, contingencies, and engineering and administrative costs. Total capital costs will be distributed among the properties within a given sewer shed, as described in greater detail later in this approach. The Strategic Plan will include summaries of the types of potential alternative technologies which can be implemented, and example manufacturer cut sheets showing residential grade pumping systems or other appropriate technologies. WSC will provide a list of the required criteria (space, power, and other requirements) to implement such technology within a given parcel. WSC will establish standard approaches for delineating responsibility of the District and the private sewer infrastructure. Non-economic criteria such as community impacts, environmental, permitting, and County infrastructure impacts (i.e., bridges, pavement, etc.). If downstream impacts are likely, we will clearly document the results of the

modeling and anticipated impacts in a clear and concise manner which will allow the District to explain the basis of these costs to potential customers and developers.

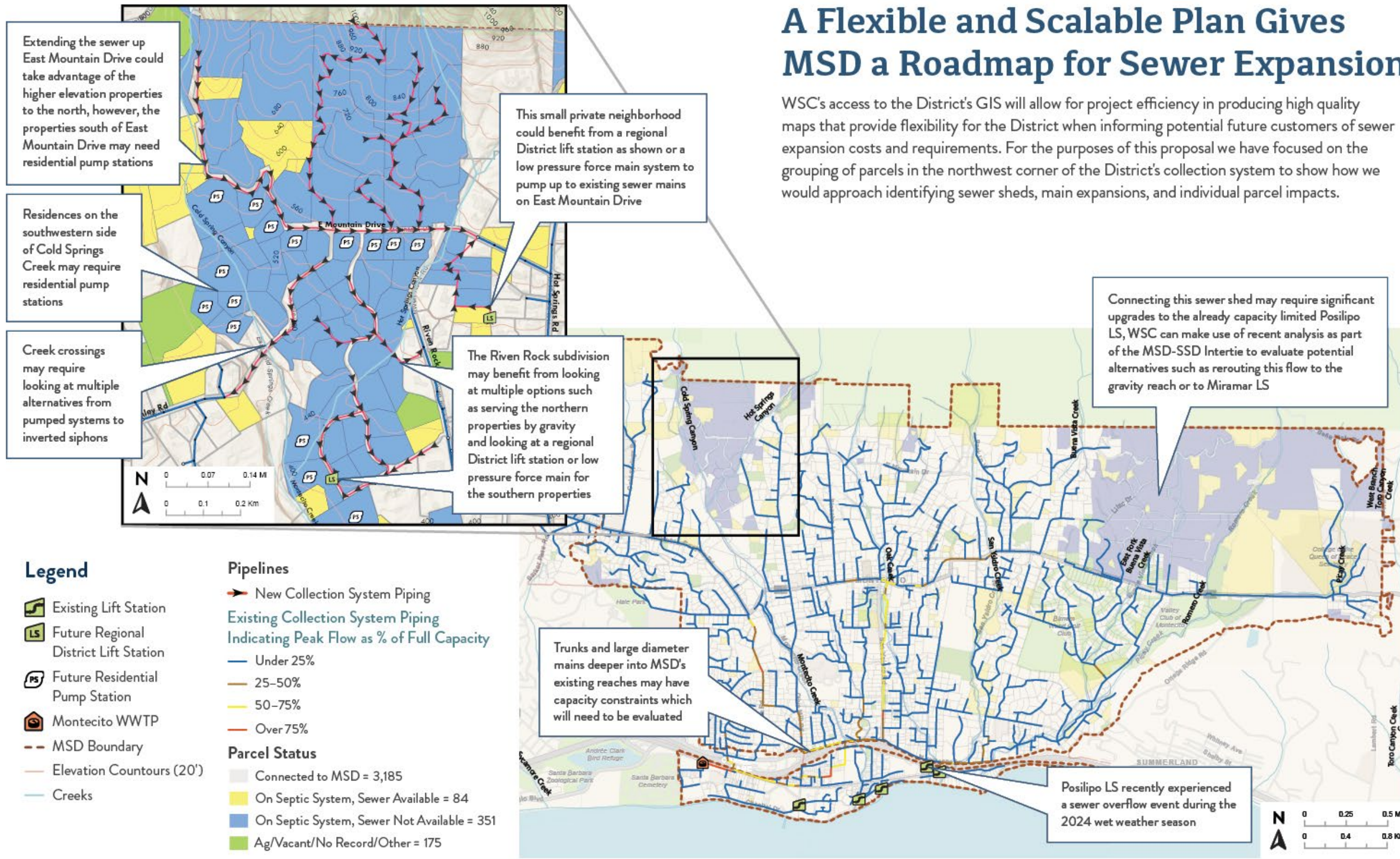
As part of this proposal effort we have generated a map of the District’s system focusing on the grouping of properties surrounding Montecito Creek which are not currently connected to the sewer collection system. These groupings of properties are located within the northwest corner of the collection system (between Westmont College and Riven Rock Road). Generally, the collection system in this gravity sewer reach flows from higher elevation along the north to lower trunks further south. The gravity sewer reach flows completely by gravity to the WWTP, there are no existing lift stations within this area. Connecting this area is indicative of challenges that are expected to be faced when preparing the Strategic Plan, and are summarized as follows:

- Connecting new sewer mains to the end of the current gravity collection system piping and manholes in East Mountain Drive, Riven Rock Road, Hot Springs Road, and Ashley Road.
- The topography of this neighborhood is challenging as some parcels may be below the existing road requiring residential pump stations.
- The neighborhood of focus (on the following figure) is bisected by the confluence of East Springs Creek and Hot Springs Creek diverging into Montecito Creek. These are known natural low points in the topography that may require low pressure sewage pump systems.
- This area provides an opportunity for the group of residents within the Riven Rock subdivision and the grouping of properties off Ashley Road to combine efforts resulting in a more comprehensive sewer main extension.

The challenges above are described further in the figure on the following page. The figure provides an example of how WSC will divide the collection system into appropriate sewer sheds which will facilitate further discussion and analysis of various alternatives within each sewer shed and neighborhood/subdivision. As demonstrated, our approach to the Strategic Plan will focus on recommendations that will present new sewer collection piping and other sewer structures that prioritize ease of future access by locating facilities in public right-of- way rather than easements.

A Flexible and Scalable Plan Gives MSD a Roadmap for Sewer Expansion

WSC's access to the District's GIS will allow for project efficiency in producing high quality maps that provide flexibility for the District when informing potential future customers of sewer expansion costs and requirements. For the purposes of this proposal we have focused on the grouping of parcels in the northwest corner of the District's collection system to show how we would approach identifying sewer sheds, main expansions, and individual parcel impacts.



Enhanced Community Outreach Can Facilitate Schedule and Project Success

WSC is an integrated water engineering and strategic communications firm. For this project, our in-house team of communication specialists are available to assist MSD with any public or stakeholder outreach needs, to advance the goals of the project, garner general support and interest from unconnected septic neighbors, and avoid schedule delays from community opposition.

Recently, for Metropolitan Water District of Southern California’s (MWD’s) Second Lower Feeder Rehabilitation Project, WSC collaborated with MWD to develop master messaging and outreach materials for the feeder pipeline re-lining (see below).

Public Outreach for Pipeline Rehabilitation Project

WSC created master messaging and outreach materials with Metropolitan’s project management staff. The goal of the project was to provide outreach to communities in the Los Angeles area regarding impacts from feeder pipeline re-lining work, including noise, traffic, and road and trail diversions. These projects will enhance water supply reliability to Southern California communities.

outreach strategies | flyers | project map | social media | +more



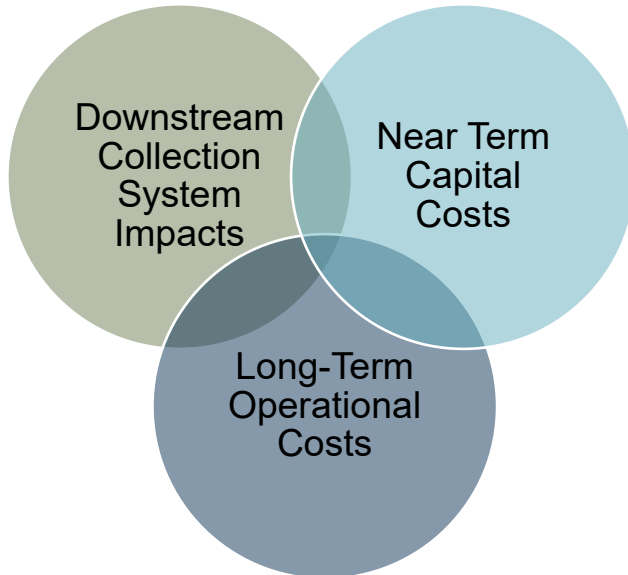
Working with both residents and businesses, this initiative aimed to inform and engage Los Angeles communities about the impacts of re-lining work, including noise, traffic, and road and trail diversions, crucial for enhancing water supply reliability in Southern California. A similar effort could be prepared for MSD to make community members aware of the benefits of regional sewer connection and costs associated with failing or aging septic systems.

If MSD is interested in a similar opportunity to notify and educate residential and developer communities of the Septic to Sewer Strategic Plan, WSC would be happy to schedule a presentation to showcase how these services may align with the District’s needs on this Project.

Effective cost control through a creative and flexible plan

MSD has stressed the importance of a flexible Strategic Plan which provides cost-effective alternatives. Costs will be prepared on a neighborhood or sewer shed basis. In our experience it may seem beneficial to take a “train car” approach to costing sewer expansion where connections further up-shed pay more. We’ve worked with agencies to implement this approach; however, this can create perceived unfairness as properties further from connection to the existing main sewer system connection will pay more. Instead, we propose preparing costs per sewer shed or neighborhood and distributing evenly among neighbors.

Sewer shed connections and expansion into new neighborhoods will need to balance several key factors: downstream impacts to the existing collection system, near term capital cost, and long-term operational costs.



Downstream Collection System Impacts

WSC is performing concurrent modeling update work for the District and through our other recent projects have a good understanding of the potential limitations within the existing system. This understanding provides value to the District to strategize and capture downstream impacts by new sewer shed connections. This is discussed further in the following approach section. For example, as identified on the figure shown previously, the

northeast section of the collection system funnels into the District’s lift station on Posilipo Lane. This station experienced a recent sewer overflow event during the 2024 winter season. If capacity constraints are identified from the addition of new connections, sewer upsizing costs may need to be captured in the alternatives. Capturing potential downstream impacts will provide the District with the more accurate costs for evaluating alternatives and educating potential future customers.

Near-Term Capital Costs

For new connections and sewer sheds, WSC will evaluate a range of potential options from gravity to low-pressure force mains. In some cases, gravity collections system capital costs may exceed those of low-pressure pumped systems due to the depth of installation that may be required. Low-pressure force main systems will require individual residential-level pumps which may increase connection costs for the users but should reduce the overall system costs as the force mains can be buried at shallower depths in compliance with County of Santa Barbara and MSD standards. Low-pressure sewer systems can also accommodate a more flexible layout better matching the topography and terrain of the foothills. While residential easements are not preferred, WSC will include alternatives with residential easements if they have a clear cost savings especially when comparing with low pressure systems. This will allow MSD to weigh the benefits of near-term cost savings (e.g., more efficient route through easement) with potential long-term cost and complexity of maintaining infrastructure within easements. MSD has expressed their wish to reduce (to the extent practical), capital and user connection costs. As discussed below, WSC will present both capital and estimated operational costs so these can be weighed, and costs can be appropriately assigned to potential new customers.

Long-Term Operational Costs

During the pre-proposal meeting, the District expressed interest in reducing program capital costs. In some cases, a reduction in capital costs can lead to an increase in long-term operational costs. While pumped or pressurized systems may reduce pipeline installation costs, they are offset by increases in capital and longer-term operational costs such as energy, increased maintenance hours, and regular equipment upkeep and replacement. WSC will annualize project capital costs and combine the costs with estimates of annual operating and maintenance costs to give staff and potential customers parallel comparisons between alternatives.

Through our previous planning efforts with MSD, WSC demonstrated the ability to provide high accuracy planning level cost estimating with alternatives that consider the balance of near-term capital costs with potential long-term operational costs. Alternatives for the MSD-SSD intertie project ranged from closest feasible connection point to a complete bypass of the collection system through a direct WWTP connection. For the Enhanced Recycled Water Feasibility Analysis, WSC evaluated various recycled water alternatives and their infrastructure impacts from tertiary recycled water for irrigation to direct potable reuse. In both cases, WSC provided valuable cost information to the District in their decision making.

Extensive knowledge of MSD’s collection system provides value

Since 2021, WSC has been building a sewer model for the District. The model is substantially complete and has been further updated in recent years, but is expected to be updated with additional wet weather calibration this upcoming winter season. The Sewer Modeling Contract, recently awarded to WSC, also includes scope with the intended purpose of performing continued modeling support specifically for this Septic to Sewer Strategic Plan and the Collection System Master Plan.

For this proposal we have generated a map of the District’s system in GIS noting which reaches, trunk segments, and lift stations have potential capacity constraints. This figure is presented in the previous Approach section. We believe our extensive knowledge of the District’s system will provide efficiency and value. For example, we have already identified trunks along San Ysidro Road, North Jameson Lane, Olive Mill Road, and Middle Road which appear to also have capacity constraints. With the existing system in mind, WSC will consider potential costs and impacts when connecting additional sewer sheds in the northwest section of the collection system. It’s possible new sewer shed connections will require further evaluation of these downstream impacts. These will inform potential alternatives and costs in the event capacities need to be increased in the pipeline segments identified.

Similarly, additional flows from any significant connections within the Posilipo reach will need to consider cost implications to the Posilipo lift station site. WSC recently evaluated and estimated cost impacts from Posilipo lift station capacity improvements as part of the SSD-MSD intertie project. These costs were captured in the applicable alternative and discussed with District staff. Given the potential for the high costs associated with upgrades to this site, WSC will guide the

District through evaluating other potential alternatives such as routing flow from the large sewer shed in the northeast further west on Boundary Drive until it connects with the gravity reach (bypassing the Posilipo reach). It is possible MSD may not want new customers to incur capacity upgrade costs, however, we believe it's important District staff and the Board are aware of the full picture and potential impacts these connections may have on future system operations and rates.



WSC staff met with MSD operations staff as part of a field investigation effort for the MSD-SSD intertie project. In the photo above, WSC and MSD staff were confirming pump sizes and capacity at the Posilipo lift station site. Results helped inform costs for intertie infrastructure alternatives.

Scope of Work

WSC is in large agreement with the scope of work included in the RFP. The tasks below closely align with the RFP scope with some minor clarifications and assumptions. Major modifications (additions) to scope are indicated in green.

Task 1 Project Management

WSC will collect information required to begin the project as well as to manage the project. Regular meetings and board presentations are also included in this task.

1.1 Meetings

- Attend one (1) 2-hour kick-off meeting with District staff to refine scope and objectives and to identify critical project success factors, including conflicts and schedule concerns. The kick-off meeting will occur in person at the District offices and WSC will prepare meeting agenda, materials, and provide a meeting summary.
- WSC's PM and Engineering Support Staff will participate in monthly video conference meetings to facilitate exchange of information, present project progress, and gain valuable input from District staff.
 - Meetings are to be conducted throughout the project to facilitate communication and ensure that work is being completed in accordance with the scope of services.
 - An average of one (1) 1-hour virtual meeting per month is assumed.
 - WSC has included some additional time for additional informal meetings in conjunction with specific tasks. The scope of work assumes ten (10) 1-hour video conferences and two (2) 2-hour in-person meetings with travel.

1.2 Project Management

- Prepare monthly progress reports to be submitted with each invoice. Progress reports will summarize work completed in the previous month, work anticipated in the next month, and key issues.

1.3 Presentations

- Prepare up to one (1) 1-hour presentation to the District Board or another interested party as determined by District Staff. The presentation will summarize the project's goals and objectives as well as key results for the Septic to Sewer Strategic Plan. WSC will prepare meeting agenda and presentation materials (meeting summary or minutes are assumed to be provided by the District).

Deliverables: WSC will prepare meeting agendas, materials, and provide a meeting summary.

Deliverables: Monthly progress reports and invoices.

Assumptions:

- (1) Project duration is 10 months.

Task 2 Existing System Overview

WSC will obtain information on the existing wastewater pipeline backbone system serving each sewer shed that will incorporate area(s) of currently unserved parcels. WSC will use this information to work with the modeling consultant (Task 3) to assign a contributory flow to the existing system. This task includes the following:

2.1 Review Existing Information

- WSC will prepare a request for information and data prior to the kickoff meeting and provide the request to the District. The request for data list will be used to track which items have been received or are outstanding.
- WSC will review existing plans, reports, and documents including available maps, drawings, and other visual/graphic data (i.e., base maps, District atlas maps, record drawings, CCTV inspection tapes and records, photographs, etc.) of the existing sewer pipelines where sewer main extensions will connect.
- It is assumed the District will provide a list of areas where existing sewer capacity issues are known in relation to future sewer main extensions.

2.2 Field Investigation

- WSC will perform one (1) site visit to complete a field review verifying existing conditions. The site visit will be completed in a single 8-hour workday and District will facilitate access to areas, connecting manholes, neighborhoods and private communities.
- The site visit shall consist of developing general familiarity with the areas where the sewer main extensions would be installed (topography, existing street placement, etc.) and visiting potential connection locations.
- The site visit will primarily consist of a drive-by review with limited on-foot access or walking required. The site visit will be performed after initial sewer sheds and connection areas are developed and prioritized with District staff.

2.3 Future Parcel Discharge Option Review

- WSC will analyze the parcel locations and existing sewer system layout to develop a preliminary analysis of the type of connection that each parcel could utilize. It is understood parcels may utilize different options.
- Research potential manufacturers/products capable of providing a low pressure pumped system for the District to standardize upon. The analysis will develop a matrix of benefits and issues as well as rough order of magnitude for residential systems. WSC will present findings at a regular meeting (as part of Task 1.1).

- Provide recommendations for the District to consider in their development of standard requirements associated with a pumped, low pressure residential wastewater discharge system.

2.4 Sewer Shed Identification and Prioritization (task added by WSC)

- WSC will develop maps of potential new sewer sheds, neighborhoods, and groupings of properties that could be connected. WSC will prepare high level maps and figures of these sewer sheds and present to the District for consideration and input. District will provide a prioritization of these sewer sheds, neighborhoods, and properties which will guide the field investigation (Task 2.2) and alternatives analysis (Task 4).

Deliverables:

- (1) Request for data in excel or PDF.
- (2) High level maps/figures with proposed draft sewer sheds and potential connection options for parcels as PDFs and presentation slide deck.
- (3) Summary of parcel connection options, list of manufacturers for pressurized sewer systems, matrix of benefits/costs for pressurized systems in a presentation slide deck.

Assumptions:

- (1) District will provide a list of areas where existing sewer capacity issues are known in relation to future sewer main extensions.
- (2) District will provide project-specific data including plans, reports, and documents including available maps, drawings, and other visual/graphic data (i.e., base maps, District atlas maps, record drawings, CCTV inspection tapes and records, photographs, etc.).
- (3) The site visit will consist of only the highest priority sewer sheds that can be reasonably accessed within a day.
- (4) District will negotiate access agreements or facilitate access to private properties (if required) and gated neighborhoods (will likely be required). District will provide staff for site visit to provide access to said properties, neighborhoods or collection system facilities/infrastructure.
- (5) Sewer sheds will be limited to current District service area bounds.

Task 3 Existing System Modeling (By Others)

The District utilizes a consulting firm (WSC) to manage the existing collection sewer model. As part of this project, wastewater contributions from the proposed sewer main extension areas will be provided at nodes that are in the existing model. The nodes will be provided by the modeling consultant based on the location identified by WSC. The flows associated with the sewer extension area will be analyzed by the District’s modeling consultant (WSC). WSC will

coordinate internally and provide input regarding average wastewater flow to be generated at each node based on the flow generation rates provided by the District.

Task 4 Sewer Main Extension Project Alternatives Analysis

WSC will develop projects per identified sewer shed (see Task 2.4) and determine the engineering feasibility of gravity systems (with potential system requirements for lift stations) compared to low pressure force main systems. A list of costs associated with each project alternative and sewer shed areas will be further broken down per parcel. WSC will use the results of this Task 4 to inform the Septic to Sewer Strategic Plan which will be written under Task 5. The Plan is intended to be used to educate the public and for discussions with prospective developer(s) and/or individual parcel owners to establish budgetary costs that will be associated with the extension project. This task consists of the following activities:

4.1 Collection System Technology

- WSC will define, provide situational use, and graphics for the collection system technologies considered in the strategic plan, which will include:
 - Gravity Systems
 - Gravity Mains
 - Gravity Laterals
 - Regional sewer shed or neighborhood-specific District lift stations
 - Low Pressure Force Systems
 - Low Pressure Mains
 - Low Pressure Laterals
 - Private Pump Stations (including pump configurations, backup power, and other typical safety features)

4.2 Project Identification

- WSC will identify projects based on sewer sheds and then further divided into the respective parcels within the sewer shed.
- Project identification will include the individual parcel requirements, but also the main extension to receive the wastewater that is generated from the parcel. The sewer main will consist of low-pressure force main, gravity pipeline or a combination of both depending on topography or other constraints.
- WSC will present identified projects and interim draft alternatives as part of a workshop utilizing one of the regularly scheduled meetings described under Task 1.1. The purpose of this meeting will be to present draft projects, draft alternatives, and gather interim District input for further refinement.

4.3 Project Development

- For each sewer main extension project (by sewer shed), WSC will develop up to two (2) to three (3) feasible project alternatives considering various collection system technologies and the needs of the sewer shed.
- WSC will provide a brief graphic and narrative conceptual design summary for each developed alternative, describing the anticipated improvements, estimated cost, and basis for improvements.
- WSC will perform an additional site visit at the project development phase to confirm questions or other sewer shed- or property-specific questions or issues that may arise since the initial site visit (Task 2.2).
- WSC will develop a planning-level unit costs database for each parcel including the shared cost of the sewer main extension that is shared by the neighborhood as well as any individual parcel cost, such as private pump station. The unit costs shall provide the basis for future planning-level cost estimates. The costs shall be based upon the WSC’s experience, as well as any unit cost information that the District has obtained from recent infrastructure construction projects. WSC will include the rationale and basis for the unit costs in the summary document.

Deliverables:

- (1) Draft identified projects and alternatives as PDFs and presentation slide deck.

Assumptions:

- (1) For the purposes of level of effort costs will be estimated per sewer shed and broken evenly by parcel within a given shed or neighborhood. Parcel-specific costs (i.e., “train car” approach will not be provided).
- (2) Costs will be prepared to AACE International Class V estimate level.
- (3) Downstream impacts will be limited to a cursory review of peak flow as a percentage of full capacity. Full evaluation of the entire collection system capacity is not included in the scope. Costs will be assigned based on escalation of recent and similar project costs to current dollars.

Task 5 Project Report and Recommendations

WSC will provide concise documentation of the Strategic Plan and present the recommended capital improvement program. Project documentation shall consist of the following:

5.1 Septic to Sewer Strategic Plan Report

- WSC will prepare the draft and final Septic to Sewer Strategic Plan Report consisting of summary sections, final technical memoranda prepared for the project and required appended materials and documents.

- The report will include the recommended project alternative per sewer shed as developed in Task 4.3. The final report shall contain reference information as well as stand-alone documents that would be suitable for distribution to the public or used for briefings to the District Board on the key elements of the plan and its implementation.
- WSC will prepare a draft version for District review and comment. The final document will incorporate the District's review comments and be submitted as both hard and electronic copies.

5.2 Electronic Report

- An electronic PDF version of the Sewer Main Extension Implementation Plan Report shall be prepared.

Deliverables:

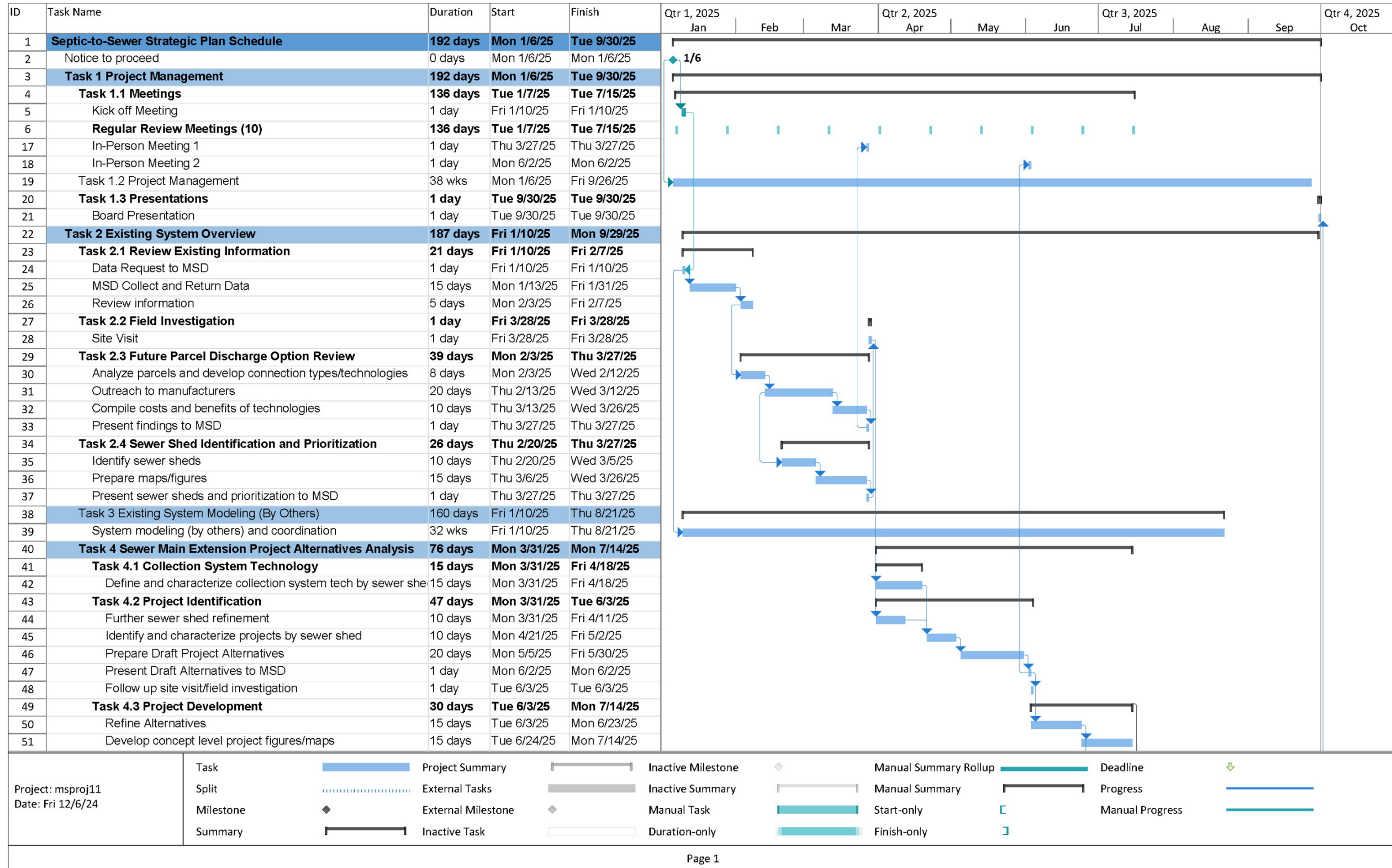
- (1) Draft Septic to Sewer Strategic Plan delivered as PDF and/or Microsoft Word.
- (2) Final Septic to Sewer Strategic Plan delivered as 2 bound paper copies, and as an electronic PDF of the entire document for archiving and reprinting.

Assumptions:

- (1) Optional bullet list for detailed breakdown

Estimated Schedule

3



ID	Task Name	Duration	Start	Finish	Qtr 1, 2025			Qtr 2, 2025			Qtr 3, 2025			Qtr 4, 2025
					Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
52	Prepare cost estimates	10 days	Tue 6/24/25	Mon 7/7/25										
53	Task 5 Project Report and Recommendations	55 days	Tue 7/15/25	Mon 9/29/25										
54	Draft Septic to Sewer Strategic Plan Report	5 wks	Tue 7/15/25	Mon 8/18/25										
55	MSD Review	15 days	Tue 8/19/25	Mon 9/8/25										
56	Final Septic to Sewer Strategic Plan Report	3 wks	Tue 9/9/25	Mon 9/29/25										



Project: msproj11 Date: Fri 12/6/24	Task		Project Summary		Inactive Milestone		Manual Summary Rollup		Deadline	
	Split		External Tasks		Inactive Summary		Manual Summary		Progress	
	Milestone		External Milestone		Manual Task		Start-only		Manual Progress	
	Summary		Inactive Task		Duration-only		Finish-only			

Estimated Level of Effort

4

Montecito Sanitary District
 Septic to Sewer Strategic Plan
 12/6/2024



Task No. Task Description	WSC							WSC Labor Hours
	Principal in Charge & QA/QC	Project Manager	Project Engineer	Engineering Support	CAD & GIS Support	Hydraulic Modeling Lead	Project Administrator	
	Dylan Wade	Michael Goymerac	Adam Donald	Cason Roberts	Lauren Greulich	Jeroen Olthof	Kay Merrill	
	Principal III	Senior II	Senior I	Assistant	Associate I	Principal III	Admin./ Clerical III	
1 Project Management								
1.1 Meetings	2	31	15	18				66
1.2 Project Management	2	16					18	36
1.3 Presentations		6	2					8
SUBTOTAL	4	53	17	18	0	0	18	110
2 Existing System Overview								
2.1 Review Existing Information		2	8	10				20
2.2 Field Investigation			10	10				20
2.3 Future Parcel Discharge Option Review	1	2	12	22				37
2.4 Sewer Shed Identification and Prioritization	1	3	10	16	26	6		62
SUBTOTAL	2	7	40	58	26	6	0	139
3 Existing System Modeling (By Others)								
3.1 Existing System Modeling (By Others)								0
SUBTOTAL	0	0	0	0	0	0	0	0
4 Sewer Main Extension Project Alternatives Analysis								
4.1 Collection System Technology	1	2	8	16				27
4.2 Project Identification	2	12	30	40	8			92
4.3 Project Development	2	12	24	46	24			108
SUBTOTAL	5	26	62	102	32	0	0	227
5 Project Report and Recommendations								
5.1 Septic to Sewer Strategic Plan Report	3	6	18	42				69
5.2 Electronic Report		1	2	3				6
SUBTOTAL	3	7	20	45	0	0	0	75
COLUMN TOTALS	14	93	139	223	58	6	18	551

10% mark-up on direct expenses; 15% mark-up for sub-contracted services
 Standard mileage rate \$0.625 per mile (or current Federal Mileage Reimbursement Rate)
 Rates are subject to revision as of January 1 each year.

2024 Classifications and Rates

	Hourly Rate
Engineers / Project Managers / Planners / Hydrogeologists	
Engineering Intern	\$ 142.00
Assistant	\$ 163.00
Staff I	\$ 173.00
Staff II	\$ 184.00
Staff III	\$ 194.00
Associate I	\$ 210.00
Associate II	\$ 221.00
Associate III	\$ 231.00
Senior I	\$ 257.00
Senior II	\$ 268.00
Senior III	\$ 289.00
Principal I	\$ 310.00
Principal II	\$ 352.00
Principal III	\$ 399.00
Outreach and Communications	
Communications Support I	\$ 147.00
Communications Support II	\$ 163.00
Communications Support III	\$ 189.00
Communication Strategist I	\$ 221.00
Communication Strategist II	\$ 247.00
Communication Strategist III	\$ 268.00
Senior Communication Strategist I	\$ 310.00
Senior Communication Strategist II	\$ 331.00
Senior Communication Strategist III	\$ 352.00
CAD / Design Services	
Technician/Designer I	\$ 152.00
Technician/Designer II	\$ 179.00
Technician/Designer III	\$ 200.00
Inspection Services	
Inspector I	\$ 158.00
Inspector II	\$ 168.00
Inspector III	\$ 194.00
Inspector (Prevailing Wage)	\$ 200.00
Administrative Services	
Administration/Clerical I	\$ 147.00
Administration/Clerical II	\$ 158.00
Administration/Clerical III	\$ 179.00

Other Expenses

10% mark-up on direct expenses; 15% mark-up for sub-contracted services
 Standard mileage rate \$0.65 per mile (or current Federal Mileage Reimbursement Rate)
 Rates are subject to revision as of January 1 each year.

Conflicts

5

Conflicts

WSC does not have any conflicts that will affect the ability to perform the work requested in a timely fashion over the duration of the contract.

Quality Assurance/ Quality Control

6

WSC's Commitment to Quality

WSC understands the importance of an internal QA/QC program, as our work has a direct effect on public health, safety, and resource management.

WSC values the importance of an internal quality assurance and control (QA/QC) program because our work has a direct effect on public health, safety, and resource management. We strive for the highest quality in all our deliverables. We implement a workflow with QC measures at all phases to meet expectations for deliverables. These measures are outlined below.

- **Align WSC’s team with the District's goals.** An internal kickoff meeting unites our team and key subconsultants around project goals, known client requirements, preferred lines of communication, QA/QC roles and expectations, project schedule, and budget.
- **Early QA/QC engagement sets up your projects for success, identifies opportunities to refine approaches, and increases quality and efficiency.** During the initial project phase, our QA/QC leads will coordinate or perform the review of conceptual work, assumptions, and preliminary results and work products. QA/QC leads will attend the internal project team kick-off meeting and other key team meetings.
- **WSC will develop a QA/QC plan specific for the project.** WSC’s project-specific QA/QC plans are grounded in the philosophies, policies, and best practices outlined in our corporate Quality Management System Manual, which is available upon request. This QA/QC plan outlines the QA activities of the project manager and team members, and QC expectations for other project participants. We will consistently conduct QC reviews throughout the project. Proven tools and experienced staff drive QC processes, assuring review comments are discussed, tracked, and addressed before deliverables are submitted to the District. When beneficial, we will assign additional QC staff to review specific technical aspects of a project.
- **WSC uses QC checklists customized for each project to guide the reviewers.** Our internal QC committee has developed thorough and comprehensive checklists for planning deliverables that help our planning teams provide the right information to reviewers at the right time in the process. The checklist also allows our senior technical staff to confirm that all calculations, drawings, specifications, and reports are thoroughly reviewed.
- **WSC will provide value-added and quality-enhancing services during the design and pre-construction phases, including constructability reviews.** With construction management specialists on staff, WSC brings real-world knowledge to constructability reviews for early identification of potential construction issues or risks. Working with your staff, WSC will streamline the bidding and award process, resulting in competitive bidding, a faster start to construction, and a strong relationship with the selected contractor right out of the gate.

Assumptions and Additional Comments

7

Assumptions and Additional Comments

WSC's assumptions are included under each task in the previous Scope of Work section. WSC has no further comments, suggestions, or additions for the District.

Contract Requirements

9

Contract Requirements

WSC will accept the District's terms of Agreement.

Resumes

A

Dylan Wade PE, CCM

PROFESSIONAL EXPERIENCE

Dylan Wade is a professional engineer with 24 years of professional experience including structural design, resident engineering, construction management, project delivery, and utility management. Dylan has served as the Owner Representative on many large, high-profile and multi-jurisdictional water resources projects including design and construction of intake facilities, water treatment plants, wastewater treatment plants, and major public works programs. These projects have been tremendous successes and some have won national recognition. He is responsible for managing numerous projects from initial planning to finished product. Dylan's extensive utility experience enables him to solve problems from an owner's perspective, while his construction background and expertise in contract management facilitates successful project delivery.

REPRESENTATIVE PROJECTS

Septic to Sewer Planning, City of Atascadero, Atascadero CA. Project Manager. Leading the development of technical reports, negotiations with the Regional Water Quality Control Board and potential project partners, assessing the operations and maintenance spaces, procurement of professional services and consideration of collaborative delivery. As part of the program, conducted a septic to sewer conversion study that evaluated unserved areas for inclusion in the City's sewer system. The evaluation organized areas into sewersheds and included analysis of which parcels could be grouped together and prioritized based on cost of inclusion, needed infrastructure, and operations and maintenance considerations.

Septic to Sewer Planning, San Miguel Community Services District, San Miguel, CA. QA/QC.

WSC prepared a Clean Water State Revolving Fund Planning Application for a septic to sewer conversion project for San Miguel CSD. The septic to sewer project includes connecting a total of 98 properties within the District's service area that currently utilize septic systems. Twenty of the existing homes located within the District's current sewer service area would require new laterals to connect to the nearest sewer pipeline. The additional 78 homes would require an extension of the sewer service area to the east side of the District's service area, including approximately 13,700 feet of new gravity sewer mains, one new lift station, and 900 feet of sewer service lines. The planning project's

scope of work includes preliminary engineering, final design of the sewer system extensions and new private laterals, and environmental compliance. The overall budget for the planning grant is \$1,465,000. The project is on the fundable list for the current fiscal year, and the State has indicated they expect to execute a 100% grant funded agreement with San Miguel CSD in 2025 for the project.

Wastewater Collection System Infrastructure Renewal Strategy, City of San Luis Obispo, CA. QA/QC. Develop a Wastewater Collection System Infrastructure Renewal Strategy that includes the creation of a hydraulic model for the wastewater collection system, evaluation of pipeline capacity to deliver current and future loading, assessment of pipeline condition, and the development of an asset management plan to guide future capital improvement projects. Utilize spatially allocated sewer loads, based on water demands, and an all-pipes model to implement a prioritized manhole data collection strategy that enables the City to focus its surveying efforts to the capacity impacted portions of the collection system. Intersect current wastewater loading with underlying parcel and land use data to develop area-based loading factors for use in quantify loading for areas of future growth and densification. Develop a decision algorithm incorporating capacity and condition data to identify highest risk assets and prioritize replacement to limit the City's risk exposure.



EDUCATION

BS, Civil and Environmental Engineering, Brigham Young University, Provo, UT

AA, Liberal Arts, West Valley Community College, Cupertino, CA

PROFESSIONAL REGISTRATIONS

Professional Engineer - Civil, California, No. C64044

Certified Construction Manager - No. 5761

"I love working in the water and wastewater industry, where we get to make the world a better place while also making a difference for the communities we serve."

Dylan Wade

Wastewater Collection System Assessment and Rehabilitation Plan, City of Morro Bay, CA. Capital Projects Manager. Created an asset management-based pipeline condition assessment and rehabilitation program. The cutting-edge program uses pre-designed standards, performance-based specifications, and GIS-enabled maps to reduce the rehabilitation project preparation timeline from several months to several days. Trenchless technologies were used extensively to increase repair efficiencies.

Annual Sewer Rehabilitation Program, City of Santa Barbara, Santa Barbara, CA. Technical Advisor. WSC has supported the City's Wastewater Rehabilitation Program for FY 2018, FY 2019/2020, FY 2022, and FY2023 and Dylan served as a technical advisor for the project. Rehabilitation strategies included dig and replace, trenchless rehabilitation through cured-in-place pipe (CIPP) or spiral wound PVC pipe liner, point repairs, rehabilitation of manholes, and replacement of cleanouts with new manholes. The 2023 project includes evaluating 2.3 miles of gravity sewer main ranging from 6-inch to 18-inch in diameter and preparing construction documents.

Cayucos Sustainable Water Project, Cayucos Sanitary District, CA. Program Manager/Engineer of Record. Provided the planning, design, program management and construction management for a program to create a sustainable water source for the community of Cayucos, cumulating in the design and construction of a 1.2 mgd (max day) greenfield Water Resource Recovery Facility. Program Management services included alternative project delivery, schedule management; stakeholder outreach coordination; meeting coordination and facilitation; risk management; and subconsultant management. Project development included project chartering, wastewater characterization, siting analysis, funding and financial strategy, rate setting, Proposition 218 process, wastewater collection system evaluation, and \$28 million dollars of USDA grants and low interest loans. Project also required evaluating regulatory and permitting requirements of potential disposal and beneficial use alternatives and coordinating with the Regional Water Quality Control Board for a new National Pollutant Discharge Elimination System (NPDES) permit and the permitting of a new ocean outfall through the California Coastal Commission. Prepared the design packages for the multiple projects in the program and provided construction management and engineering services during construction of the WRRF, which includes a Lift Station, Pipeline project with directional drilling under Toro Creek, Coarse Screens, Fine Screens, Grit Removal, Equalization, Membrane bioreactor and UV disinfection treatment processes for California Title 22 compliance, Dewatering facilities, Chemical Storage and feed systems, pump stations, Operations and Maintenance Facilities, Well based Potable Water System, tanks, piping, and associated appurtenances. Lead a value engineering and rebid of a project Lift Station project to produce over \$1.4 million in project savings in a two month period.

Wastewater Treatment and Collection System Analysis, GHD/ Atascadero State Hospital, Atascadero, CA. Technical Advisor. Dylan is supporting WSC's team which is assisting with the evaluating the Hospital's wastewater treatment facility and collection system. The wastewater study establishes a plan to address the changes in regulation and deficiencies

of the entire wastewater system. WSC's main focus was evaluating the collection system which consisted of CCTV inspection of sewer piping to inform the overall health of each pipeline. The evaluation also determined if there was sufficient capacity to accommodate an 250-bed expansion of the facility. WSC supported the alternatives evaluation for the wastewater treatment plant, which was based on treatment and regulatory requirements, costs, and beneficial reuse. The study resulted in a CIP plan that will allow the hospital to plan necessary improvements appropriately.

Central Coast Blue - Trenchless Railroad Crossing Design, Pismo Beach, CA. Technical Advisor. Technical Advisor for the proposed Central Coast Blue project, a regional advanced purified water project intended to enhance supply reliability by reducing the groundwater basin's vulnerability to drought and seawater intrusion. The proposed project would prevent seawater intrusion and augment groundwater supplies by recycling water currently discharged to the ocean and injecting it into the groundwater basin. The project includes construction of a new advanced purification facility, five injection wells, eleven monitoring wells, and over two miles of distribution pipelines. The pipelines cross several important existing land uses including Union Pacific Railroad (UPRR). WSC prepared a 200-foot auger boring trenchless crossing design and permit submittal to UPRR. The project included coordination and timing of critical subconsultant work including environmental review, geotechnical drilling, and specialty trenchless experts. WSC worked to balance several important criteria and project specific limitations including UPRR location requirements and high groundwater balancing feasibility, cost, and a tight design window.

Water Resource Recovery Facility Project, City of San Luis Obispo, CA. Technical Advisor. Providing Program Management services for the City's seven year, \$156 million Water Resource Recovery Facility (WRRF) upgrade project from planning through commissioning. Responsibilities include management of scope, schedule, and quality of the program, contract management for multiple contracts, coordination with the SST program, assessment of renewable energy opportunities, coordination with other City departments, set up of data management system, and general program administration.

Water Reclamation Facility Alternatives Analysis City of Atascadero, CA. Principal In Charge. Oversight and technical guidance for alternatives analysis for the City of Atascadero's WRF for treatment compliance relative to current and future regulations. The initial alternatives analysis establishes effluent limit targets, updates WRF flows and loads, and creates two alternatives for further economic and non-economic evaluations. The proposed alternatives include upgrading the current planned improvements to include membrane or MBR filtration with side stream reverse osmosis for salt reduction. The final alternatives will depend on effluent limits, specifically Total Dissolved Solids (TDS) and chloride. The alternatives will also be evaluated using a pair-wise analysis that considers: 1) ability to meet shifting regulations, 2) flexibility for expansion to meet changing flows, 3) operational reliability, 4) environmental stewardship, 5) potential for odor, 6) redundancy, 7) level of automation, and 8) operator certifications and staffing. Cost analysis includes construction capital costs and comparative life cycle costs, and comparative life cycle cost analysis focuses on understanding the differences in near-term and future costs for the alternatives.

Michael Goymerac PE

PROFESSIONAL EXPERIENCE

Michael is a Professional Engineer with 12 years of experience in water and wastewater infrastructure design and construction. This includes new pipelines, existing pipeline rehabilitation, storage tanks, recycled water system retrofits and permitting, water system automation retrofits, production groundwater wells, headworks, solids dewatering systems, reverse osmosis systems, and pump stations. He also has experience in hydraulic modeling, authoring grant applications, alternatives analysis, storm water resource plans, and regional water management plans. Michael has been involved in projects from planning through design and construction including project and construction management roles.

REPRESENTATIVE PROJECTS

Septic to Sewer Planning, City of Atascadero, Atascadero CA. Engineering Support. Leading the development of technical reports, negotiations with the Regional Water Quality Control Board and potential project partners, assessing the operations and maintenance spaces, procurement of professional services and consideration of collaborative delivery. As part of the program, conducted a septic to sewer conversion study that evaluated unserved areas for inclusion in the City's sewer system. The evaluation organized areas into sewersheds and included analysis of which parcels could be grouped together and prioritized based on cost of inclusion, needed infrastructure, and operations and maintenance considerations.

Enhanced Recycled Feasibility Study, Montecito Water and Sanitary Districts, Montecito, CA. Engineering Support. The project provided Montecito with clear direction for implementation of a joint water reuse project with the goal of producing a new local drought-proof water supply for the community and reducing the discharge of treated wastewater to the ocean. This collaborative project built on the previous recycled water planning efforts by evaluating regional partnerships and developing next steps, as well as incorporating updated information, such as California's draft direct potable reuse regulations. The project contained a "mini" master plan for the wastewater treatment plant, evaluating flows, capacity, upgrade/replacement needs, and costs. WSC performed a

pipeline modeling and alternatives analysis for the conveyance infrastructure (pump stations, tanks, and pipelines) to deliver recycled water to various customers depending on the scenario. Capital, implementation, construction, and future ongoing operations/maintenance costs were developed for each alternative. The study looked at four primary project concepts: non-potable reuse and irrigation within Montecito, regional indirect potable reuse in partnership with neighboring Carpinteria, local direct potable reuse within Montecito, and regional direct potable reuse in partnership with neighboring Santa Barbara.

Airport Utilities Extension Planning and Design, City of Paso Robles, Pasob Robles, CA. Engineering Support. Assisted with an alternatives analysis, and developed preliminary and final designs for the expansion of the City's wastewater, potable water, and recycled water systems into the area around the Paso Robles Airport. The existing properties were generally on septic systems although some properties had on-site biological wastewater treatment with disposal through leachfields or holding tanks using trucks to pump sewage and dump it at the City's WWTP. WSC used spatially allocated sewer flows, a GIS-based hydraulic model, detailed constraints analysis, and life cycle cost evaluation to evaluate alternative pipeline and pump station configurations for a multi-phased utilities expansion in this area. WSC then designed approximately 7,650 LF of 16-inch water main; 4,800 LF of 16-inch recycled water main; 8,190 LF of 8-, 10-, and 12-inch gravity sewer mains; 3,500 LF of 6-inch force main; and one lift station.



EDUCATION

BS, Environmental Engineering,
California Polytechnic University,
San Luis Obispo, CA

MS, Civil & Environmental
Engineering, California Polytechnic
University, San Luis Obispo, CA

PROFESSIONAL REGISTRATIONS

Professional Engineer - Civil,
California, No. 84894

CERTIFICATIONS AND TRAINING

Construction Quality Management,
USACE

40-hr HAZWOPER Certified,
OSHA

8-hr HAZWOPER Supervisor,
OSHA

First Aid and CPR certified

"I enjoy bringing attention to the often unseen world of water and communicating the ways in which it impacts our communities and environment."

Michael Goymerac

Michael Goymerac ^{PE} continued...

WSC updated base mapping and conducted utility research to avoid critical conflicts in the project area. The project required existing services and equipment to remain functional during construction.

Summerland Sanitary District and Montecito Sanitary District Collection System and Flow Equalization Analysis for Montecito Water District Reuse Study, Montecito Sanitary District, Montecito, CA.

Project Engineer. WSC performed the collection system evaluation for the Summerland Sanitary District (SSD) and Montecito Sanitary District (MSD) intertie study. The Santa Barbara County Board of Supervisors tasked the engineering team with evaluating a collaborative water reuse project between SSD, MSD, and Montecito Water District (MWD). The report was an extension of a broader potable water reuse evaluation within Santa Barbara County. Michael lead the flow analysis, collection system analysis, and evaluated a range of feasible intertie locations. These locations were vetted in the field and presented to MSD and SSD for input. From these feasible locations, WSC evaluated four alternative intertie locations presenting the various required infrastructure, impacts to existing collection system, costs, criteria, and project benefits. Results were documented in a Summary Report as well as through a series of Board presentations with the various stakeholder agencies (MSD, SSD, MWD, etc.).

Wexford, Magellan, and Horseshoe Lift Station Improvements, Placer County, CA. QA/QC.

Provided QA/QC for the engineering, design, and bidding and construction support services for the Wexford, Magellan, and Horseshoe bar lift stations to deliver needed improvements. These improvements include structural, mechanical, electrical, and controls design elements that will impact lift station operations. These lift stations have electrical, piping, access, O&M and condition related issues that needed to be resolved with a limited construction funding.

Central Coast Blue Well Infrastructure and Off-site Conveyance, City of Pismo Beach, CA. Well/Pipeline Design Lead. Provided site selection, conceptual design, and final design services for well infrastructure and offsite conveyance for the Central Coast Blue project. The project includes design of five injection well sites, up to 10 monitoring wells to satisfy regulatory requirements associated with the indirect potable reuse project, and up to 30,000 linear feet of conveyance piping. Tasks include preparing plans and specifications for construction, and our team will provide bid and construction phase support for drilling, construction, and equipping of well sites and pipelines.

Clarifier Rehabilitation, City of Pismo Beach, CA. Project Engineer.

Prepared the design and construction documents for a rehabilitation of two secondary clarifiers at the City's Wastewater Treatment Plant (WWTP). WSC assisted the City in preparing contract documents to clean and inspect as well as coat, replace, and repair mechanical components. Mr. Goymerac assisted with preparation of preliminary design drawings and contract specifications for rehabilitation work including coordination of taking the clarifiers offline, cleaning, and inspection.

Cayucos Sanitary District, Cayucos Sustainable Water Project, Cayucos, California. Interim Resident Project Representative and Inspector.

Provided construction management as the client's interim onsite Resident Project Representative (RPP) for the construction of a new \$20.5 million 0.335

million gallon per day (MGD) water resource and recovery facility. The Project included green field construction of the new plant facilities including oversight of grading, pipeline placement, structural work for water bearing basins, vaults, and building pads. Mr. Goymerac provided onsite reporting and documentation of progress, provided document control through Bentley's ProjectWise, conducted regular progress meetings with client and contractor, tracked and resolved outstanding issues and conflicts, insured compliance with Contract Documents and permit requirements, and provided general inspection.

Sludge Dewatering and Loadout Facility Construction Management Services, City of Palo Alto, Palo Alto, California. Office/Field Engineer.

Acted as an office and field engineer as a part of a teaming agreement with Tanner Pacific, Inc. for CM services for an approximately \$20 million construction project at the Palo Alto Regional Water Quality Control Plant. The project included construction of a two-story sludge dewatering and loadout facility containing belt filter presses, sludge cake storage and truck loadout, polymer mixing system, and a scum concentrator. Mr. Goymerac worked closely with a CM team including the Construction Manager, Field Engineer, and two Inspectors. He reviewed and processed RFIs, change orders, and submittals that were exchanged between the General Contractor (Overaa Construction) and the Engineer of Record (CH2M Hill). He assisted in coordinating weekly meetings with the Contractor, Engineer, Owner, key Stakeholders, and Subcontractors. Mr. Goymerac used his previous experience with transportation and disposal of contaminated media to consult and advise the Owner and Contractor on how to effectively remove, sample, stockpile, and dispose of lead-contaminated soil discovered during installation of foundation piers. In this effort, he and the CM team helped reduce a potential change order estimated to be over \$250k to an actual change order of \$56k, saving the Owner over \$200k through developing a strategic sampling plan and leveraging contacts with hazardous waste hauling companies. Mr. Goymerac also coordinated with the General Contractor, key equipment providers, and the Engineer to assist in reengineering the second-floor belt filter press room to accommodate the B-listed equipment. The original plans had designed the belt filter press room around the A-list equipment which had different dimensions and process piping layout configurations.

Main West Tank, City of El Paso de Robles, CA. Project Engineer.

Prepared the design and construction documents for a new 4 million gallon partially buried pre-stressed concrete tank on the site of an existing reservoir which has reached the end of its useful life. The \$7.5 million project has been a long-planned and essential component of the City's efforts to advance the overall performance, reliability, and usefulness of its water system. Once constructed, the project will allow the City to address aging infrastructure, improve water system hydraulics, and enhance the seismic safety of the water distribution system. Mr. Goymerac assisted with preparation of design drawings and contract specifications for critical demolition, grading, tank underdrain system, water conveyance, tie-ins to existing infrastructure and emergency overflow and drainage systems. He coordinated closely with various subconsultants and disciplines including CEQA evaluation, structural design, electrical and instrumentation components, and geotechnical evaluation of the site.

Jeroen Olthof PE, MS, MBA



PROFESSIONAL EXPERIENCE

Jeroen Olthof brings 29 years of experience in planning, design, and management of water and wastewater infrastructure. He specializes in hydraulic modeling of pipe networks, feasibility studies, infrastructure condition assessment, and comprehensive master planning. His experience includes database development and integration of geographic information systems (GIS) with hydraulic models, recycled water customer databases, and asset databases. He has developed and maintained custom databases to track recycled water customers and generate reports for regulatory agencies and other stakeholders. Jeroen has also developed condition assessment programs and decision algorithms to support capital improvement planning and maintenance optimization. He has published several technical papers on hydraulic modeling and infrastructure condition assessment.

REPRESENTATIVE PROJECTS

Sewer Hydraulic Modeling Services, Montecito Sanitary District, Montecito, CA. Project Manager.

Developed a computer hydraulic model of the District's wastewater collection system. The system includes approximately 75 miles of gravity sewer, along with five pump stations and associated force mains. Assigned sanitary flows and wet weather flows to manholes throughout the system and calibrated the flow assignment using measured data from ten temporary flow meter locations. Used the model to identify potential capacity constraints and evaluate potential improvements.

Wastewater Collection System Hydraulic Modeling Services, City of Santa Barbara, CA. Project Manager.

Prepared and updated collection system hydraulic model to assist the City of Santa Barbara in complying with its Consent Decree with the Santa Barbara Channel Keeper and to plan future CIP projects. Utilized updated GIS data to develop an all pipes collection system hydraulic model to replace the City's existing skeletonized model. Developed spatially allocated average daily sewer flow estimates through an analysis of winter water demands and developed wet weather flow estimates by analyzing storm events and corresponding

wastewater flows. Utilized the hydraulic model to identify capacity-constrained pipelines under the current and future sewer flow scenarios and to develop list of necessary capital projects. Performing on-going model maintenance and as-needed model updates.

Water and Collection System Master Plans, Big Bear City Community Services District, Big Bear, CA. QA/QC.

Helped develop the District's Water System Master Plan Update which included building a new hydraulic model of its distribution system in InfoWater. The model included importing data from a new GIS database, and calibrating the model for steady state and extended period simulations using SCADA data and fire flow testing. Also helped develop a hydraulic model of the collection system, identified potential capacity constraints, reviewed collection system age, and conducted a condition assessment of conveyance infrastructure. The data collection stage included a review of the District's CCTV inspection library and maintenance program. The Update included calculation of sewage flow projections, evaluation of the hydraulic capacity of the existing collection system, site visits to assess the condition of the seven lift stations, and creation of a prioritized project list to address the capacity and condition deficiencies.



EDUCATION

MBA, USC

MS, Civil Engineering,
University of Washington

BS, Civil Engineering,
University of Colorado Boulder

PROFESSIONAL REGISTRATIONS

Professional Engineer - Civil, California,
No. C58597

Professional Engineer - Civil, Oregon,
No. C94671

ARTICLES

San Diego's Recipe for Overflow
Reduction, Public Works, June, 2004.

Capacity Assurance Sets Stage for
CMOM Success, Waterscapes, Vol. 13,
No. 2, May, 2002

“Reliable access to clean drinking water and sanitation is fundamental to maintaining and improving our quality of life.”

Jeroen Olthof

Wastewater Collection System Infrastructure, City of San Luis Obispo, CA. Project Engineer. Developed a Wastewater Collection System Infrastructure Renewal Strategy including creation of a hydraulic model for the wastewater collection system, evaluation of pipeline capacity to deliver current and future loading, assessment of pipeline condition and the development of an asset management plan to guide future capital improvement projects. Utilize spatially allocated sewer loads, based on water demands, and an all-pipes model to implement a prioritized manhole data collection strategy that enables the City to focus its surveying efforts to the capacity impacted portions of the collection system. Intersect current wastewater loading with underlying parcel and land use data to develop area-based loading factors for use in quantify loading for areas of future growth and densification. Develop a decision algorithm incorporating capacity and condition data to identify highest risk assets and prioritize replacement to limit the City's risk exposure.

FY 2018 Sewer Main Rehabilitation Project, City of Santa Barbara, CA. Project Manager. Led the evaluation of 4.2 miles of gravity sewer main, recommendation of rehabilitation strategies for each segment, and preparation of construction documents. Rehabilitation strategies included dig and replace, trenchless rehabilitation through cured-in-place pipe (CIPP) or spiral wound PVC pipe liner, point repairs, rehabilitation of manholes, and replacement of cleanouts with new manholes. Guided preparation of the technical specifications and engineer's opinion of probable construction cost, assisted the City during the bidding phase by preparing addendum and evaluating products, and assisted the City during construction by evaluating pre-lining CCTV videos.

Wastewater System Master Plan, City of Milwaukie, Milwaukie, OR. QA/QC. Updated the City's Wastewater System Master Plan. A key consideration was developing an accurate hydraulic model of the collection system and an understanding of wet weather flows. The project included development of an updated hydraulic model of the collection system. WSC's team deployed temporary flow monitors at key manholes identified through analysis of the City's GIS database of its sewer infrastructure. The team reviewed the data gathered with City staff and determined whether additional monitoring should be performed. The project also included development of an updated CIP that addresses system resiliency to seismic events and to climate change.

Utility Capacity and Local Limits Study, City of Santa Maria, CA. QA/QC. Prepared a Master Plan Update to assess the capacity of the City's water and wastewater collection system, and developing a prioritized, risk-based capital improvement plan for the utilities. The plan update included development of a new water model in InfoWater and a sewer collection system model in SeewerGEMS. The models were loading using actual spatially allocated water consumption data. WSC also developed updated local limits for industrial discharges within the City of Santa Maria's wastewater. Developed a sampling plan to characterize wastewater quality within the City's collection system and at the wastewater treatment plant. Utilized spatially allocated sewer model flows and an all-pipes collection system hydraulic model to identify representative collection system sampling locations for commercial and industrial customers. Developed and analyzed contaminant mass balances for the collection system and the wastewater treatment plant to

identify the Maximum Allowable Headworks Loading (MAHL) and the Maximum Allowable Industrial Loading (MAIL).

Sewer System Asset Management Plan, City of Pacific Grove, CA. Task Manager. Assisted with preparation of a sewerage system asset management plan that provides guidance to the city in the operations, maintenance, and rehabilitation of the sewer assets of the community, which included seven pump stations, 57 miles of gravity sewers, and one mile of pressure sewers. Project included evaluation of maintenance practices, condition assessment of the sewer system facilities, ordinance and legal document review, geographical information system (GIS) and computerized maintenance management system planning, identification of sewers with capacity and condition issues, development of a three-year capital improvement program, and sewer enterprise fund revenue and expense projections. Recommended programs to ensure a level of service that is fully compliant with current and reasonably anticipated Regional Water Quality Control Board (RWQCB) Waste Discharge Requirements, GASB Statement No. 34, and other regulations.

Wastewater Program Management, City and County of Honolulu, HI. Program Controls Manager. Provided wastewater program management for the City and County of Honolulu's \$6 billion court-ordered compliance program, which required Honolulu to reduce sanitary sewer overflows and upgrade wastewater facilities to full secondary treatment standards. Honolulu handles over 100 mgd of wastewater through a network of 2,100 miles of pipelines (including forcemains, gravity mains, and lower laterals), 70 pumping stations, and nine wastewater treatment plants. The compliance requirements were prescriptive and included spill contingency plans, spill response plans, condition assessments, capital improvement projects, inspections, enforcement, staffing, equipment, monitoring, reporting, effluent limits, penalties, and schedules. Provided program controls, including a web-based database of over 450 individual requirements in the consent decree. A SharePoint-based collaboration site was used to facilitate communication on the status of each requirement, roles, and responsibilities, as well as upcoming deadlines and deliverables. The site included a geographic information system (GIS) interface to display the geographic extent of work under each requirement. Program status reports were developed in Microsoft Excel and Access to broadcast key information to team members. The program controls group also maintained a program schedule in Primavera, and a document repository in the Honolulu DocuShare system. These tools allowed seamless communication among Honolulu staff, the program management team, and outside consultants and contractors completing individual projects.

Pearl City Pump Station and Force Main Study, City and County of Honolulu, HI. Task Manager. Performed analysis of the Pearl City Wastewater Pumping Station and Forcemain, Waipahu Wastewater Pumping Station and Forcemain, and gravity sewer along Geiger Road leading up to the Honolulu Wastewater Treatment Plant. Responsible for preparing a MikeUrban hydraulic model of the collection system. Evaluated current and future flow conditions and recommended potential improvements.

Adam Donald PE, PACP

PROFESSIONAL EXPERIENCE

Adam is a PACP certified engineer with eight years of experience. He specializes in water and wastewater design and planning projects. His experience includes master planning, cost, and life-cycle analyses for sewer systems, and CIP development for projects. He is also adept at water pipeline design, gravity sewer design, sewer force main design, sewer pipeline and manhole rehabilitation. His recent experience also includes assessing I&I issues and conducting seismic risk assessments.

REPRESENTATIVE PROJECTS

Desal Link CCTV Review, City of Santa Barbara, CA. Project Engineer. Performed CCTV review on behalf of the City for sewer mains, sewer laterals, and storm drains that the 24" Desal Link pipeline crosses or runs parallel to. Work consisted of reviewing pre-construction CCTV for the sewer mains, laterals, and storm drains to document the existing condition of the assets and performing post-construction CCTV review of the same assets to document if any damage occurred as a result of the pipeline installation. Technical memos were prepared to document shortcomings in the CCTV data submittals and to document any areas with damage warranting repairs.

Wastewater Master Plan Update, Camarillo Sanitary District, CA. Collections System Modeling Lead. Preparing a wastewater plan to evaluate the District's collections system and water reclamation plant. The collections system evaluation consists of developing land-use based loading factors, an all-pipes collection system hydraulic model to identify capacity constrained pipes, pump station evaluations, and a pipe age analysis for determining a long-term pipe replacement strategy. The water reclamation plant evaluation consists of a regulatory review, a site planning study, wastewater characterization, liquid streams and solids stream analysis, condition assessment, and development of treatment alternatives to meet future regulations. A capital improvement plan will be developed to incorporate the recommended projects.

2020 Sewer Model Update and Loading Comparison, City of San Luis Obispo, CA. Staff Engineer. Updating the City's collection system hydraulic model to incorporate revised sewer loading
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projections and pipeline and facility information to align with the 2020 Housing Element of the City's General Plan. The project consisted of updating the model elements with the latest GIS files, revising the sewer loads using updated winter water consumption data and the assumptions in the 2020 Housing Element, and identifying if there are any significant changes to the capacity constrained pipelines and sewer basins identified in the previous modeling analysis.

2021 Sewer Master Plan Update, City of Solvang, CA. Project Engineer. Preparing an update to the City's existing wastewater system master plan. Utilizing the City's GIS data to develop an all-pipes collection system hydraulic model to evaluate the City's collection system for capacity deficiencies. Work includes development of loading based on land use data, flow monitoring for use in model calibration, determination of capacity driven projects, a lift station condition assessment, and pipe age analysis for condition-based improvements. Based on the findings of the Work, a capital improvement plan will be developed.

Paso Robles Lift Station Discharge Piping Replacement, Paso Robles, CA. Staff Engineer. Providing design services for replacement of existing discharge piping with stainless steel discharge piping at five of the City's lift stations. Project consisted of developing design drawings, specifications and engineer's opinion of probable construction cost as well as the development of site-specific bypass plans for construction.

Lift Station Generator Replacements, City of Paso Robles, CA. Project Engineer. Provided design services for the installation of natural gas generators at five of the City's lift stations. Project consisted



EDUCATION

MS, Civil and Environmental Engineering, Stanford University

BS, Environmental Engineering, California Polytechnic State University, San Luis Obispo

PROFESSIONAL REGISTRATIONS

Professional Engineer – Civil, Oregon, No. 95325

Professional Engineer – Civil, California, No. 89089

Professional Engineer – Civil, Washington, No. 57893

PACP/MACP/LACP – Certificate U-0520-70309436

“I’m passionate about helping our clients meet the needs of their communities through tailored, best-fit solutions.”

Adam Donald

Adam Donald PE continued...

of sizing generators for each site, coordinating with the SoCal Gas for the establishment of new natural gas services, and developing design drawings, specifications and engineer's opinion of probable construction cost for the installation of the generators.

Lift Station 6 Generator Emergency Generator Replacement, City of Paso Robles, CA. Project Engineer. Provided design services for the installation of a natural gas generator at the City's newly constructed Lift Station 6. Project consisted of sizing generator, coordinating with the SoCal Gas for the establishment of new natural gas services, and developing design drawings, specifications and engineer's opinion of probable construction cost for the installation of the generator.

2021 Sanitary Sewer Master Plan, Oak Lodge Water Services, Oak Grove, OR. Project Engineer. Utilizing the District's GIS data, WSC developed an all-pipes collection system hydraulic model to evaluate the City's collection system for capacity deficiencies. Performed flow monitoring and smoke testing to evaluate wet weather flows for model calibration and identify sewer basins with high infiltration and inflow (I/I). Work included the evaluation of existing and future flows, development of an I/I reduction strategy, identification capacity deficient pipes, an evaluation of pump station capacity, and an evaluation of collection system condition based on PACP scores. The water reclamation facility was evaluated to determine capacity and the ability to meet future regulatory requirements. A financial analysis was performed to determine system development charges. Based on the findings of the Work, a capital improvement plan was developed.

2019 Wastewater System Master Plan, City of Milwaukie, OR. Project Engineer. Preparing and updating the City's existing wastewater system master plan. Utilizing the City's GIS data to develop an all-pipes collection system hydraulic model to evaluate the City's collection system for capacity deficiencies. Performed flow monitoring to determine dry weather and wet weather flows for model calibration. Work will include evaluation of existing and future flows, infiltration and inflow, and treatment plant capacity. The collection system's critical infrastructure will be evaluated for resiliency to seismic geohazards and climate change. A financial analysis will be performed to determine system development charges. Based on the findings of the Work, a capital improvement plan will be developed.

Wastewater Treatment Plant and Field Station Condition Assessment, South Tahoe Public Utilities District, CA. Engineering Support. Evaluating critical electrical, structural, and piping assets at the District's wastewater treatment plant and pump stations. The project includes asset prioritization, development of condition assessment budgets for each asset, replacement cost analysis, and rankings for assets. To meet the District's goals, final deliverables include an asset roadmap that provides clear guidance and prioritization for future actions by the District. This includes actively engaging District staff, leveraging institutional system knowledge, and Business Case Screenings (BCSs) to provide an early look at asset values and assessment priorities.

Auburn Ravine Force Main Replacement, Placer County, CA. Engineering Support. Evaluation of alternatives to address condition deficiencies within the 12-inch diameter, 6,500 foot long asbestos cement pipeline. Alternatives included rerouting the pipeline, rehabilitation in place, or installation of a parallel pipeline. Designed a parallel pipeline that included the installation of a permanent bypass into the neighboring City of Auburn collection system, allowing significant cost savings by reusing the existing alignment in sections to avoid hard rock removal. A variance from separation requirements with potable water utilities was obtained from the Division of Drinking Water through the use of DR17 14-inch diameter butt-fusion welded HDPE pipe with a pressure rating exceeding the project requirements. Utility location was critical within the narrow corridor, and both ground penetrating radar, electromagnetic sounding, and hydraulic potholing were used to positively locate utilities along the alignment. An 800 foot long horizontal directional drill installation was required to avoid an environmentally sensitive Auburn Ravine creek, and required a Lake and Streambed Alteration Agreement. Supported the development of a CEQA Initial Study and declaration of Mitigated Negative Declaration. Coordination with Caltrans was required for connection to existing pipelines within the Highway 49 right-of-way.

Cayucos Sustainable Water Project, Cayucos Sanitary District, CA. Process Design Lead. Provided planning, design services for a 1.2 mgd greenfield Water Resource Recovery Facility that will create a sustainable water source from a resource previously disposed through an ocean outfall. The facility includes a membrane bioreactor and UV disinfection treatment processes for CA Title 22 compliance, four pump stations, two tanks, and distribution piping. Supported the project by preparing design plans and technical specifications for the onsite potable water system and onsite drainage system. The design consisted of designing a 16 gpm potable water booster pump station, distribution piping network, and potable water storage tank to provide water to buildings onsite. Site drainage design consisted of designing a lift station to handle screw press filtrate and waste from the maintenance building and selecting three packaged grinder pump stations to serve additional buildings on site. He provided engineering services during construction for each of these process areas including submittal reviews and responding to RFIs.

Unit W Wastewater Pipe and Maintenance Access Hole Lining, City of Thousand Oaks, CA. Project Engineer. Project consisted of rehabilitation of 1.6 miles of 8", 10", 21", 24", and 27" wastewater mains and 326 vertical feet of maintenance access holes near the 101 Freeway using CIPP and Spiralwound PVC. Special attention was required for traffic control as much of the larger diameter pipe was located within one of the City's busiest intersections. During design, provided technical review for the City's plans, technical specifications, and cost opinion to help the City augment their deliverable for larger diameter pipelines and the significant traffic control and bypass needs. Also, reviewed CCTV video to confirm appropriate rehabilitation strategy and identify any areas with defects that need to be addressed prior to lining. Providing engineering services during construction including submittal review, field testing review, CCTV review, and answering requests for information.

Lauren Gruelich ^{PE}

PROFESSIONAL EXPERIENCE

Lauren Cetin is a professional engineer with five years civil and environmental engineering experience focused on water and sewer hydraulic analysis, distribution and collection system design, and construction management support. She has worked on utility projects specializing in GIS spatial data analytics and hydraulic analysis and is competent in AutoCAD Civil 3D, Revit, SewerCAD, SewerGEMS, WaterCAD, and WaterGEMS. Lauren brings design experience as an engineer and drafter in pipeline utility design, civil site design, land development, and facility layout and design.

REPRESENTATIVE PROJECTS

FY22 Sewer Main Rehabilitation Project. *City of Santa Barbara, CA. Engineering Support.* Project included evaluating 2.4 miles of gravity sewer main ranging from 6” to 16” in diameter and preparing construction documents. Rehabilitation strategies included dig and replace, trenchless rehabilitation through cured-in-place pipe (CIPP) or spiral wound PVC pipe liner, point repairs, rehabilitation of manholes, and replacement of cleanouts with new manholes. Prepared technical specifications and engineer’s opinion of probable construction cost. Reviewed the exhibits prepared by the City and provided input on rehabilitation strategy. Provided engineering services during construction including submittal review, response to requests for information, CCTV review and tracking of all work completed.

2021 Sanitary Sewer Master Plan, Oak Lodge Water Services, OR. Engineering Support. Utilizing the District’s GIS data, WSC developed an all-pipes collection system hydraulic model to evaluate the City’s collection system for capacity deficiencies. Performed flow monitoring and smoke testing to evaluate wet weather flows for model calibration and identify sewer basins with high infiltration and inflow (I/I). Work included the evaluation of existing and future flows, development of an I/I reduction strategy, identification capacity deficient pipes, an evaluation of pump station capacity, and an evaluation of collection system condition based on PACP scores. The water reclamation facility was evaluated to determine capacity and the ability to meet future regulatory requirements. A financial analysis was performed to determine system

development charges. Based on the findings of the Work, a capital improvement plan was developed.

Wastewater Treatment Plant and Field Station Condition Assessment, South Tahoe Public Utilities District, CA. Engineering Support.

Supporting the evaluation of critical electrical, structural, and piping assets at the Districts wastewater treatment plant and pump stations. The project includes asset prioritization, development of condition assessment budgets for each asset, replacement cost analysis, and rankings for assets. To meet the District’s goals, final deliverables include an asset roadmap that provides clear guidance and prioritization for future actions by the District.

Influent/Effluent Pumping Rehabilitation Project, Sonoma Valley County Sanitation District, CA.

Project Engineer. Supported design to rehabilitate the aging Influent/Effluent Pump building and infrastructure at the District’s wastewater treatment plant. Originally constructed in 1966, the facility houses four influent and three effluent pumps, the influent pumps are vertical non-clog centrifugal pumps (125 hp), and the effluent pumps are two Allis-Chalmers vertical non-clog pumps (75 hp). There is also a fifth swing pump for influent or effluent pumping. Replaced the influent and effluent pumps, all exposed influent suction and discharge piping, valves and flow meters within the building basement, and associated electrical and controls equipment. For the influent pumping, the design process includes reevaluating the existing pump design and integrating the controls to better meet flow changes; optimize performance of new perforated plate screens; protect against corrosion and/or erosion of the influent discharge pipe; and determine the best use of the fifth (swing) pump.



EDUCATION

MS., Civil Engineering,
Virginia Tech, Blacksburg, VA

BS, Civil Engineering,
Virginia Tech, Blacksburg, VA

PROFESSIONAL REGISTRATIONS

Professional Engineer - Civil,
Oregon, No. 100055

“I’m passionate about helping keep clean water a renewable and accessible resource.”

Lauren Cetin

Cason Roberts

PROFESSIONAL EXPERIENCE

Cason is a staff engineer with experience supporting water, wastewater, and reuse projects throughout California. His experience includes the planning, design, and condition assessment. He has extensive experience in water and wastewater system modeling in a variety of software, and he has performed modeling and distribution system analysis for demand projections, capacity evaluations, and infrastructure analysis to inform design projects. He has experience in database management and development, focused on providing clients with the best available data. His academic projects focused on hydrologic modeling pertaining to atmospheric river response management and large-scale agricultural irrigation design and optimization.

REPRESENTATIVE PROJECTS

Summerland Sewer Intertie, Montecito Sanitary District, Montecito, CA. Engineering Support. Provided engineering support services for a feasibility analysis pertaining to directing Summerland Sanitary District's wastewater flows to Montecito Sanitary District's collection system. Evaluated the feasibility of varying pipeline alignments for the alternative connection points to the MSD system. Evaluated the pump station requirements associated with new and existing pump stations to transfer the SSD flows. Provided GIS analysis and cost estimating support.

Sanitary Sewer and Manhole Condition Assessment and Preliminary Rehabilitation Design, San Miguel Community Services District, San Miguel, CA. Engineering Support. Analyzed results of NASSCO-compliant CCTV inspections of most of the CSD's 8.9 miles of sanitary sewer pipelines. Prioritized sewer mains for rehabilitation based on overall risk scores, resulting from likelihood and consequence of failure analyses. Analyzed data of manhole inspections to prioritize manholes for rehabilitation. Assisted with cost estimating for rehabilitation alternatives. Reviewed CCTV, identified defective sewer laterals, identified laterals which could require a dye test, could not fit a top hat, required cleaning prior to CIPP before reinstating.

On-Call Hydraulic Modeling, City of Paso Robles, Paso Robles, CA. Engineering Support. Provided hydraulic modeling support for a variety of water and
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sewer system analyses. Projects included Railroad Crossing Modeling, Buena Vista and Outward Stays Water Analysis, The Landing Water System Analysis, Scott Street Sewer Analysis, Mill Road Area Utility Service Plan, Vinedo Development Booster Pump Station, and Fox Well No. 21 Pump and System Evaluation. Simulated the impact of new developments on the City's distribution system under various scenarios. Assessed changes in system performance, such as pressure and available fire flow and provided recommendations to mitigate adverse impacts.

On-Call Hydraulic Modeling, City of Santa Maria, Santa Maria, CA. Engineering Support. Provided hydraulic modeling support for a variety of sewer system analyses. Projects included Hydraulic Model Updates, Blosser Ranch Sewer Impact Analysis, Westgate Village Sewer Impact Analysis, Bellecrest Sewer Impact Analysis, Downtown Sewer Study. Simulated the impact of proposed developments and annexation areas on the sewer system and analyzed flow under different conditions. Evaluated the ability of the existing sewer infrastructure to handle additional wastewater flows. Recommended system improvements to mitigate adverse impacts.

Small Diameter CCTV Program, City of Santa Barbara, CA. Engineering Support. Reviewed CCTV footage of small diameter sewer pipes throughout the City of Santa Barbara to QA/QC the assessed condition of the sewer pipe, according to PACP guidelines. Assisted with creating a spreadsheet that summarizes the condition of sewer pipe segments throughout the City of Santa Barbara.



EDUCATION

MS, Agriculture with Specialization in Water Engineering, California Polytechnic State University, San Luis Obispo

BS, BioResource and Agricultural Engineering, California Polytechnic State University, San Luis Obispo

PROFESSIONAL REGISTRATIONS

PACP Certified No. P0045685-012024

“Our lives depend on the future of our water. That is why I am dedicated to helping communities develop creative, sustainable solutions to their complex water problems”

Cason Roberts

Cason Roberts continued...

FY23 Sewer Main Rehabilitation Project, City of Santa Barbara, CA.

Engineering Support. Provided engineering services during construction for 2.3 miles of gravity sewer main ranging from 6- to 18-inches in diameter. Rehabilitation strategies included dig and replace, trenchless rehabilitation through cured-in-place pipe (CIPP) or spiral wound PVC pipe liner, point repairs, rehabilitation of manholes, and replacement of cleanouts with new manholes.

Paso Robles Blended Water Supply Feasibility and Engineering Study, County of San Luis Obispo, Paso Robles, CA. Engineering Support.

Provided engineering services to assess the feasibility of the Paso Basin Blended Water Supply Project. The proposed project consists of delivering a combination of treated surface water and recycled water from the City of Paso Robles to supplement irrigation and offset groundwater production. Assisted in evaluating pipeline alignment feasibility to serve potential customers of the Project. Assisted in grower outreach and stakeholder engagement to develop an understanding of Project participant expectations. Analyzed and optimized feasible connection points for new infrastructure to existing City infrastructure. Provided GIS technical support.

Influent/Effluent Pumping Rehabilitation Project, Sonoma Valley County Sanitation District, Sonoma Valley, CA. Engineering Support.

Supported a project to address aging infrastructure at the District's wastewater treatment plant through rehabilitation of the Influent/Effluent Pump Building that was originally constructed in 1966. The facility houses four influent and three effluent pumps in the building basement. The influent pumps are vertical non-clog centrifugal pumps (125 hp) and the effluent pumps are two Allis-Chalmers vertical non-clog pumps (75 hp). There is also a fifth swing pump for influent or effluent pumping. This project will entirely replace the influent and effluent pumps, all exposed influent suction and discharge piping, valves and flow meters within the building basement, and associated electrical and controls equipment. Analyzed as-built drawings to inform preliminary design. Compiled specifications and performed backchecks on design drawings.

Water Purveyor Data Research and Needs Assessment, Ventura County Watershed Protection District, Ventura, CA. Engineering Support.

Supported development of a County hosted, public GIS map to provide easily accessible drinking water data. Analyzed public drinking water system datasets to determine the best, most up to date, data resources for the County to utilize. The goal of the Project was to allow citizens to access their drinking water purveyor's boundaries to better understand the intricacies of their drinking water system. In addition, the data compiled in the County's database will be used to assist in emergency response management. Compiled and recommended datasets to build a GIS centric database for community access.

Hydraulic Model Update and Booster Pump Station Alternatives Evaluation, San Miguel Community Services District, San Miguel, CA. Engineering Support.

Developed a new water system hydraulic model using the latest version of Bentley WaterGEMS based on the District's current GIS database. Calibrated the model to observed conditions during steady-state conditions using results of fire flow tests to adjust pipe roughness factors and minor losses to achieve acceptable agreement between model results and observed test results. Used the calibrated hydraulic model to model three alternatives for a new booster pump station and pressure zone. Provided client with a preferred alternative recommendation for the booster pump station and developed ACCE Class 5 cost opinions for each alternative. The recommended booster pump station will provide adequate pressure and deliver fire flow to the east side of the District's system from now, until system buildout.

Larkfield Comprehensive Planning Study, California American Water, Larkfield, CA. Engineering Support.

Supported development of a comprehensive planning study of the Larkfield Water System that analyzed customer demands and supply reliability, used the hydraulic model within Bentley WaterGEMS to evaluate the distribution system and identify deficiencies, and helped develop a Capital Improvement Plan. Supported technical report writing, data collection, and GIS database development to inform distribution system modeling.

Waterline Hydraulic Analysis, Camrosa Water District, Camarillo, CA. Engineering Support.

Provided hydraulic modeling support in the District's Infowater Pro hydraulic model to evaluate alternatives to alleviate stress on the District's Conejo Booster Pump Station. Modeled various alternatives to lower discharge pressure at the pump station. Provided informed recommendations to the District based on model analysis results.



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MONTECITO SANITARY DISTRICT

STAFF REPORT – 5E

DATE: December 18, 2024

TO: Board of Directors

FROM: John Weigold, General Manager
Bryce Swetek, Engineering Manager

SUBJECT: Consideration of Construction Management & Inspection Services for the 2024 Manhole Rehabilitation Project

RECOMMENDATION:

It is recommended that the Board consider:

1. Authorizing the General Manager to award a contract to Phoenix Civil Engineering (Phoenix) in the amount of \$256,530 to provide Construction Management and Inspection Services for the District's 2024 Manhole Rehabilitation project; and
2. Authorizing the General Manager to approve expenditures of up to ten percent (10%) of the contract, amounting to \$25,653, as an amendment allowance for any changes in scope of work.

DISCUSSION:

Background – With the intention to begin construction on the 2024 (FY 24-25) Manhole Rehabilitation project in January of 2025, Staff reached out to Phoenix and MKN to provide proposals for construction management and inspection services.

Analysis – Justifications – Staff reviewed each proposal. Staff notes that each proposal was responsive and had similar level of efforts. Ultimately, Staff recommends awarding these services to Phoenix as they were already under consideration to provide public outreach services (which is included this proposal amount) in addition to construction management and inspection services for this project. The proposal amount of \$256,530 submitted by Phoenix is an acceptable proposal that is responsive to and meets the needs of the District. The amendment funding recommendation of \$25,653, or 10%, is recommended in lieu of 20%, as Staff considers the proposal amount to be conservative.

Fiscal Impact – The 2024 Manhole Rehabilitation project is included in the Fiscal Year 2024-25 Capital Improvement Project budget for \$1,500,000. The project was awarded to Sancon at a cost of \$1,670,462.50 with potential additional expenditures of \$878,692.50. The cost of the this services contract will put the District further over budget, however these services are required to facilitate a successful project. There is flexibility within the budget to transfer funds as required. Staff plans to retain MKN on this project for Engineering Support Services, which will be awarded through an on-call contract under the General Manager’s authority. This contract is anticipated to cost up to \$20,000.

DEPARTMENTS INVOLVED: Engineering, Collections, and Administration

ATTACHMENTS:

1. Phoenix Proposal



Phoenix Civil Engineering, Inc.

535 East Main Street Santa Paula, California 93060 805.658.6800
info@phoenixcivil.com www.phoenixcivil.com

Bryce Swetek, PE
Montecito Sanitary District
1042 Monte Cristo Lane
Santa Barbara, CA 93108

December 6, 2024

Montecito Sanitary District – Proposal for Manhole Rehabilitation Construction Management and Inspection Services

Dear Bryce-


I am pleased to provide you with this task order proposal for Construction Management and Inspection services for the Manhole Rehabilitation Project. This project has been designed by a different consultant, who is under a separate contract directly with the District. This proposal covers providing construction inspection and project management services to support the District through completion of the rehabilitation project. The services included in this proposal are general construction management, District and Contractor coordination, daily full-time inspection, schedule monitoring, progress meetings, permit coordination, public outreach, as-needed Contract Document review, progress payment review and recommendation.

Our efforts will be reimbursed on a time and materials basis up to a not to exceed fee of \$256,530.

I appreciate the opportunity to submit this proposal to assist you with District projects. I have attached our Professional Services Rate Sheet.

Please let me know if you have any questions or would like to discuss my proposal.

Sincerely,



Jon Turner, PE
Principal Engineer

Task 1: Construction Management and Inspection Services

Phoenix Civil Engineering, Inc. (Phoenix) will provide construction management and inspection services for the duration of the project. Phoenix has based this proposal on the Contract Documents provided by the District (Bid No. 2024-03), dated October 15, 2024. Bid Addenda 1 and 2 have been reviewed for purposes of this proposal. The Contract Documents lists Schedules A, B and an Alternate A, which total 93 (plus 17 alternate) manholes within the rehabilitation project. Of the 110 total manholes listed, 47 of these will be raised to grade, have the frame and cover replaced, and/or install active leak control.

Phoenix assumes that approximately 1.5 manholes will be lined per day, based on recent manhole lining projects. Phoenix has assumed 115 working days. The schedule is assumed to be as follows:

- Preconstruction meeting – January 2025
- Construction begins– February 2025
- Project final punch list items –July 2025

For a total of approximately 24 weeks of construction. It is anticipated that full-time onsite inspection will be provided by our construction inspector and at critical stages by the Phoenix Principal Engineer.

The issued for bid set of specifications has been reviewed, but it is assumed a conformed set of plans and specifications will be provided to Phoenix prior to construction. The following efforts are included in this task:

Preconstruction Meeting: Prepare for and assist with the project construction kick off meeting with the Contractor and District staff. The meeting will be held onsite or via Zoom. A summary of discussion topics and project deliverables will be provided.

Shop Drawing Review Coordination: This task includes coordinating the contractor provided submittals and compiling responses from the design engineer (under separate contract). It is anticipated that 15 submittals are to be provided, and two reviews are anticipated for a total of 30 submittals for purposes of this proposal. The submittals include project materials/products, schedules, plans, and pre- and post-CCTV. The management of the submittal process is included in this task. Submittals will be electronically managed by Phoenix. All submittals will be tracked in a submittal log for quick reference on the status of specific items.

Response to Requests for Information: Respond to contractor’s requests for information (RFIs). It is anticipated that up to twenty (20) requests for information will be prepared during the construction phase. Phoenix will confer with the District Project Manager and design engineer on RFI responses. The responses will be coordinated by and be sent from Phoenix.

Project Construction Meetings: Attend construction progress coordination meetings. The meetings will be held at the jobsite or via Zoom. The meetings will cover construction progress, schedule, potential changes required in the design, and progress pay estimates. It is anticipated that 23 meetings will be managed and attended by Phoenix.

Progress Payment Review: Phoenix will review submitted progress payments for accuracy based on percentage complete and quantities received. Phoenix will also provide prevailing wage review to

ensure the proper wages are being paid and reported. Phoenix will provide the review letter and recommendations to the District.

Public Outreach: Phoenix will provide public outreach to the affected residents as some of the locations to be rehabilitated are located within easements on private property. Phoenix will provide outreach to the community explaining the project, duration and updates as the construction progresses. Outreach may include flyers as well as in person or phone contact to ensure the messages are coordinated and clear for the community. As part of the public outreach, Phoenix will provide ongoing communication through phone calls and email on an as needed basis. Phoenix Civil will also provide public outreach to any businesses; including Fire and Ambulance Services, School Districts and Waste Services during the project. Communication will be provided to allow for possible routing conflicts.

Construction Inspection and Offsite Coordination: Provide full time construction inspection by a Phoenix Construction Inspector, and periodic construction observation by the Principal Engineer for the duration of the construction period (115 Working Days). Inspection will verify compliance with the project permits, project Contract Documents, etc. Phoenix will provide assistance through phone calls and email correspondence when not onsite. Phoenix will provide coordination and communication regarding project status and schedule. Phoenix will provide reports outlining the daily observations, photographs, potential construction issues/changes, employee interviews and documentation. All project documentation will be provided to the District Project Manager through a download link at the end of the project. The Phoenix inspector will verify materials and quantities match approved submittals and ensure installation is per the specification at the jobsite. The Phoenix inspector will be in constant communication with the Phoenix Project Manager. The Phoenix Project Manager will also provide Caltrans coordination during the work that is within the Caltrans right-of-way.

Work Change Directives (WCD) and Change Orders: When requested by the District, Phoenix will prepare work change directives and change order paperwork. Phoenix will provide assistance on up to 2 work change directives and up to 2 change orders. We assume that any plan or specification changes will be made by the District and the design engineer. Documents will be provided to Phoenix for distribution to the Contractor.

Record Drawings and Close Out: Phoenix will develop a punch list with the Contractor to ensure the project is completed to the satisfaction of the District. Phoenix will ensure the punch list is completed timely. Phoenix will coordinate and review all documentation needed to prepare record drawings of the completed project improvements. The record drawings will be completed by the District and design engineer based on the Contractor submitted red line markups, submittals, RFIs and Change Orders. Phoenix will provide a link to download the project documents at the conclusion of the project. This will include reports, submittals, meeting summaries, RFIs, photo logs, and dwg files (formats include MS Word, PDF).

The following efforts are included in this task:

- Project coordination with the District and Contractor.
- Project schedule coordination.
- Material submittal review and processing.
- Creation and maintenance of a submittal log documenting the submittal status.
- Request for information (RFI) review and processing.
- Creation and maintenance of a RFI log documenting the RFI status.
- Construction inspection on a full time basis.
- Value Engineering during construction
- Meeting preparation and meeting summary completion.
- Assist with residential and business outreach.
- Assist with Caltrans coordination.
- Compilation of final inspection reports and associated documentation.
- Record Drawing preparation coordination.

Deliverable: One electronic copy of all preliminary and final shop drawings that have been reviewed for conformance will be provided to the District. Project observation reports detailing the potential construction issues, onsite observation reports, coordination issues, photographs, etc. will be provided. At the completion of the project construction phase a complete copy of all Phoenix generated project related correspondence will be provided to the District for their files. All documents will be provided through a Box download link.

Level of Effort: The anticipated level of effort is listed below. The rates shown on the attached rate sheet will be applied.

Personnel Category	Hours
Principal Engineer	175
Construction Inspector	1265
Assistant Engineer	60
Technical Assistant	24
Administration Support	60

Assumptions

The following assumptions apply to this proposal:

- The District will be responsible for payment of any and all fees associated with any required permits, inspections, agency reviews, encroachment permits, traffic control or filings. Any and all fees, taxes and bonds are the responsibility of the District.
- The project duration is anticipated to be 150 working days (115 in construction). Phoenix will provide an amendment to the scope and fee if the duration is extended beyond this assumption. Drive time to and from the project site is included in the project budget as overtime and is assumed to be in addition to the work day of 8 hours.
- Outside Agency review times may vary and cannot be controlled.
- The proposed scope of field exploration services does not include location of underground utilities (other than that provided by USA). Phoenix Civil or subconsultants will not be responsible for damage to any unlocated or mislocated utilities due to incorrect information provided by the utility or District.
- This proposed scope of work assumes that the subsurface soils and groundwater are free of hazardous substances and specifically excludes the search for, and evaluation of, hazardous materials in soil, water, or air.
- Large scale printing requested by the District will be billed at cost.
- Construction observation is assumed to take place during standard industry work times M-F 7-4 or 8-5. Work outside of these hours will incur overtime expenses.
- Prevailing wage rates will apply for all construction inspector services.
- It is assumed that the Contractor will maintain a set of red-line drawings throughout the job to be provided to Phoenix for record drawing coordination.
- It is assumed that the District or Contractor will provide the traffic control plan.
- It is assumed this project will take 115 working days. Inspection overtime at a 1.5x rate (up to 10 hrs/day) has been included in this proposal based on recent lining construction experience.
- Phoenix has assumed 75 days for lining, 25 days for additional rehabilitation work (raising/lowering/adjustments) and 15 days for project coordination (submittals, site meetings, etc.).



Professional Services Hourly Rate Sheet 2024-25

Engineering

Principal Engineer	\$195
Resident Engineer	\$175
Professional Engineer	\$165
Associate Engineer II	\$155
Associate Engineer I	\$145
Assistant Engineer	\$125

CADD

Senior Designer	\$140
Assistant Designer	\$115

General

Construction Manager	\$195
Construction Inspector	\$165
Technical Assistant	\$95
Clerical/Administrative Assistant	\$65

Large quantities of printing; multiple sets of plans (0.60/ft²), specifications and reports (8.5x11 0.35/copy) will be billed at the listed rate without markup. Expenses and subconsultants will be marked up by 10%. Construction hours are assumed to be between 8am-5pm. Overtime and weekend rates for Construction Inspectors/Observers will be charged at 1.5x the rates shown above.

RESOLUTION NO. 2024-979

**RESOLUTION OF THE GOVERNING BOARD OF
THE MONTECITO SANITARY DISTRICT
DECLARING 2025 HOLIDAYS**

The Board of Directors for the Montecito Sanitary District resolves as follows:

SECTION 1: The following dates are declared to be 2025 holidays for the Montecito Sanitary District. Accordingly, the administrative offices will be closed on these dates:

- (1) January 1st – New Year's Day
- (2) Third Monday in January – Martin Luther King Jr. Day
- (3) Third Monday in February – Presidents' Day
- (4) Last Monday in May – Memorial Day
- (5) July 4th – Independence Day
- (6) First Monday in September – Labor Day
- (7) November 11th – Veteran's Day
- (8) Fourth Thursday in November – Thanksgiving Day
- (9) Fourth Friday in November – Day after Thanksgiving Day
- (10) December 25th – Christmas Day

SECTION 2: If a holiday falls on a Sunday, the Monday following is the observed holiday and the District office is closed on that Monday.

SECTION 3: If a holiday falls on a Saturday, the preceding Friday is the observed holiday and the District office is closed on that Friday.

SECTION 4: If any regular meeting of the Governing Board falls on a holiday, said regular meeting will be held on the next business day.

SECTION 5: *Electronic Signatures.* This Resolution may be executed with electronic signatures in accordance with Government Code §16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

SECTION 6: *Effective Date.* This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

SECTION 7: *Recordation.* The Secretary of the Board will certify to the passage and adoption of this Resolution; will enter the same in the book of original Resolutions of the District; and will make a minute of the passage and adoption thereof in the record of proceedings of the Board of Directors, in the minutes of the meeting at which the same is passed and adopted.

PASSED AND ADOPTED by the Board of Directors of the Montecito Sanitary District on the **18th** day of **December 2024**.

AYES: Directors Glaser, Johnson, Newquist, Ohlmann, and Ellwood T. Barrett II
NAYS: None
ABSTAIN: None
ABSENT: None

**RESOLUTION NO. 2024-979
DECLARING 2025 HOLIDAYS**



Ellwood T. Barrett II, President of the
Governing Board of the
MONTECITO SANITARY DISTRICT

ATTEST:

Dorinne Johnson, Secretary of the
Governing Board of the
MONTECITO SANITARY DISTRICT

RESOLUTION NO. 2024-980

**RESOLUTION OF THE GOVERNING BOARD OF
THE MONTECITO SANITARY DISTRICT
CONCERNING DISTRICT LANDS INVENTORY**

The Board of Directors for the Montecito Sanitary District resolves as follows:

SECTION 1: As directed by section 50569 of the California Government Code the District has inventoried all lands, including air rights, owned or controlled by the District in order to determine whether any of this land, including air rights, exceeds the District's foreseeable needs.

SECTION 2:

1. The Governing Board of this District finds and determines that no land, including air rights, owned or controlled by this District exceeds its foreseeable needs; and
2. A copy of this Resolution shall be made available upon request and without charge to any citizen, limited dividend corporation, housing corporation, or nonprofit corporation.

SECTION 3: *Electronic Signatures.* This Resolution may be executed with electronic signatures in accordance with Government Code §16.5. Such electronic signatures will be treated in all respects as having the same effect as an original signature.

SECTION 4: *Effective Date.* This Resolution will become effective immediately upon adoption and will remain effective unless repealed or superseded.

SECTION 5: *Recordation.* The Secretary of the Board will certify to the passage and adoption of this Resolution; will enter the same in the book of original Resolutions of the District; and will make a minute of the passage and adoption thereof in the record of proceedings of the Board of Directors, in the minutes of the meeting at which the same is passed and adopted.

PASSED AND ADOPTED by the Board of Directors of the Montecito Sanitary District on the 18th day of **December 2024**.

AYES: Directors Glaser, Johnson, Newquist, Ohlmann, and Ellwood T. Barrett II
NAYS: None
ABSTAIN: None
ABSTENT: None



Ellwood T. Barrett II, President of the
Governing Board of the
MONTECITO SANITARY DISTRICT

ATTEST:

Dorinne Johnson, Secretary of the
Governing Board of the
MONTECITO SANITARY DISTRICT



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MONTECITO SANITARY DISTRICT STAFF REPORT – 5H

DATE: December 18, 2024
TO: Board of Directors
FROM: John Weigold, General Manager
SUBJECT: Retroactive Training Authorization

RECOMMENDATION

It is recommended that the Board:

- i) Retroactively authorize Director Johnson to attend the CSDA Board’s Role In Finance Training on September 25th and September 26th, 2024 on behalf of the Board.

BACKGROUND

Per the District’s Board Compensation Ordinance (Ordinance No. 20), as well as Health and Safety Code section 6489, compensation to a director can only be paid “for each day’s service rendered as a director by request of the board.” If the Board did not approve, authorize, or direct attendance at a conference, then a director cannot be compensated for attending the conference at the per diem rate.

This action would retroactively authorize Director Johnson to attend the conference at the request of the Board and authorize payment of the \$231 per diem rate per day of attendance to be paid out at the next payroll cycle.

FISCAL IMPACT

Retroactive authorization to attend the CSDA Board’s Role in Finance Training would cost \$462. There is budget in the Board Training Line Item and would not necessitate a Budget Revision.

ATTACHMENTS: None



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MONTECITO SANITARY DISTRICT STAFF REPORT – 6A

DATE: December 18, 2024
TO: Board of Directors
FROM: John Weigold, General Manager
SUBJECT: Organizational Decisions

RECOMMENDATION

It is recommended that the Board discuss and make the following appointments:

- i) Appointing officers, standing committees, General Manager, General Counsel, and HR Counsel; and
- ii) Setting regularly scheduled meeting days, time, and place; and
- iii) Taking such additional, related action that may be desirable.

BACKGROUND

According to the District's Board Policies and Procedures, the Board must vote on several organizational decisions, including a Board President, Vice President, Treasurer, and Secretary. The Board also votes on which Standing Committees will be active in the coming year. Assignments to the Standing Committees is made by the Board President and does not require an action (a vote) by the Board.

FISCAL IMPACT

None

ATTACHMENTS:

1. Board Organizational Matrix



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Board Organization 2024 & 2025

<u>Officer:</u>	<u>2024 Members:</u>	<u>2025 Members</u>
President / Chair	Ellwood T. Barrett II	
Vice President	Vacant	
Secretary	Dorinne Johnson	
Treasurer	Carter Ohlmann	
Director	Diantha Glaser	

<u>Committee:</u>	<u>2024 Members:</u>	<u>2025 Members</u>
Finance	Johnson and Ohlmann	
Administration & Operations	Ohlmann and Glaser	
Personnel	Barrett and Ohlmann	
Public Information	Newquist and Johnson	
Strategic Planning Committee	Barrett and Johnson	

<u>Appointment:</u>	<u>2024 Appointment</u>	<u>2025 Appointment</u>
General Manager	John Weigold	
General Counsel	Aleks Giragosian, Colantuono, Highsmith & Whatley PC	
HR Counsel	Melissa Fassett, Price Postel, & Parma	

Regular Board Meetings are currently held the third Wednesday of each month at 12:00 pm pacific time.



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MONTECITO SANITARY DISTRICT

STAFF REPORT – 7

DATE: December 18, 2024
TO: Board of Directors
FROM: John Weigold, General Manager
SUBJECT: General Manager Report

The District continues its mission of providing wastewater collection and treatment services. In addition to the daily operations of the District, the following is an update on some of our current ongoing projects and activities.

GM Meetings

Since my last report, I attended the Montecito Association meeting on December 10, 2024 and I provided an update on District operations and projects. I also participated in the Montecito Association's "Holiday Magic Car Parade", along with Directors Barrett, Johnson and Glaser in one of the District vehicles decorated in holiday fashion.

January 2023 Storms Damage Projects Update

Construction is substantially complete on all four project sites. Staff is working with multiple residents who have some concerns regarding projects and is hopeful to resolve all issues. Staff is working with our consulting team, Stantec and Rincon, to close out permits and determine any next steps with jurisdictional agencies. The jurisdictional agencies, as well as FEMA, have been notified of construction completion. Staff will continue to work with FEMA and CalOES to seek reimbursement for the project.

Wastewater Treatment Plant (WWTP/Plant) Improvements Project

Staff is working with Buehler Engineering to finalize the seismic and materials study. Staff anticipates receiving the latest report by December 20, 2024, and anticipates a meeting with the A&O committee to receive a presentation from Buhler to discuss their findings in January or February of 2025. Staff plans to visit regional treatment plants in the near future to gain additional insight to certain processes to determine the best option(s) for the District.

SSD and MSD Collection System and Flow Equalization Analysis for MWD Reuse

Staff received a presentation from Carollo Engineers of their draft final report. We anticipate a final presentation to the Board in December or January.

Private Property Developments

Staff continues ongoing plan review and project development for various properties/entities. Highlights include 1486 East Valley Road, Birnam Wood, the Biltmore, and 664 Oak Grove. Staff and its inspection consultant, Filippin Engineering, continue to monitor on-going work for the private sewer main extension/collection system project at 2500 East Valley Road.

Summary of District Laboratory Quality Assurance Assessment

On November 14 and 15, the District Laboratory underwent a quality assurance assessment conducted by a representative from the International Accreditation Service (IAS) on behalf of the State of California Environmental Laboratory Accreditation Program (ELAP). This evaluation is a mandatory component of the bi-annual renewal process for maintaining laboratory accreditation, which is required to ensure compliance with State regulatory reporting standards.

This assessment was the first conducted under the State's newly adopted, more rigorous quality assurance standards. Although we are awaiting the official report from the assessor, the preliminary outcome of the two-day evaluation was very positive. We anticipate only minimal corrections will be necessary to achieve full compliance with the updated standards.

District Planning and Building Approval Process with the County

The District has been working closely with the County to more closely align our permitting processes. The General Manager and District Counsel will make a brief presentation on this topic.

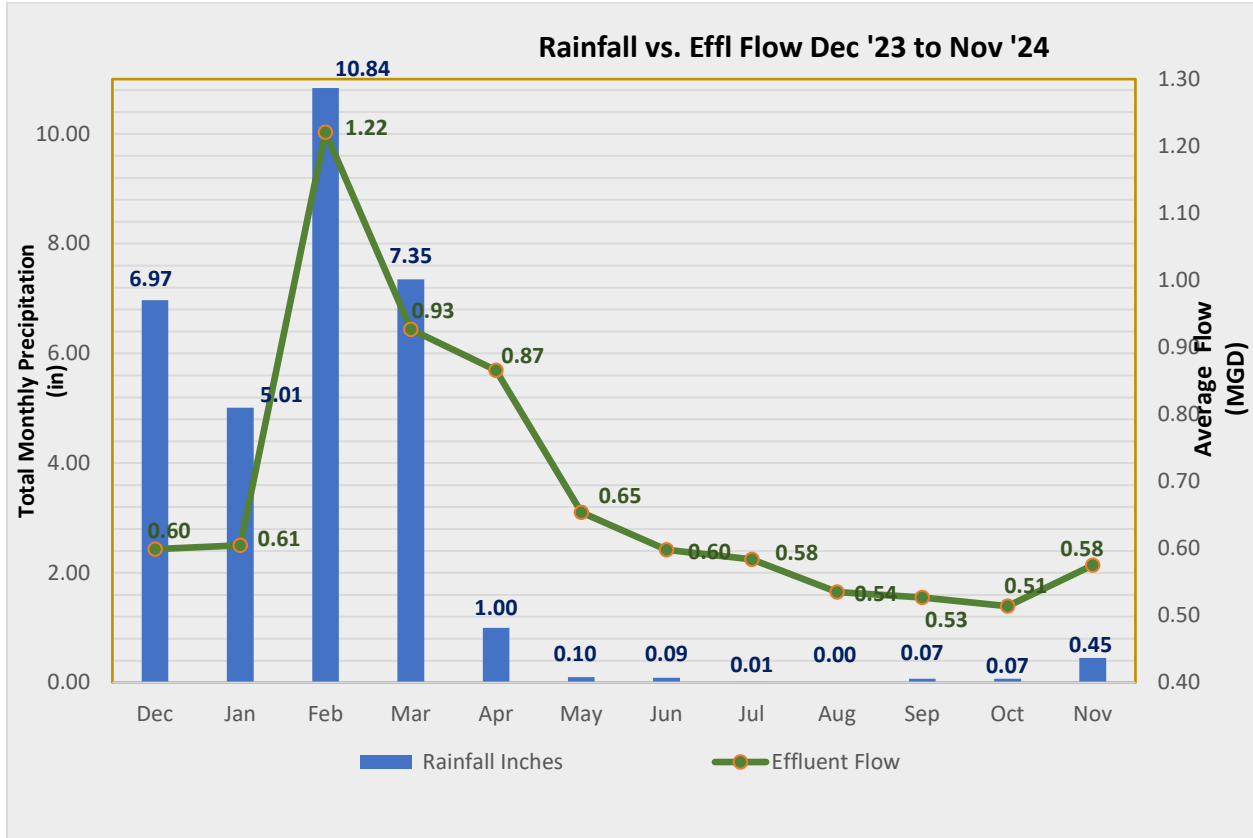
Procedure for Directors to Request Information from Staff

Directors may request information from Staff via a request to the General Manager. The General Manager may direct relevant Staff members to respond directly to a director's request and/or for Staff to engage in ongoing communications relevant to Board committee assignments and/or certain topics.

CIP Progress

Project	Status/Phase	Priority	Comments
FEMA Rehabilitation (Protective Measures) - Design/Permitting	Construction	Medium	Seeking to close out. Anticipated rehabilitation efforts in Feb. 2025.
FEMA Rehabilitation (Protective Measures) - Construction	Construction	Medium	Seeking Notice of Completion Jan./Feb. 2025.
Manhole Lining Project	Construction	High	Seeking to finalize contract. Anticipate construction Jan./Feb. 2025.
WWTP Seismic and Materials Study	Active	High	Latest Report in December 2024.
Channel Drive Force Main Improvements	Design	Medium	On-going. Seeking potholing in Jan. 2025
2025 Sewer Main CIPP Lining - Design	Design	Medium	On-going. 50% submittal in review.
Wastewater Treatment Plant Project - Design and Engineering	Investigation	Medium	Working with consultants and Buhler (SSG).
Collection System Master Plan	RFP	High	For award consideration.
Septic to Sewer Strategic Plan	RFP	Medium	For award consideration.
Bisulfite Tank	Complete	-	
Clarifier Maintenance	Complete	-	

Flow / Rainfall Comparison





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MONTECITO SANITARY DISTRICT STAFF REPORT – 9A

DATE: December 18, 2024
TO: Board of Directors
FROM: Aleks Giragosian, District Legal Counsel
SUBJECT: Consideration of Third Amendment to the General Manager Employment Agreement

RECOMMENDATION

It is recommended that the Board:

- i) Consider whether to adopt the Third Amendment to the General Manager's Employment Agreement; and
- ii) Take any such additional, related action that may be desirable.

ANALYSIS

The Board met in Closed Session at its July 30th, 2024 Special Meeting, its September 18th Regular Meeting, its October 16th Regular Meeting, and at its November 20th, 2024 Regular Meeting to discuss the General Manager's Performance Evaluation. Pursuant to that discussion the Third Amendment to the General Manager's Employment Contract is attached for consideration.

FISCAL IMPACT

To be determined.

ATTACHMENTS:

1. Third Amendment to the General Manager's Employment Contract

THIRD AMENDMENT TO GENERAL MANAGER EMPLOYMENT AGREEMENT

This Third Amendment to General Manager Employment Agreement (“Amendment”), is entered into by and between the Montecito Sanitary District, a California special district (“District”), and John F. Weigold, IV, an individual (“Employee”). The District and Employee may be referred to individually as “Party” and collectively as “Parties.”

RECITALS

- I. On December 8, 2022, Parties entered into the General Manager Employment Agreement.
- II. On August 10, 2023, Parties entered into a First Amendment to General Manager Employment Agreement.
- III. On December 14, 2023, the Board approved the Second Amendment to General Manager Employment Agreement.
- IV. On May 28, 2024, the Parties entered into the Second Amendment to General Manager Employment Agreement with an intended effective date of December 14, 2023.
- V. For purposes of this Amendment, the December 8, 2022, August 10, 2023, and May 28, 2024 agreements are collectively referred to as “Agreement”.
- VI. Section 5 of the Agreement states, “Salary and/or benefits adjustments may be considered by the Board of Directors annually in conjunction with Employee’s Annual Review.”
- VII. As part of Employee’s second annual review, the Parties desire to amend the Agreement pursuant to Section 16(a) of the Agreement.
- VIII. The District Board approved the amendments listed below at its regular meeting on
_____.

AMENDMENTS

- I. Amendment. Section 5(a) of the Agreement is amended as follows, with deletions denoted by struck-through text and additions denoted by underlined text:

“District shall pay Employee an annual base salary of ~~\$200,450~~ _____, which shall be paid bi-weekly in accordance with District’s standard pay schedule. ~~District shall consider further upward adjustments to Employee’s base salary upon completion of a salary survey of nearby public agencies.~~”
- II. Integration. This Amendment amends the Agreement and, except as specifically amended hereby, the Agreement shall remain in full force and effect.

III. Severability. If any provision of this Amendment is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

The Parties hereby enter into this Amendment upon the date of the last signature below.

MONTECITO SANITARY DISTRICT
(“District”)

JOHN F. WEIGOLD, IV
(“Employee”)

AUTHORIZED SIGNATORIES:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTEST:

By: _____

Name: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

By: _____

Name: _____

Title: _____

Date: _____



Montecito Sanitary District

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A Public Service Agency

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www.montsan.org

MONTECITO SANITARY DISTRICT STAFF REPORT – 9B

DATE: December 18, 2024
TO: Board of Directors
FROM: Aleks Giragosian, District General Counsel
SUBJECT: Ordinance Establishing Administrative Remedies Procedure for Challenges to Fees, Charges, and Assessments

RECOMMENDATION

It is recommended that the Board:

- i) Consider adopting Ordinance No. 24 Legislative Advocacy Policy; and
- ii) Taking such additional, related action that may be desirable.

SUMMARY

Assembly Bill No. 2257 (“AB 2257”) (adding Government Code sections 53759.1 and 53759.2) provides the District with a new tool to defend against challenges to fees, charges, and assessments adopted under Proposition 218. If the District follows certain procedures, a ratepayer who fails to submit a written objection before the close of the Proposition 218 protest hearing will be barred from challenging the fee, charge, or assessment later on. The attached ordinance was intentionally drafted to be broader than AB 2257, while still applying AB 2257’s procedures, to capture all fees, charges, and assessments levied by the District.

ANALYSIS

Proposition 218, the Right to Vote on Taxes Act, was enacted by the voters in 1996 to provide procedural and substantive requirements for the imposition of property-related fees. (Cal. Const. art. XIII D, § 6(a), (b).) The courts have held that the stated intent of Proposition 218 is that its provisions are to be liberally construed to effectuate its purpose of limiting local government revenue and enhancing taxpayer consent. (*Hill RHF Housing Partner, L.P. v. City of Los Angeles* (2021) 12 Cal.5th 458, 475.)

According to the Senate Rules Committee’s Analysis of AB 2257:

“As a general proposition, the courts have held that a party is required to exhaust administrative remedies before pursuing an action in the courts. (*Plantier* at 382-83.) An administrative remedy has been exhausted once call available and distinctive administrative review procedures have been concluded. (*Id.* at 383.) ... In both *Plantier* and *Hill* the courts stated that Proposition 218 did not

expressly require an exhaustion of remedies, and the court declined to infer one was required under the circumstances. ...

This bill seeks to build upon dicta in the above cases and establish a statutory requirement to exhaust administrative remedies before bringing a challenge under Proposition 218, and establish an administrative remedy that provides for submission, evaluation, and resolution of complaints. As the court has not definitely ruled out exhaustion of remedies under Proposition 218, enacting such a statutory requirement does not appear wholly impermissible.”

According to Senator Peter Wilson, the author of AB 2257:

“AB 2257 would build upon Proposition 218’s existing procedural requirements by creating a clear and robust mechanism for customers to raise questions, concerns, comments, and criticisms of a proposed rate structure.”

Consistent with AB 2257, this ordinance establishes the process the District must follow to limit challenges as described above. The District must:

1. Make the proposed fee, charge, or assessment publicly available at least 45 days before the deadline for submitting written objections;
2. Post a written basis for the proposed fee, charge, or assessment on the District’s website and include a link to that website on public hearing notices sent to ratepayers or property owners;
3. Mail the written basis for the proposed fee, charge, or assessment to ratepayers or property owners upon request;
4. Provide at least 45 days for ratepayers or property owners to submit written objections to the fee, charge, or assessment;
5. Respond in writing to any timely submitted objections with an explanation for keeping or changing the proposed fee, charge, or assessment;
6. Present any timely submitted objections and responses thereto to the Board of Directors for its consideration, either before or during the public hearing on the proposed fee, charge, or assessment;
7. Include on its public hearing notices a statement in bold-faced type of 12 points or larger:
 - a. That all written objections must be submitted to the Secretary of the Board by the end of public comment period at the hearing, that a failure to timely object in writing bars any right to challenge that fee, charge, or assessment in court, and that any such action will be limited to issues identified in such objections; and
 - b. All substantive and procedural requirements for submitting an objection to the proposed fee, charge, or assessment.

AB 2257 only pertains to “fees or assessments”, defined to mean “the amount of any property-related water or sewer fee or charge, or any special assessment levied or the methodology used to develop and levy the fee, charge, or assessment.” (Gov. Code, § 53759.1, subd. (a)(2).) But there are other non-property-related fees, such as permitting fees, that are not covered by AB 2257. The attached ordinance was intentionally drafted to be broader than AB 2257, while still applying AB 2257’s procedures, to capture all fees, charges, and assessments levied by the District.

ENVIRONMENTAL

The adoption of this Ordinance is not subject to the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines sections 21065 and 15061(b)(3) as the establishment of an administrative remedies procedure will not result in a reasonably foreseeable direct or indirect physical change in the environment.

PUBLIC NOTICING

Pursuant to Health and Safety Code section 6490, subdivision (a), and section 6491.3, this Ordinance No. 24 will be published once in a newspaper of general circulation within the district upon adoption.

FISCAL IMPACT

None.

ATTACHMENTS:

- A. Ordinance No. 24

ORDINANCE NO. 24

AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MONTECITO SANITARY DISTRICT ESTABLISHING AN ADMINISTRATIVE REMEDIES PROCEDURE FOR CHALLENGES TO FEES, CHARGES, AND ASSESSMENTS

RECITALS

WHEREAS, the Montecito Sanitary District (“District”) is a sanitary district duly organized and existing pursuant to the Sanitary District Act of 1923 codified in Health and Safety Code section 6400 et seq.;

WHEREAS, under Health and Safety Code sections 6490 & 6491.3, the Board is authorized to adopt ordinances to establish general regulations for the District;

WHEREAS, the California Legislature adopted Assembly Bill No. 2257 to establish an exhaustion of remedies requirement for property-related sewer fees, charges, and assessments;

WHEREAS, Article XIIC, Section 1(e) of the California Constitution defines fees, charges, and assessments; and

WHEREAS, the District desires to codify those requirements for all District related fees, charges, and assessments.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE MONTECITO SANITARY DISTRICT DOES ORDAIN AS FOLLOWS:

SECTION 1. Authority. This Ordinance is authorized by California Constitution, article XI, section 9 (utility power); the District’s statutory authority to adopt fees and charges for its services, to impose assessments on real property, and to establish rules and regulations governing such fees, charges, and assessments; Government Code section 53759.1; and, other applicable law.

SECTION 2. Exhaustion of Administrative Remedies for Challenges to Fees, Charges, and Assessments on Real Property

I. — Scope.

The duty to exhaust administrative remedies imposed by this section extends to:

- A. any fee or charge subject to articles XIII C or XIII D of the California Constitution,
- B. any assessment on real property levied by the District, and
- C. the methodology used to develop and levy such a fee, charge, or assessment.

II. — Definitions.

“Hearing” means the public hearing referenced in paragraph D of section 3.22.040 of this chapter.

III. — Duty to Exhaust Issues.

No person may bring a judicial action or proceeding alleging noncompliance with the California Constitution or other applicable law for any new, increased, or extended fee, charge, or assessment levied by the District, unless that person submitted to the Secretary of the Board a timely, written objection to that fee, charge, or assessment specifying the grounds for alleging noncompliance. The issues raised in any such action or proceeding shall be limited to those raised in such an objection unless a court finds the issue could not have been raised in such an objection by those exercising reasonable diligence.

IV. — Procedures.

The District shall:

- A. Make available to the public any proposed fee, charge, or assessment to which this chapter is to apply no less than 45 days before the deadline for a ratepayer or assessed property owner to submit an objection pursuant to paragraph D of this section.
- B. Post on its internet website a written basis for the fee, charge, or assessment, such as a cost of service analysis or an engineer’s report, and include a link to the internet website in the written notice of the Hearing, including, but not limited to, a notice pursuant to section 4(c) or Section 6(a)(1) of Article XIII D of the California Constitution.
- C. Mail the written basis described in paragraph D of this section to a ratepayer or property owner on request.
- D. Provide at least 45 days for a ratepayer or assessed property owner to review the proposed fee or assessment and to timely submit to the Secretary of the Board a written objection to that fee, charge, or assessment that specifies the grounds for alleging noncompliance. Any objection shall be submitted before the end of the public comment portion of a Hearing on the rate, charge or assessment.
- E. Include in a written notice of the Hearing, a statement in bold-faced type of 12 points or larger that:
 1. All written objections must be submitted to the Secretary of the Board by the end of public comment period at the Hearing and that a failure to timely object in writing bars any right to challenge that fee, charge, or assessment in court and that any such action will be limited to issues identified in such objections.
 2. All substantive and procedural requirements for submitting an objection to the proposed fee, charge, or assessment such as those specified for a property-related fee under California Constitution, article XIII D, section 6(a) or for an assessment on

real property under California Constitution, article XIII D, section 4(e).

V. — Board Consideration; District Responses.

Before or during the Hearing, the Board of Directors shall consider and the District shall respond in writing to, any timely written objections. The Board of Directors may adjourn the Hearing to another date if necessary to respond to comments received after the agenda is posted for the meeting at which the Hearing occurs. The District's responses shall explain the substantive basis for retaining or altering the proposed fee, charge, or assessment in response to written objections, including any reasons to reject requested amendments.

VI. — Board Determinations.

The Board of Directors, in exercising its legislative discretion, shall determine whether:

- A. The written objections and the District's response warrant clarifications to the proposed fee, charge, or assessment.
- B. To reduce the proposed fee, charge or assessment.
- C. To further review the proposed fee, charge, or assessment before determining whether clarification or reduction is needed.
- D. To proceed with the Hearing, to continue it, or to abandon the proposal.

SECTION 3. CEQA. The District Board finds that adoption of this Ordinance is exempt from CEQA because: (i) it is not a project within the meaning of Public Resources Code, section 21065 because it has no potential to alter the physical environment; (ii) and pursuant to CEQA Guidelines section 15061(b)(3), the so-called "common sense" exemption, for this same reason.

SECTION 4. Severability. If any section of this Ordinance is held to be invalid or unconstitutional, the remaining sections shall remain valid. The Board hereby declares that it would have adopted this ordinance regardless of whether any particular section is held invalid or unconstitutional.

SECTION 5. Publication & Effective Date. Under Health and Safety Code section 6490, immediately following adoption, the Secretary shall cause this ordinance to be published one time in a newspaper of general circulation within the District, and the ordinance will take effect upon expiration of the week of publication.

PASSED AND ADOPTED by the Board of Directors of the Montecito Sanitary District on this [REDACTED] day of [REDACTED], 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAINED:

Ellwood T. Barrett II
President
Montecito Sanitary District

ATTEST:

Dorinne Lee Johnson
Secretary
Montecito Sanitary District