



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

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

AGENDA

For the Regular Meeting of the Board on:

October 14, 2026

The regular meeting of the Governing Board will begin at **2:00 p.m. on October 14, 2026** 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. PRESIDENT'S REPORT

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. CONSENT CALENDAR (PAGE 4)

A. Meeting Minutes of the September 23, 2026 Regular Meeting

4. GENERAL MANAGER'S UPDATE (PAGE 8)

The General Manager will provide a written report on the District's non-actionable business and operational matters and will provide explanation where requested. Topics include the following:

- A. Mutual Assistance for Carpinteria Sanitary District**
- B. Monte Cristo Lane Paving Project Update**
- C. State Laboratory Inspection**
- D. Westmont College Plant Tour**

5. PRESENTATIONS

A. COLLECTION SYSTEM MASTER PLAN (PAGE 10)

It is recommended that the Board receive a presentation from Stantec regarding the District's Collection System Master Plan.

B. MONTECITO SANITARY DISTRICT WORK PLAN (PAGE 49)

It is recommended that the Board receive a presentation from the General Manager regarding the Staff work plan for the District's Strategic Plan.

6. BUSINESS ITEMS

A. DIRECTOR COMPENSATION (PAGE 77)

It is recommended that the Board discuss Director Compensation and direct staff of any desired action.

B. WASTEWATER TREATMENT PLANT IMPROVEMENT PROJECT REPORT AND DISCUSSION (PAGE 78)

It is recommended that the Board receive a report from the Wastewater Treatment Plant Improvement Project Ad Hoc Committee and discuss the report content as necessary.

C. GRANT OF EASEMENT AT BONNYMEDE SHORES ASSOCIATION, MONTECITO, CALIFORNIA (PAGE 79)

It is recommended that the Board:

- i) Accept the terms of the Agreement for Grant of Easement between Montecito Sanitary District (MSD) and Bonnymede Shores; and
- ii) Direct staff to execute said Agreement and a Certificate of Acceptance; and
- iii) Determine that this action is not subject to California Environmental Quality Act (CEQA) pursuant to it not being considered a project per CEQA Guidelines § 15060(c)(2)-(3) and 15378.

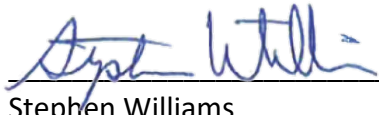
7. BOARD COMMUNICATIONS

- A. Items for future Board meeting
- B. Next Board Meeting Date – October 28, 2026

8. 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.



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

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

MINUTES

For the Regular Meeting of the Board on:

September 23, 2026

1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a regular meeting at 2:01 pm on Wednesday, September 23, 2026. The meeting was also broadcast using Zoom teleconferencing.

ATTENDANCE

Board Members Present:

Directors Murphy, Ohlmann, and Rockenbach

Board Members Absent:

Directors Barrett and Johnson

Also Present and Participating:

John Weigold, MSD General Manager

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

Taylor Anderson, District Legal Counsel

Bryce Swetek, MSD Engineering Manager

2. PUBLIC COMMENT

No members of the public addressed the Board.

3. COMMITTEE REPORTS

- A. Director Murphy gave a report on the Montecito Sanitary District Finance Committee meeting of September 21, 2026.

4. CONSENT CALENDAR

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

- A. Meeting Minutes of the September 9, 2026 Regular Meeting
- B. Payables from the period August 1, 2026 through August 31, 2026
- C. Notice of Completion – 2025 Sewer Main Cured in Place Pipeline (CIPP) Lining Project

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

Motion carries.

ON MOTION by Director Ohlmann, Seconded by Director Murphy, the Board voted to not authorize the following Consent Calendar item:

- D. Retroactive Meeting Stipend Authorization – Director Johnson

AYES: Directors Murphy and Ohlmann
NAYES: Director Rockenbach
ABSTAIN: None
ABSENT: Directors Barrett and Johnson

5. GENERAL MANAGER'S REPORT

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

- A. GM Meetings
- B. District Financial Matters
- C. Wastewater Treatment Plant Roadmap
- D. Annual Sampling
- E. Flow/Rain Comparison
- F. Capital Improvements Projects and Key Effort Status Update

6. BUSINESS ITEMS

A. COLLECTION SYSTEM – INFLOW AND INFILTRATION (I&I)

The Board discussed with Staff some of the policy decisions that will need to be made as it relates to the District's effort to investigate I&I at the District. No action was taken.

B. AWARD OF CONTRACT – SEWER FLOW MONITORING AND INFLOW AND INFILTRATION DETECTION

ON MOTION by Director Rockenbach, Seconded by Director Ohlmann, the Board voted to:

- i) Authorize the General Manager to negotiate a contract with Duke's Root Control, Inc. (Duke's) for a not to exceed amount of \$165,800 to perform Flow Monitoring and I&I Detection Services for the I&I Reduction Program for three months; and
- ii) Authorize the General Manager to approve expenditures up to two months' worth of service extensions, amounting to approximately \$89,200; and
- iii) Authorize the General Manager to approve expenditures of up to ten percent (10%) of the negotiated amount as an amendment allowance for any changes in scope of work.

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

Motion carries.

C. TECHNICAL MEMORANDUM #2 DISCUSSION

ON MOTION by Director Rockenbach, Seconded by Director Murphy, the Board directed staff to utilize the criteria laid out in the Wastewater Treatment Plant Improvement Project Ad Hoc Report at the September 9, 2026 Regular Meeting as the scope of Technical Memorandum #2.

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

Motion carries.

ON MOTION by Director Murphy, Seconded by Director Rockenbach, the Board voted to direct staff to reach out to Carollo Engineers to get an idea of timing, scope, and cost to provide the information requested in the scope of Technical Memorandum #2.

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

Motion carries.

7. BOARD POLICY AND PROCEDURES

ON MOTION by Director Murphy, Seconded by Director Ohlmann, the Board voted to adopt the changes to the Board Policies and Procedures that have been presented to the Board.

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

Motion carries.

8. BOARD COMMUNICATIONS

- A. Next Regular Board Meeting Date – October 14, 2026
- B. Items for future Board meeting
 - No topics were requested to be placed on the next agenda.

9. ADJOURNMENT

ON MOTION by Director Murphy, Seconded by Director Ohlmann, the meeting ended at 5:46 pm.

These minutes were presented for approval at the Regular Board Meeting on October 14, 2026.

Richard “Rock” Rockenbach, 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 – 4

DATE: October 14, 2026
TO: Board of Directors
FROM: John Weigold, General Manager
SUBJECT: General Manager Update

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.

A. Mutual Assistance for Carpinteria Sanitary District

On October 1, 2026, at approximately 3:30 p.m., Carpinteria Sanitary District requested mutual aid with our combination sewer cleaner after a contractor accidentally drilled through a 10-inch gravity sewer main in four locations. Our Collections staff mobilized and assisted by vacuuming wastewater and discharging it into a downstream structure until approximately 8:30 p.m., when Rain for Rent established an emergency bypass system. We also supplied a trash pump to assist with groundwater dewatering so repairs could be completed.

B. Monte Cristo Lane Paving Project Update

ECG Engineers completed their survey work of the street the week of September 28, 2026 and will now focus on completing their design and engineering work by April 2027.

C. State Laboratory Inspection

On September 23rd, the International Accreditation Service (IAS) on behalf of California EPA, conducted an inspection of the MSD Laboratory to evaluate and ensure all quality control requirements are being met. This is a bi-annual requirement to maintain accreditation with the State accreditation body, California ELAP.

D. Westmont College Plant Tour

Westmont College students toured the wastewater treatment plant on October 8, 2026. None of the environmental studies class students had previously visited a wastewater plant.





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 – 5A

DATE: October 14, 2026
TO: Board of Directors
FROM: John Weigold, General Manager
SUBJECT: Collection System Master Plan Presentation

RECOMMENDATION

It is recommended that the Board receive a presentation from Stantec regarding the Collection System Master Plan. This presentation is for informational purposes only and no decisions are required.

BACKGROUND

On July 22, 2026, Staff provided a presentation to the Board discussing the District's Collection System Strategic Plan. A key component within this planning effort is the Collection System Master Plan. The purpose for developing the Master Plan is to provide guidance to staff on what assets require attention from the District and may require a public project, a framework for setting project priorities, and allow for more effective budgetary planning. The District retained the services of Stantec for this Master Plan and work kicked off in January 2025.

This Collection System Master Plan completes the District's Strategic Priority of *Operational Sustainability 1.c. Complete Collection System Master Plan*.

ANALYSIS

The Master Plan identifies the condition of the District's assets, the remaining useful life of those assets, inflow and infiltration (I&I) priority basins, and recommends projects over the course of ten years based on priorities and anticipated failures of the assets. The total amount of projects is 14 and the estimated amount of these projects over ten years is approximately \$29,000,000. Staff would like to reiterate this Plan is for the collection system only and is not related to the wastewater treatment plant or other facilities at the District.

Over the coming months and years, the District Board of Directors will play a role in facilitating recommendations from the Master Plan. This includes considering and approving future projects and initiatives intended to increase collection system capacity, reduce I&I, and add useful life to assets before failures occur.

FISCAL IMPACT

None

ATTACHMENTS:

1. Presentation – Sewer Collection System Master Plan



Sewer Collection System Master Plan

MSD SEWER COLLECTION SYSTEM MASTER PLAN | OCTOBER 14, 2026





Agenda

1. Purpose & Background
2. System Overview
3. Master Plan
 - Condition Assessment (TM1)
 - Life Expectancy Analysis (TM2)
 - Infiltration and Inflow (TM3)
 - Capital Improvement Projects (TM4)



Purpose & Background



MSD SEWER COLLECTION SYSTEM MASTER PLAN



Why have a Master Plan?

ADDITIONAL DRIVER The District's NPDES permit requires a Life Expectancy Analysis (LEA) as part of its Climate Change Adaptation Program.

Previous Approach		Purpose of Master Plan
No active Master Plan	➤	Guides District staff on key efforts and projects
Uncertainty in priorities	➤	Provides a framework for setting priorities
Limited condition assessments, particularly at lift stations	➤	Provides condition assessment of the collection system
Capital projects developed year by year	➤	Capital projects planned over 10 years
Limited budgetary planning	➤	Supports more effective budgetary planning



Master Plan Components

Condition Assessment (TM1)	Documents the physical condition of District assets
Life Expectancy Analysis (TM2)	Estimates remaining useful life and rehabilitation and replacement costs
Infiltration and Inflow (TM3)	Evaluates I&I sources and collection system capacity
Capital Improvement Program (TM4)	Prioritizes capital projects over 10 years
Master Plan	Summarizes the findings of TM 1 through TM 4



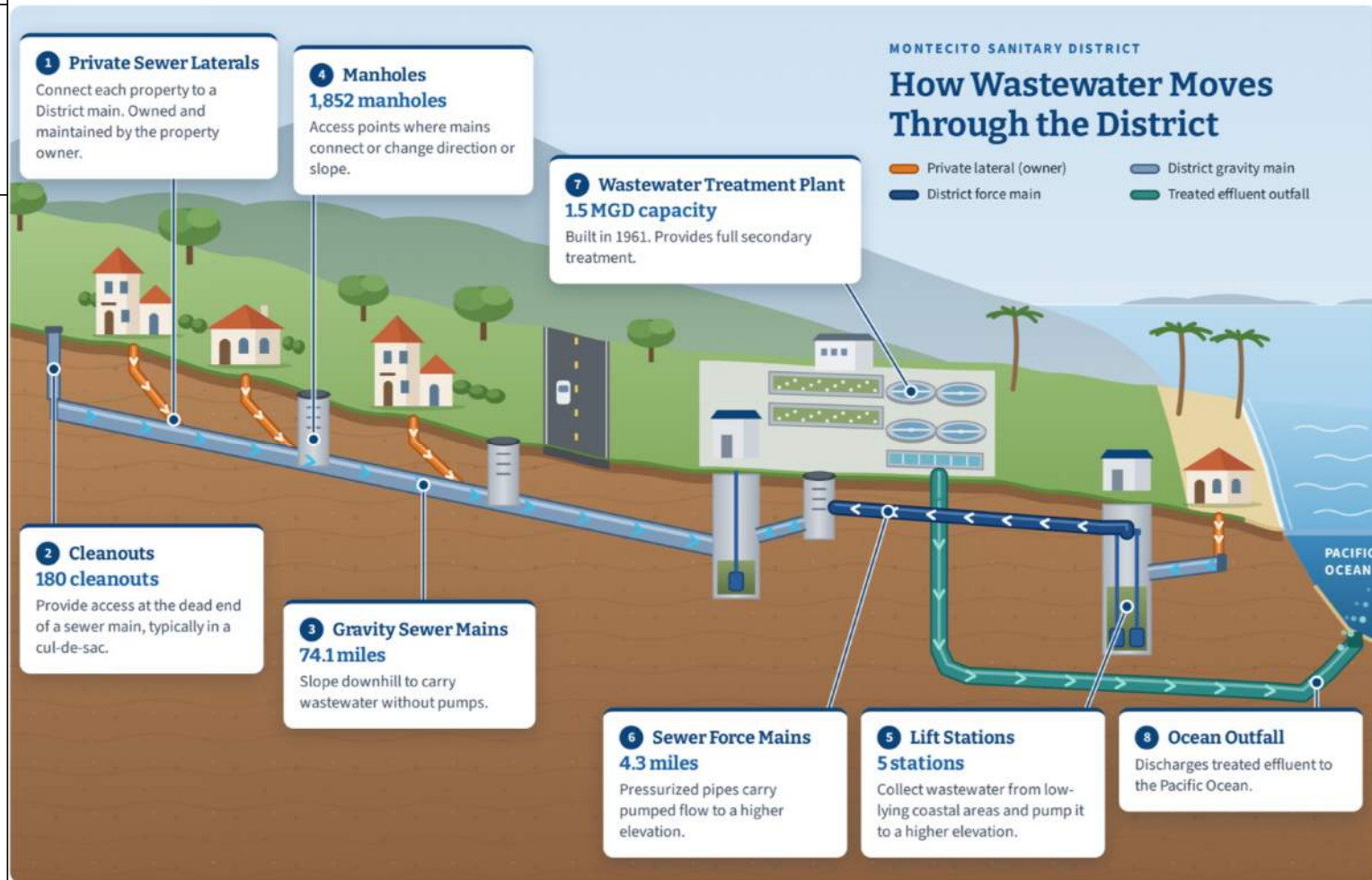
System Overview



MSD SEWER COLLECTION SYSTEM MASTER PLAN

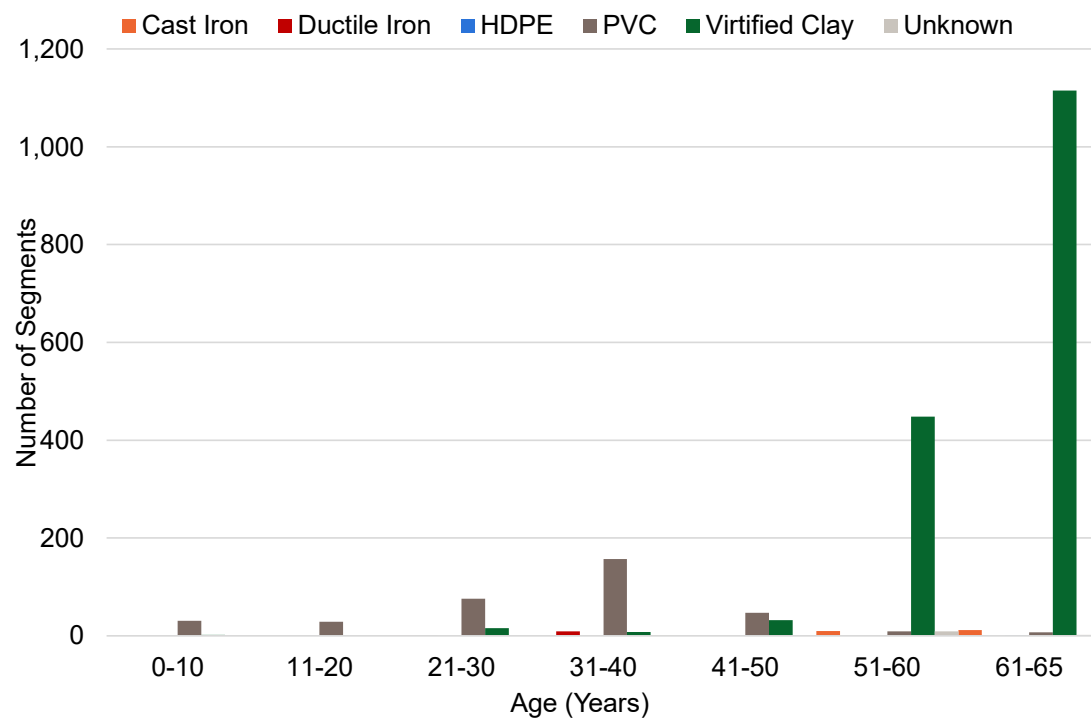
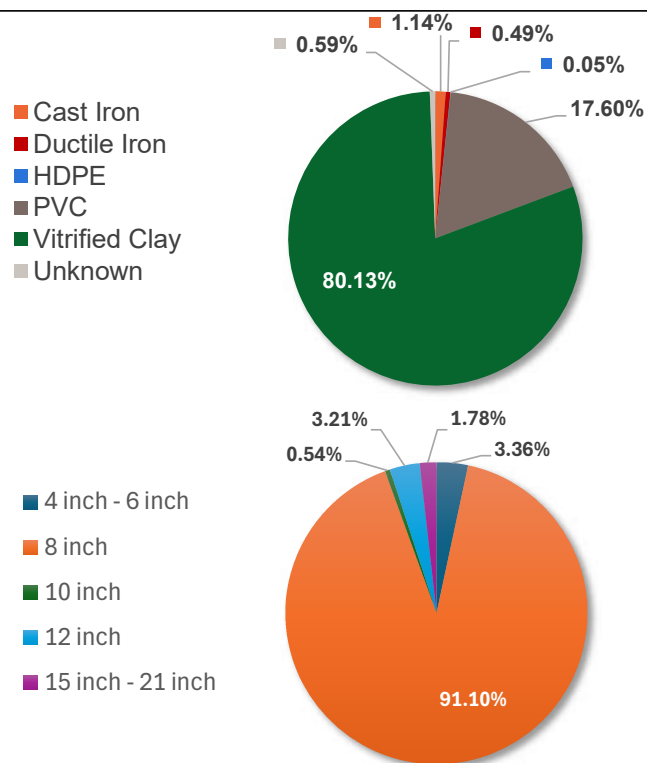
Collection System

- 74.1 miles of gravity sewer mains
- 1,852 sewer manholes
- 180 cleanouts
- 4.3 miles of sewer force mains
- 5 sewer lift stations





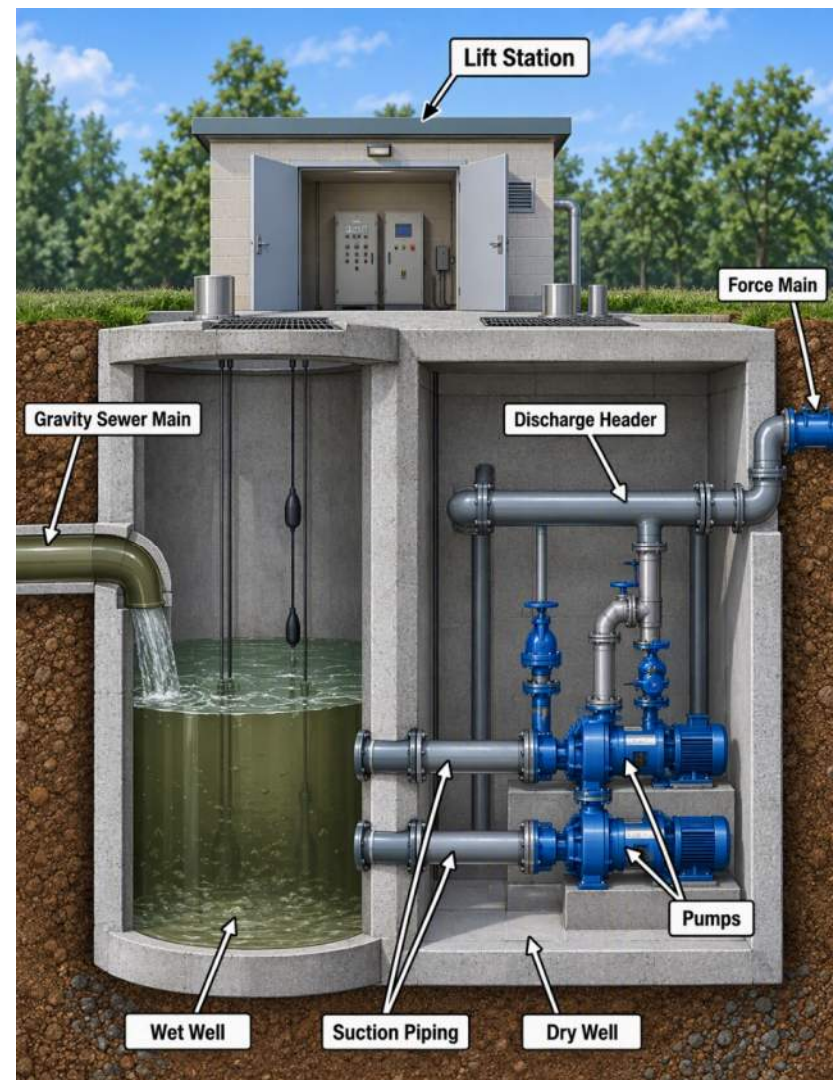
Gravity Mains





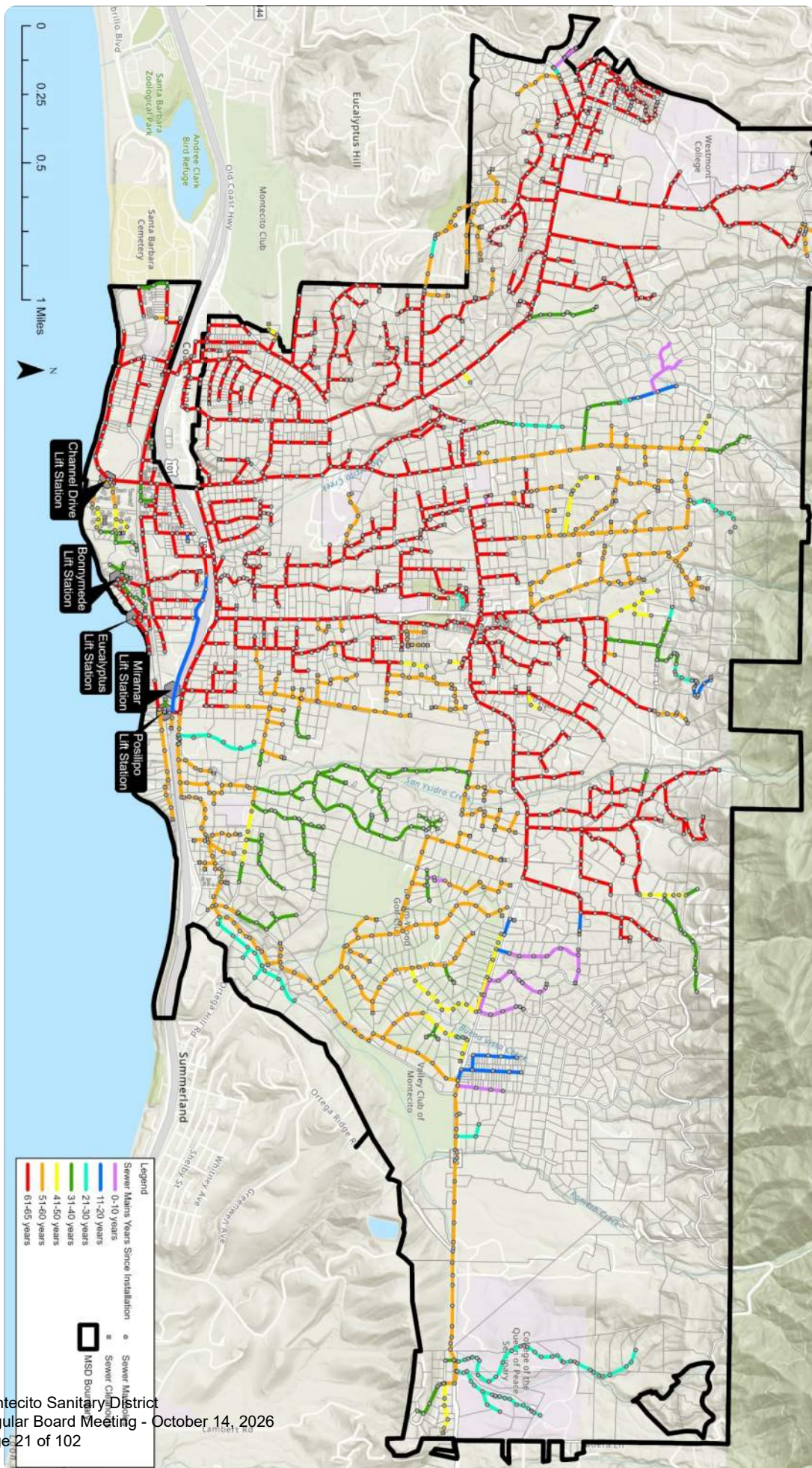
Lift Station and Force Mains

Lift Stations	Size (inches)	Material	Installation Year	# of Force Mains
Channel Drive	6	Cast Iron	1963	1
Bonnymede	6	Cast Iron	1963	1
Eucalyptus	4	Cast Iron	1963	1
Posilipo	6	Cast Iron	1962	2
	8	Ductile Iron/ PVC	2009	2
Miramar	6	PVC	2022	1
	12	PVC	2022	1





Pipe Age

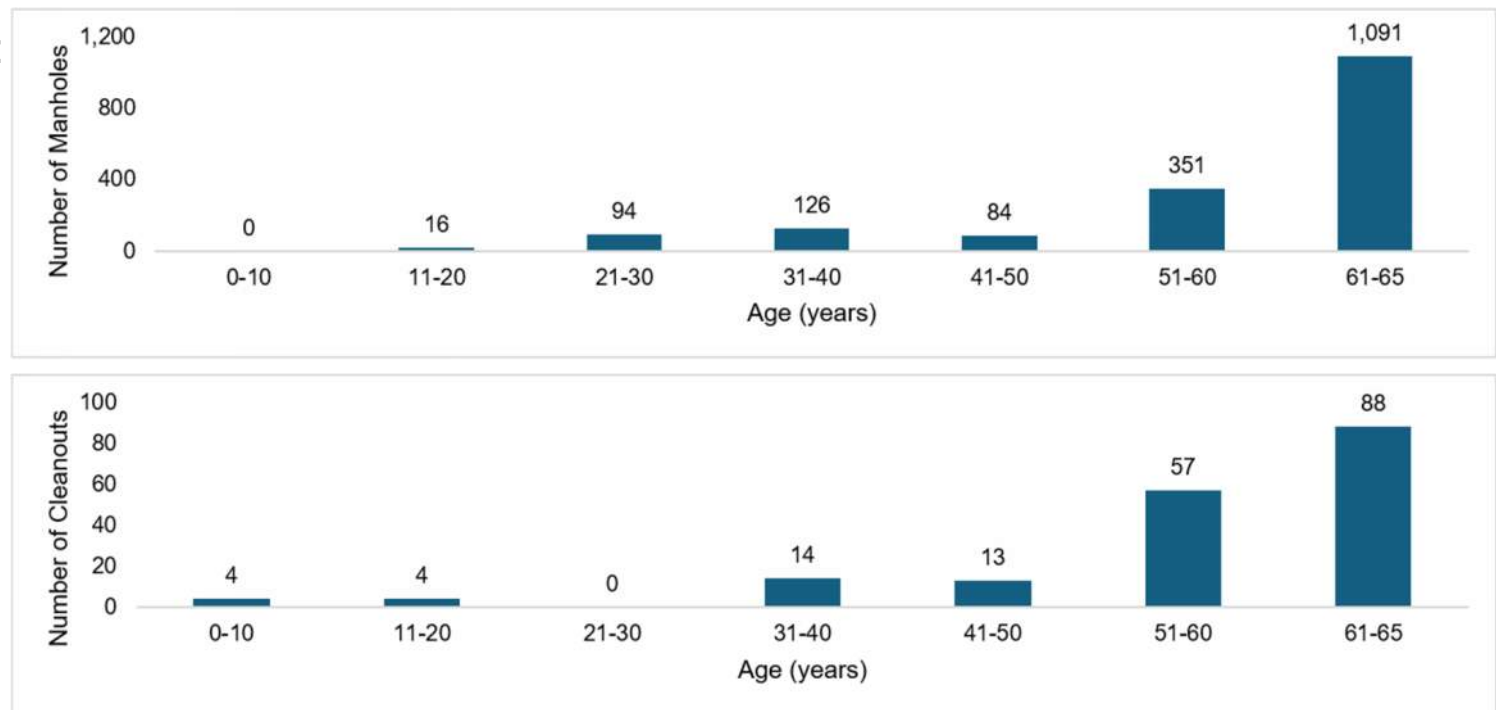




Sewer Manholes and Cleanouts

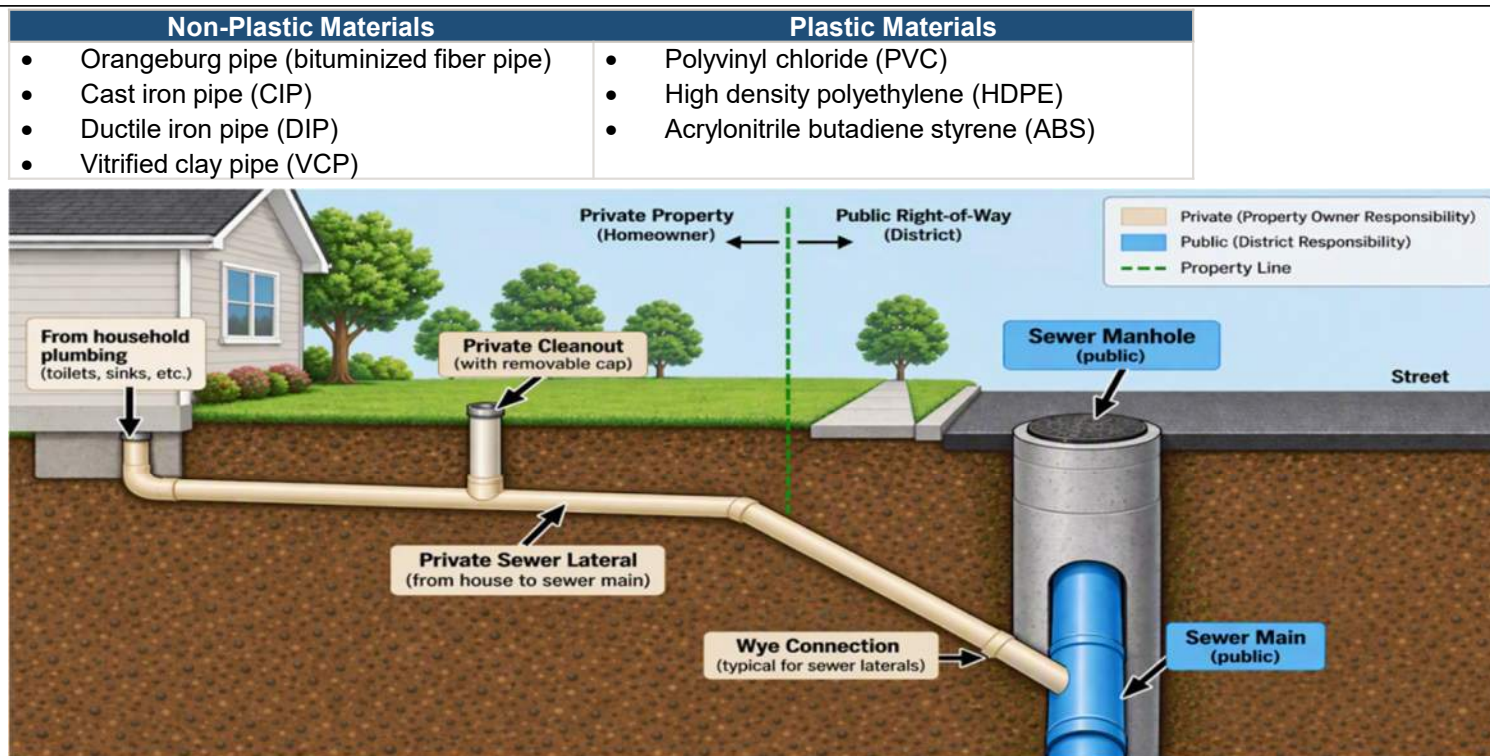
Access points for:

- Inspection
- Maintenance
- Cleaning
- Rehabilitation





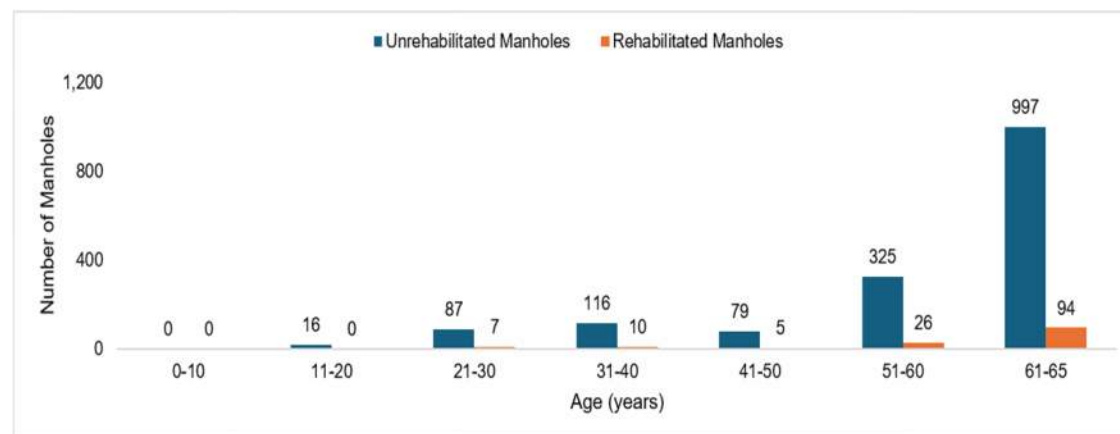
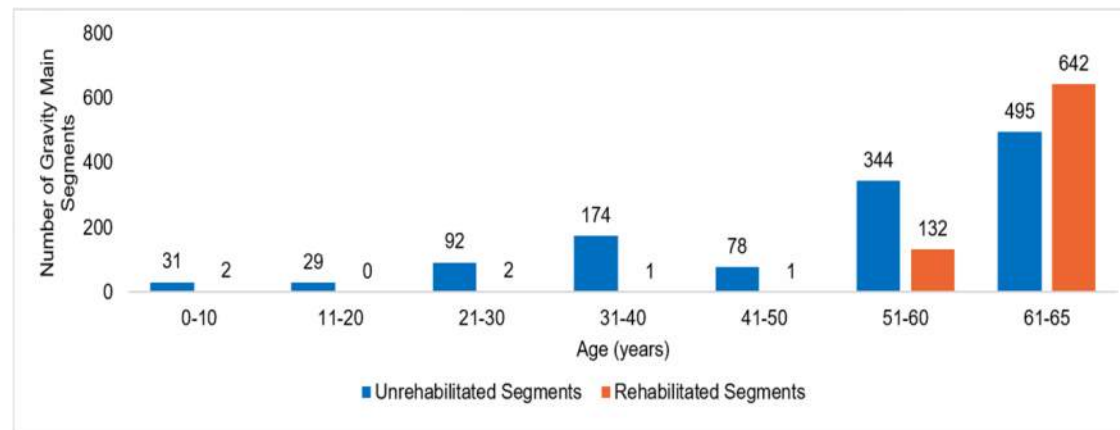
Private Sewer Laterals





Current Activities

- Visual/ CCTV Inspection
 - Scheduled, depending on rating
- Preventative Maintenance
 - Routine schedule cleaning
 - Routine lift station maintenance
- Rehabilitation and Repair
 - Lining pipes and manholes
 - Spot repairs for pipes
 - Lift station rehab
- Information Collection/ Data Systems
 - GIS
 - CMMS
- Flow Monitoring and Hydraulic Model





Condition Assessment (TM 1)

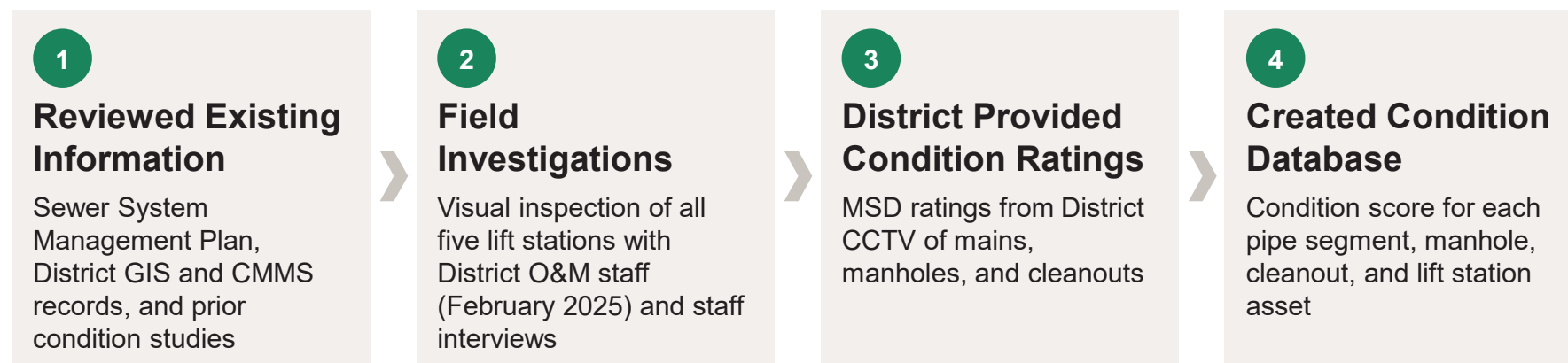


MSD SEWER COLLECTION SYSTEM MASTER PLAN



Condition Assessment Approach

Work began early 2025





Condition Rating for Mains, Manholes, and Cleanouts

STARTING POINT: District assigned **Condition Rating** on a scale of 0 to 5

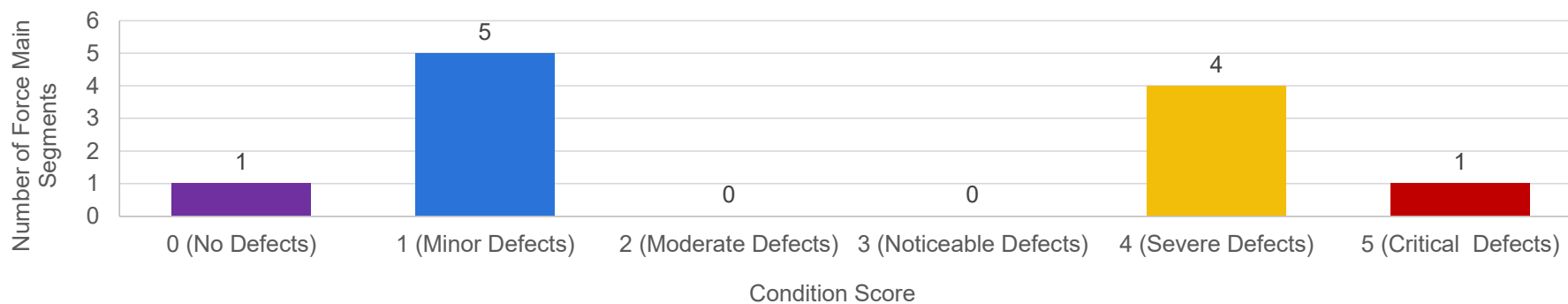
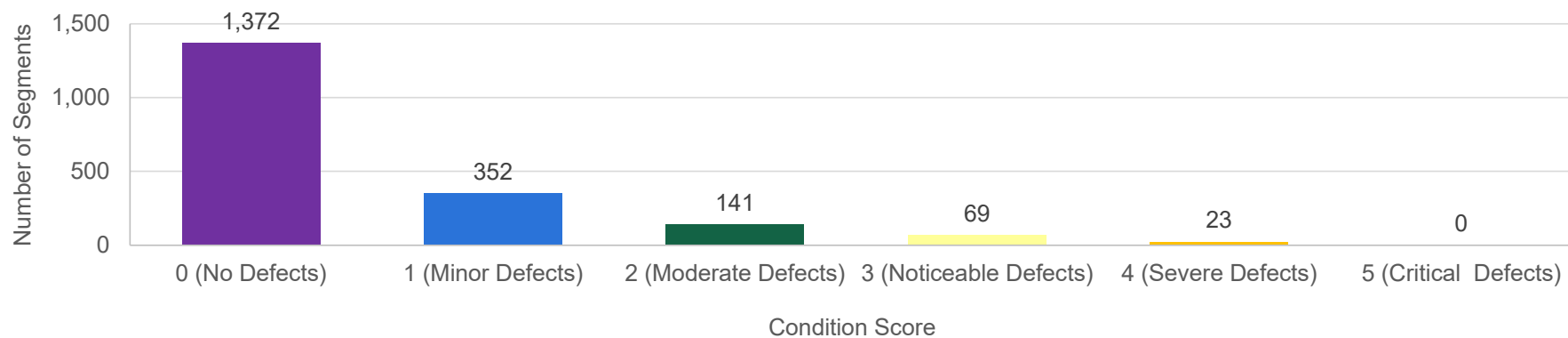
0 No Defects	1 Minor Defects	2 Moderate Defects	3 Noticeable Defects	4 Severe Defects	5 Critical Defects
No visible defects. Structurally sound and fully functional.	Small surface defects such as fine cracks, minor corrosion, or light roots.	Moderate cracking, seepage, or roots. Routine maintenance required.	Fractures, joint separation, or heavy roots. Consistent maintenance required.	Broken pipe, significant leakage, or signs of collapse.	Imminent or ongoing failure. Asset may no longer be maintainable.

NEXT: Districts **adjusted** Condition Rating for

Location	Site Access	Flow Capacity	Consequence of Failure
Proximity to creeks and the ocean	Access conditions at the asset	Capacity of the asset to convey flow	Impact if the asset fails

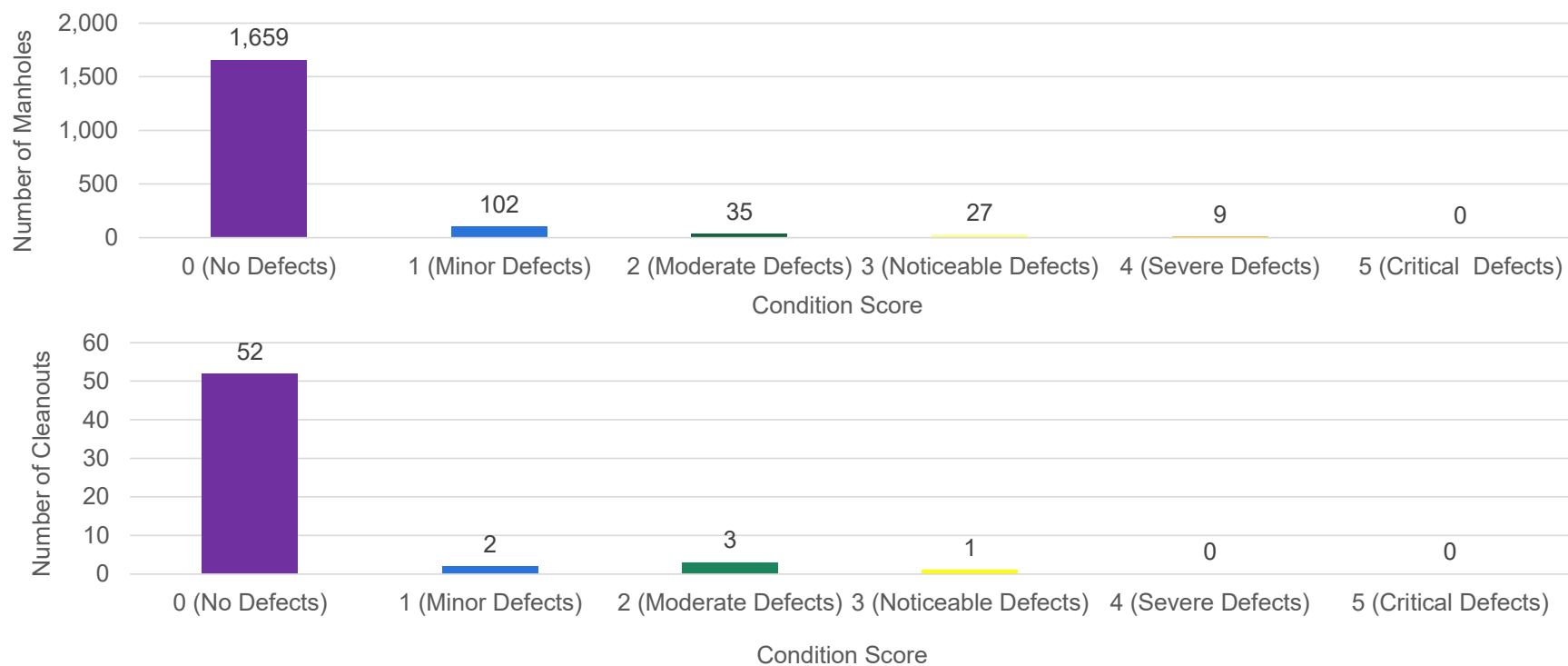


Gravity Sewer and Sewer Force Mains





Sewer Manholes and Cleanouts





Condition Score for Lift Station Assets

Evaluated Characteristics

- General Conditions
- Surface Foundation Deterioration
- Exterior Corrosion
- Coating/ Lining/ Paint Damage or Corrosion
- Leakage
- Equipment/ Wiring/ Cables
- Temperature
- Vibration
- Enclosure
- Bypass Capability

Condition Scores

- 1- Excellent
- 2- Good
- 3- Moderate
- 4- Poor
- 5- Very Poor



Condition Rating for Lift Station Assets

STARTING POINT: MSD assigned **Condition Score** on a scale of 1 to 5

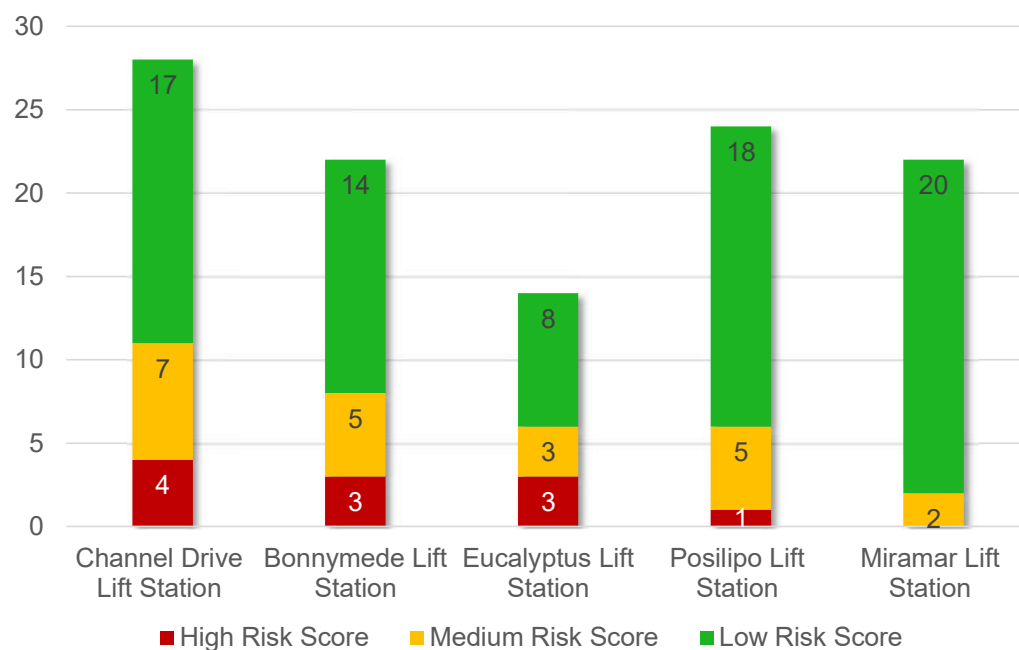
NEXT: Stantec assigned **Consequence of Failure Rating** on a scale of 1 to 3

FINAL STEP: Determine **Risk Score** = condition score (probability of failure) × consequence of failure

		Condition Score (Probability of Failure)					
		1 (Excellent)	2 (Good)	3 (Moderate)	4 (Poor)	5 (Very Poor)	
Consequence of Failure	1 (Low)	1	2	3	4	5	Low Risk (1–4) Medium Risk (5–9) High Risk (10–15)
	2 (Medium)	2	4	6	8	10	
	3 (High)	3	6	9	12	15	



Sewer Lift Stations Asset Risk Scores



High-Risk Assets

Channel Drive

VFDs (2), back-up generator, wet well lining

Bonnymede

Pumps, control panel, level controls

Eucalyptus

Pumps, interior piping and valves, control box

Posilipo

VFD

Miramar

None

Several high-risk assets are in good or moderate condition but are no longer manufactured (replacement parts are unavailable) so their risk level was increased.



Life Expectancy Analysis (TM 2)

MSD SEWER COLLECTION SYSTEM MASTER PLAN





Adjusted Remaining Useful Life Calculation



Expected Useful Life (EUL)

The estimated length of time an asset will serve its intended purpose under normal conditions and with proper maintenance.

Based on industry standards for each material or asset type.

Remaining Useful Life (RUL)

Calculated by subtracting the asset's age in 2025 from its EUL.

Adjusted RUL

The RUL is adjusted up or down in years based on the asset's condition from TM 1.



Adjusted Remaining Useful Life Calculation: Example

EXAMPLE: Unlined 8-inch VCP gravity main installed in 1963, MSD rating 1 (Minor Defects)
65-year EUL – 62 years of age = **3-year RUL** → +5 years for minor defects = **8-year Adjusted RUL**

Pipes EUL Basis

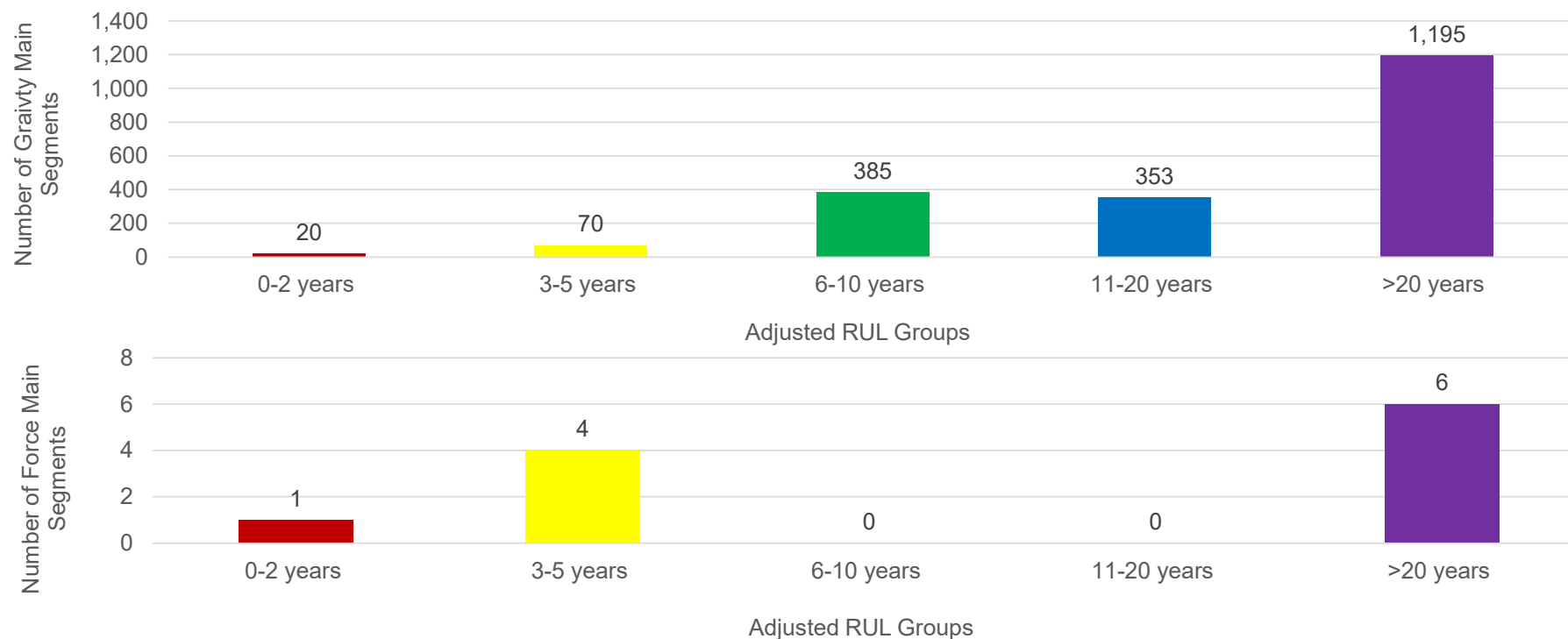
Asset	EUL (yrs)
Vitrified clay pipe (VCP)	65
Cast iron pipe	75
Ductile iron pipe (DIP)	75
PVC	100
HDPE	100

Pipes RUL Adjustment

MSD Rating	Adjustment
0 No Defects	+10 years
1 Minor Defects	+5 years
2 Moderate Defects	+3 years
3 Noticeable Defects	No adjustment
4 Severe Defects	Capped at 3 years (–1 year if already ≤3)
5 Critical Defects	Set to 0 years
Unrated	No adjustment

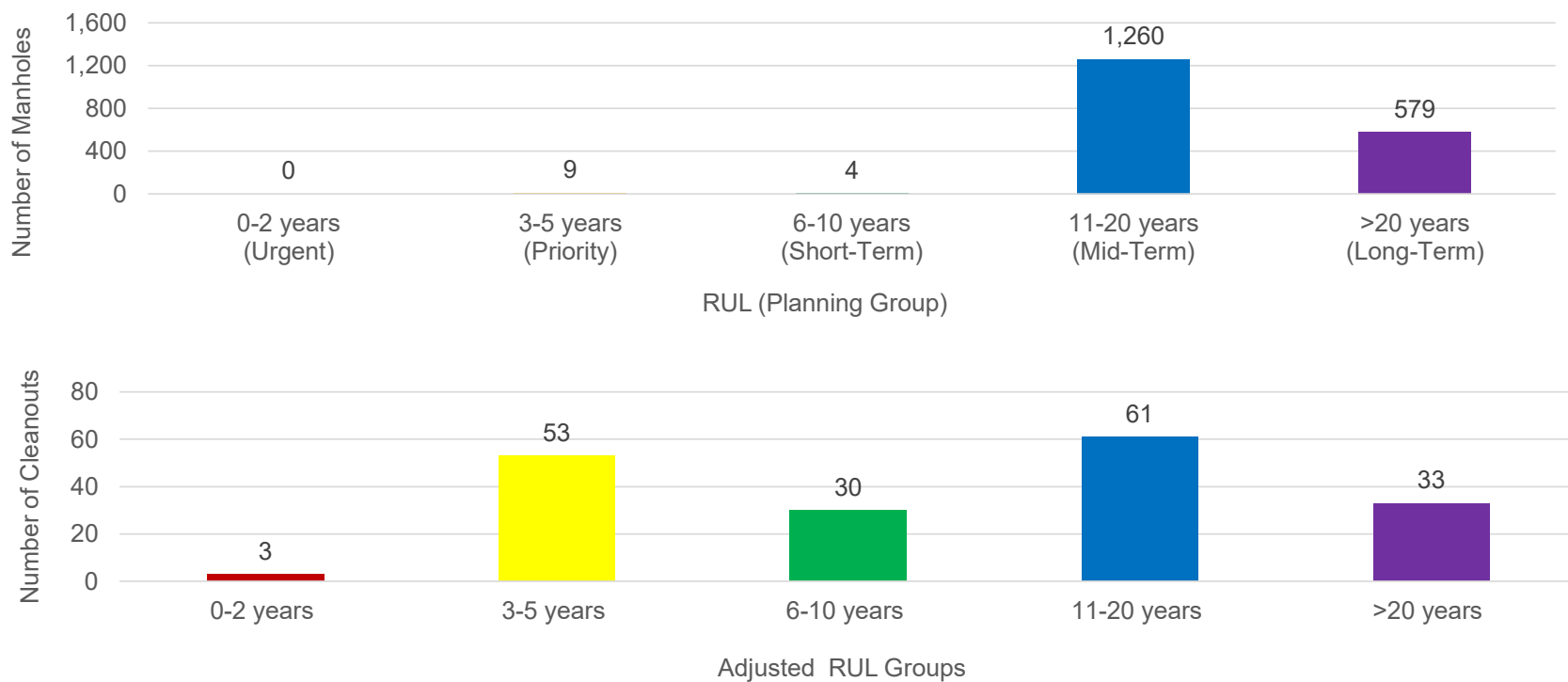


Gravity Mains and Sewer Force Mains Adjusted Remaining Useful Life Expectancy



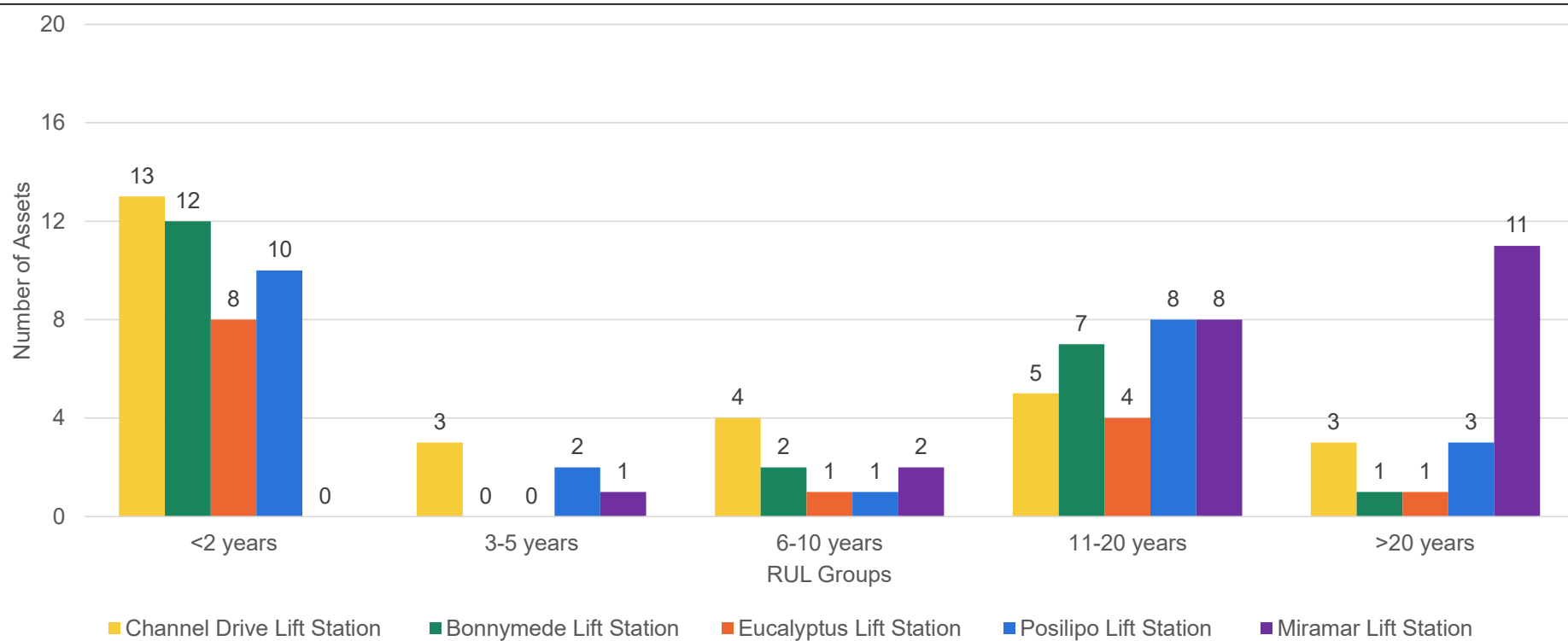


Sewer Manholes and Cleanouts Adjusted Remaining Useful Life Expectancy





Lift Stations Remaining Useful Life Expectancy





Infiltration and Inflow (TM 3)



MSD SEWER COLLECTION SYSTEM MASTER PLAN

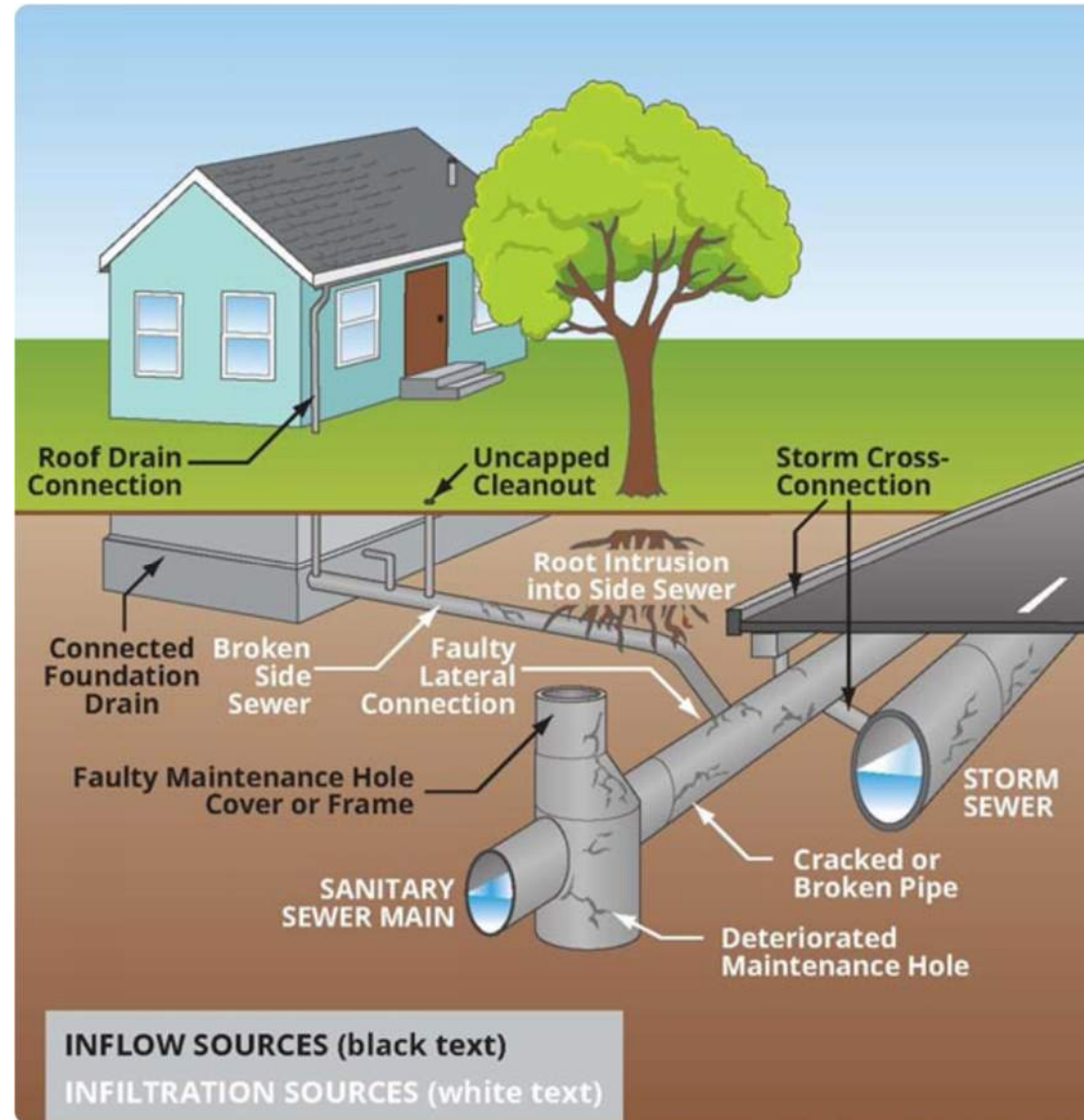


System Vulnerability

HAZARD	WHEN	DRIVER	POTENTIAL SYSTEM IMPACT
HIGH-TIDE INUNDATION	High tide	Seawater flooding	Seawater intrusion into sewer infrastructure
COASTAL GROUNDWATER RISE	Daily operations	Sea level rise elevates coastal groundwater	Groundwater infiltration into sewer infrastructure
COASTAL STORM EROSION & FLOODING	Storm events	Wave scour and storm surge	Beach and bluff erosion may undermine sewer infrastructure; seawater may enter the system
FLUVIAL STORM EROSION & FLOODING	Storm events	Creek overflow	Riverbank erosion may compromise sewer infrastructure stability

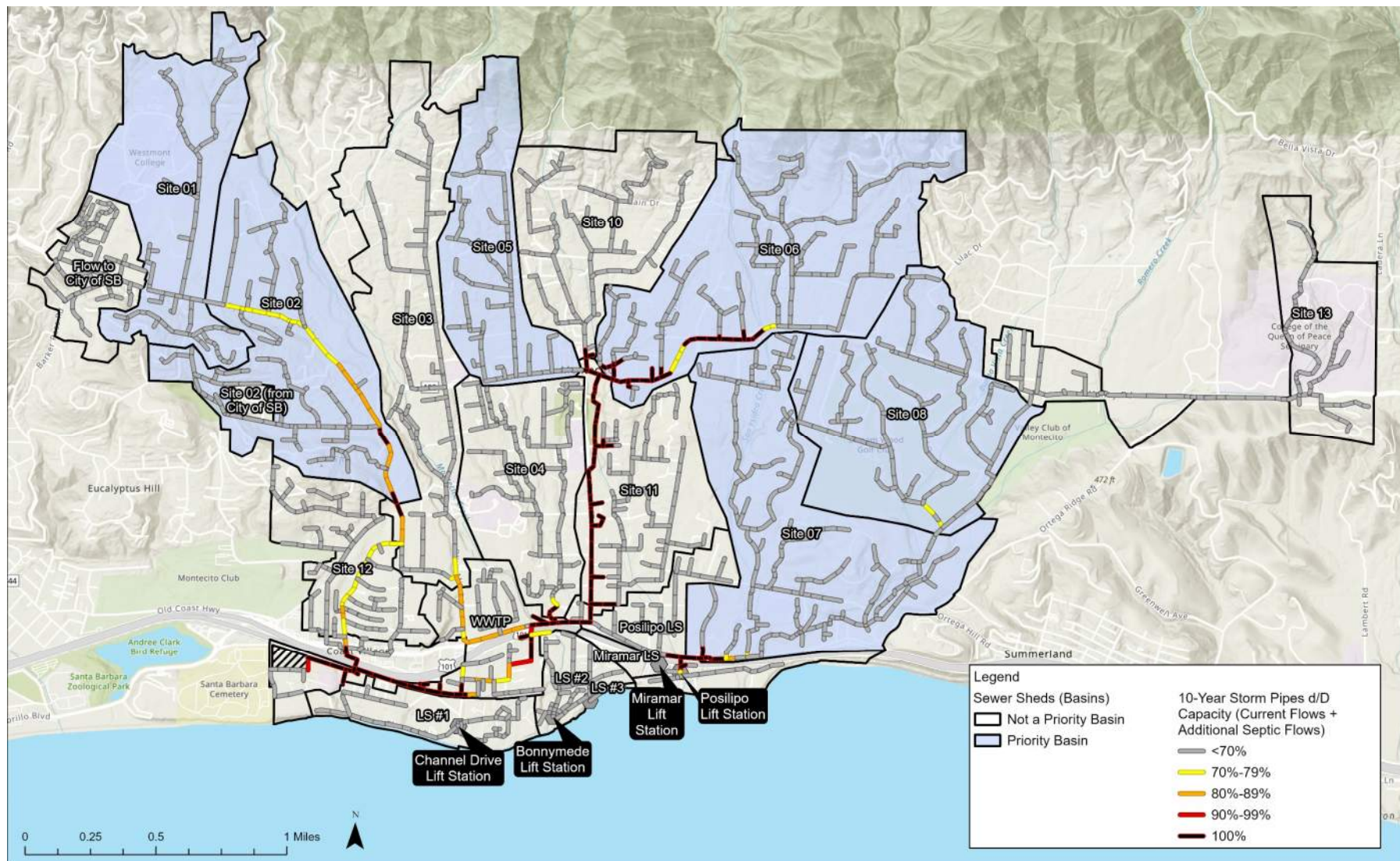
I&I Sources

- Deteriorated manholes
- Manhole pick holes
- Sewer main cracks and misaligned joints
- Private sewer laterals
- Private storm water drain connections to private sewer lateral





Priority Basins





Reduce I&I

- Reduce rain-related sewer problems
- Improve system reliability
- Prepare for future storms

RECOMMENDATION	KEY ACTIONS	PURPOSE
Policy & Regulation		
Additional Ordinance 12 Inspection Triggers	Expand inspection triggers to include: • Time-of-sale or transfer-of-title trigger • Change-in-use trigger • Periodic inspection trigger • Priority Basin inspection trigger	Provide additional opportunities for District inspection to increase rehabilitation rates of aging private laterals.
Flow Offset Program	Consider requiring flow offsets for new development in constrained basins, similar to the City of San Luis Obispo.	Prevent additional hydraulic loading and maintain system capacity.
Targeting & Data		
Identify Priority Basins	Define Priority Basins for inspection and rehabilitation based on I&I contribution and hydraulic capacity deficiencies. Hydraulic model analysis identified Sites 01, 02, 05, 06, 07, and 08 as Priority Basins.	Focus resources where system benefit is greatest.
Complete Private Sewer Lateral Database	Digitize private sewer lateral records in MobileMMS and maintain the database through ongoing inspection data entry. Integrate the database with hydraulic model results to identify Priority Basins and guide targeted rehabilitation.	Improve tracking, planning, and targeted rehabilitation.
Financial Assistance		
Financial Incentives (Rebate Program)	Reinstate and update the lateral rebate program to: • Provide higher incentives in Priority Basins • Differentiate incentives by full replacement versus partial rehabilitation • Limit eligibility to one rebate per property and distribute funding on a first-come, first-served basis	Encourage property owner participation and accelerate repairs.
Outreach & Implementation		
Public Outreach	Develop public outreach materials, guidance documents, and an interactive portal showing Priority Basins and sewer lateral condition.	Improve owner awareness and access to information.
Private Sewer Lateral Rehabilitation Program	Establish a formal Sewer Lateral Inspection and Rehabilitation Program, potentially modeled after the City of Santa Barbara's SLIP program.	Provide a consistent framework for owner participation.
Infrastructure		
Upsizing Capital Improvement Projects	Evaluate upsizing gravity mains that are or near-over-capacity under DWF conditions (Olive Mill Road and San Ysidro Road) during future capital improvement planning.	Improve system capacity and reduce wet-weather surcharge risk.



Capital Improvement Program (TM 4)



MSD SEWER COLLECTION SYSTEM MASTER PLAN



How Projects Were Identified

TM 1 Condition Assessment

Assets with severe or critical defects

TM 2 Life Expectancy Analysis

Assets with adjusted RULs of 10 years or less

TM 3 Hydraulic Model Review

Assets at or above capacity during dry-weather and wet-weather flow, including with future septic-to-sewer conversion flows.

Coastal Hazards Monitoring Plan (CMHP)

Assets exposed to existing and projected coastal and creek hazards



1

Identify Potential Projects

Based on the findings of each review



2

Categorize by Project Type

Group potential projects by type



3

District Prioritizes

Using a priority framework developed with District staff



Framework

Four categories showing the priority:

1. Dry Weather Flow Capacity Deficiencies
2. I&I Sources
3. Coastal and Fluvial Hazard Exposure
4. Aging Infrastructure

High

Prioritization

Low

① Dry Weather Flow Capacity Deficiencies

Replacing undersized sewer pipes with larger ones lets the system carry more flow and lowers the chance of sewage overflowing during a big storm. This matters even more because the District's program to connect septic properties to the sewer will send more flow into pipes that are already near their limit.

② I&I Sources

Inspecting and repairing the pipes most likely letting rainwater leak in, especially private service lines, means less storm water reaching the main sewers. That lowers the chance of overwhelming the treatment plant or causing sewage overflows during storms.

③ Coastal & Fluvial Hazard Exposure

Repairing, replacing, or moving older equipment near the coast and creeks lowers the risk of it wearing out early, leaking, or failing. Those risks are expected to grow as sea levels rise and coastal and creek flooding gets worse.

④ Aging Infrastructure

Repairing or replacing the oldest lift station equipment and the sewer pipes in the worst shape makes unexpected breakdowns, collapsed pipes, and service interruptions far less likely.



Capital Improvement Projects Over 10 Years

No.	Project	Brief Description	CIP Cost
1	Gravity Main New Alignment/ Upsizing/ Replacement – San Ysidro Road	Installation of 8-inch gravity main segments (0.39 miles) and upsizing to 12-inch segments (0.61 miles).	\$3,450,000
2	Gravity Main Upsizing/ Replacement – Olive Mill Road	Upsizing of five VCP gravity main segments (0.20 miles) to 12-inch pipe.	\$880,000
3	I&I Reduction Program	Establishment of a formal PSL program, including flow monitoring, expanded inspection triggers, a rebate program, a PSL database, and public outreach.	\$500,000 + \$300,000/yr
4	Eucalyptus Lift Station Alternatives Analysis	A significant number of assets are past the EUL and coastal hazard exposure. Alternatives analyses will evaluate rehabilitation in place versus relocation.	\$1,300,000
5	Gravity Main Lining – Critical Rehabilitations	CIPP lining of 88 VCP gravity main segments (3.05 miles), ranging from 6 to 18 inches in diameter, with RULs of 0–10 years throughout the District.	\$2,550,000
6	Bonnymede Lift Station Alternatives Analysis	There are significant number of assets past the EUL and fluvial hazard exposure. Alternatives analyses will evaluate rehabilitation in place versus relocation.	\$2,050,000
7	Posilipo Lift Station Rehabilitation	Rehabilitation of Posilipo Lift Station, targeting 14 of 28 assessed assets with RULs under 10 years.	\$1,725,000
8	Channel Drive Lift Station Rehabilitation	Rehabilitation of Channel Drive Lift Station, targeting 20 of 28 assessed assets with RULs under 10 years.	\$2,000,000
9	Gravity Main Lining – Creek & Coastal I&I Reduction	CIPP lining of 70 VCP gravity main segments (2.92 miles), ranging from 8 to 12 inches in diameter, with RULs of 6–10 years located along creeks or the coast.	\$2,530,000
10	Gravity Main Lining – Highway 192	CIPP lining of 74 VCP gravity main segments (2.72 miles), all 8 inches in diameter, with RULs of 10 years or less located along Highway 192.	\$2,610,000
11	Gravity Main Lining – South District	CIPP lining of 112 VCP gravity main segments (3.99 miles), 6 to 8 inches in diameter, with RULs of 6–10 years located generally south of Highway 192.	\$3,300,000
12	Gravity Main Lining – North District	CIPP lining of 113 VCP gravity main segments (3.90 miles), all 8 inches in diameter, with RULs of 6–10 years located generally north of Highway 192.	\$3,300,000
13	Miramar Lift Station Rehabilitation	Rehabilitation of HVAC system and low flow wet well modification needed.	\$500,000
14	Posilipo Lift Station Force Mains Rehabilitation, Upsizing, or Abandonment Alternatives Analysis	Alternatives analysis will evaluate rehabilitation or abandonment of two 6-inch cast iron bypass force mains (RUL of 3 years), upsizing of two 8-inch primary force mains, and connection to the Miramar Lift Station 12-inch backup force main.	\$1,225,000

Total= \$29,120,000

Thank you

MSD SEWER COLLECTION SYSTEM MASTER PLAN



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 – 5B

DATE: October 14, 2026
TO: Board of Directors
FROM: John Weigold, General Manager
SUBJECT: Montecito Sanitary District Strategic Plan Work Plan

RECOMMENDATION

It is recommended that the Board receive a presentation from Staff regarding the District's Strategic Plan Work Plan.

DISCUSSION

This presentation is in follow up to Board direction to develop a Staff Work Plan to effect the previously Board-approved Strategic Priorities and Goals and Objectives.

On February 11, 2026, the Board adopted eight Strategic Priorities (Attachment 1) and directed Staff to develop goals and objectives for each Strategic Priority. The Board then adopted the Strategic Priorities and Goals and Objectives document (also on Attachment 1) on March 25, 2026. This document serves as the foundational framework (a building block) and governing outline for the development of the District's full 2026–2030 Strategic Plan. These documents provide staff with clear Board direction and authorized the District Work Plan.

On December 17, 2025, the Board held a strategic planning workshop facilitated by Jacob Green and Associates (JGA). The purpose of the workshop was to establish a shared understanding of the District's mission and to identify the strategic priorities that should guide the District over the next five years. Also at that meeting, the Board directed the GM to report back to the Board with a plan to accomplish the following six items with recommendations on how to proceed. JGA assisted the District with items 1 through 6.

With the completion of the District Staff Work Plan, the General Manager can now report the completion of all items below and completion of the District's Strategic Plan, as directed by the Board:

1. Update and affirm the District's Mission Statement
2. Adopt Board priorities
3. Create a Strategic Plan
4. Update District Bylaws
5. Update the Board Policy and Procedure Manual
6. Develop a District Work Plan and track implementation

FISCAL IMPACT

None.

ATTACHMENTS

1. Strategic Priorities and Goals and Objectives
2. District Work Plan

Montecito Sanitary District

Strategic Priorities and Goals and Objectives

1. Operational Sustainability

- a. Complete a design of new wastewater treatment plant
- b. Renew NPDES permit (due 2027)
- c. Complete Collection System Master Plan
- d. Implement Collection System Master Plan
- e. Create an employee training program

2. Future Treatment Determination

- a. Explore financial and operational feasibility of pursuing recycled water
- b. Explore and assess alternative treatment options, including:
 - i. Cease wastewater treatment and send wastewater to City of Santa Barbara
 - ii. Treat additional wastewater from the Summerland Sanitary District
- c. Complete a septic to sewer master plan and develop a CIP project plan

3. Consolidation Determination

- a. Identify and outline reorganization goals and objectives
- b. Develop a reorganization assessment model
- c. Assess reorganization partner options to include:
 - i. Montecito Water District
 - ii. Summerland Sanitary District
 - iii. Santa Barbara City
- d. Assess reorganization options to include:
 - i. Consolidation
 - ii. Dissolution and annexation
 - iii. JPA agreements
 - iv. Service agreements
 - v. Status quo

4. Employee Survey and Retention

- a. Develop and execute employee (climate) survey
- b. Conduct a salary survey

5. Update Governance Documents

- a. Conduct a review of the District's existing Board policies and procedures to identify gaps, redundancies and outdated provisions
- b. Develop Board policy and procedures recommendations based on best practices and submit them to Board for consideration
- c. Develop an onboarding/orientation process for new directors and staff

6. Financial Auditing

- a. Conduct/complete rate study and present to the Board for consideration
- b. Develop a long-term financial plan for capital improvement projects
- c. Consider changes to Ordinance 19 to shift sewer main extensions to affected properties
- d. Implement an electronic payment process and recommend policy changes for Board consideration
- e. Consider using a CPA firm to review monthly reconciliation

7. Enhance Employee Safety

- a. Assess the adequacy of the current safety program/equipment/procedures
- b. Develop a comprehensive standardized on-boarding program for new staff members
- c. Develop and provide an electrical safety training program for staff

8. Regulatory Tracking

- a. Develop regulatory tracking policies and procedures with District general counsel for Board consideration
- b. Maintain participation in trade organizations such as the California Special District Association (CSDA) and the California Association of Sanitation Agencies (CASA)
- c. Improve Board and staff attendance at conferences and workshops for regulatory change awareness
- d. All directors complete CSDA Special District Leadership Academy training



Montecito Sanitary District



STRATEGIC WORK PLAN

2026-2028



TABLE OF CONTENTS

INTRODUCTION AND MISSION	2
GOALS AND OBJECTIVES	3
2026-28 WORK PLAN	7
Goal 1 - Operational Sustainability	7
Goal 2 - Future Treatment Determination	10
Goal 3 - Consolidation Determination	11
Goal 4 - Employee Survey & Retention	13
Goal 5 - Update Governance Documents	14
Goal 6 - Financial Auditing	15
Goal 7 - Enhance Employee Safety	18
Goal 8 - Regulatory Tracking	20

INTRODUCTION

The Montecito Sanitary District Strategic Work Plan provides a clear framework for advancing the District's strategic priorities through focused, actionable implementation. Building on the District's established goals and objectives, District leadership and staff participated in facilitated work planning sessions to translate strategic direction into defined strategies, timelines, responsibilities, and measures of progress.

Through this process, each priority and objective was reviewed to identify the major steps necessary for implementation, clarify ownership, establish anticipated timelines, and identify opportunities to strengthen or expand existing strategies. The resulting Strategic Work Plan connects long-term priorities with the day-to-day work required to achieve them while providing a practical structure for monitoring progress and maintaining accountability.

The Strategic Work Plan focuses the District's efforts across eight priority areas: Operational Sustainability, Future Treatment Determination, Consolidation Determination, Employee Survey and Retention, Governance Documents, Financial Auditing, Employee Safety, and Regulatory Tracking. Together, these priorities support the District's continued commitment to effective operations, responsible stewardship, organizational readiness, and sustainable service to the Montecito community.

Timeline Notes: Strategies initiated prior to 2026 are shown beginning 01/01/2026 for purposes of this Work Plan. Strategies identified as Ongoing have no defined end date and may continue beyond the 2026–2028 planning period.

Mission:

A community service commitment 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.



2026 - 2028 GOALS AND OBJECTIVES

Priority 1: Operational Sustainability

Maintain the stability and efficiency of existing operations.

1.1	Complete design of a new wastewater treatment plant
1.2	Renew the National Pollutant Discharge Elimination System (NPDES) permit
1.3	Complete Collection System Master Plan
1.4	Implement Collection System Master Plan
1.5	Create an employee training program

Priority 2: Future Treatment Determination

Determine how wastewater will be collected, treated, and disposed of in the future.

2.1	Explore financial and operational feasibility of pursuing recycled water
2.2	Explore and assess alternative treatment options
2.3	Complete a septic-to-sewer master plan and develop a CIP project plan

2026 - 2028 GOALS AND OBJECTIVES

Priority 3: Consolidation Determination

Explore alternatives to administer the District's mission to collect, treat, and dispose of wastewater.

3.1	Identify and outline reorganization goals and objectives
3.2	Develop a reorganization assessment model
3.3	Assess reorganization partner options
3.4	Assess reorganization options

Priority 4: Employee Survey and Retention

Understand the needs of employees to promote a stable workforce.

4.1	Develop and execute employee climate survey
4.2	Conduct a salary survey

2026 - 2028 GOALS AND OBJECTIVES

Priority 5: Update Governance Documents

Create written bylaws, policies, and procedures that define clear roles, responsibilities, and procedures.

5.1	Conduct a review of the District's existing Board policies and procedures to identify gaps, redundancies and outdated provisions
5.2	Develop Board policy and procedures recommendations based on best practices and submit them to Board for consideration
5.3	Develop an onboarding/orientation process for new director and staff

Priority 6: Financial Auditing

Ensure best practices in financial management.

6.1	Conduct/complete rate study and present to the Board for consideration
6.2	Develop a long-term financial plan for capital improvement projects
6.3	Consider changes to Ordinance 19 to shift sewer main extensions to affected properties
6.4	Implement an electronic payment process and recommend policy changes for Board consideration
6.5	Consider using a CPA firm to do monthly reconciliation

2026 - 2028 GOALS AND OBJECTIVES

Priority 7: Enhance Employee Safety

Reduce accidents and improve training.

- | | |
|------------|---|
| 7.1 | Assess the adequacy of the current safety program/equipment/procedures |
| 7.2 | Develop a comprehensive standardized onboarding program for new staff members |
| 7.3 | Develop and provide an electrical safety training program for staff |

Priority 8: Regulatory Tracking

Monitor proposed and enacted legislation and regulations that may impact the operations of MSD.

- | | |
|------------|---|
| 8.1 | Develop regulatory tracking policies and procedures with District General Legal Counsel for Board consideration |
| 8.2 | Maintain participation in trade organizations such as the California Special District Association (CSDA) and the California Association of Sanitation Agencies (CASA) |
| 8.3 | Improve Board and staff attendance at conferences and workshops for regulatory change awareness |
| 8.4 | All directors complete CSDA Special District Leadership Academy training |

Priority 1 - Operational Sustainability

Summary: MSD will advance critical infrastructure planning, regulatory compliance, collection system improvements, and employee development to strengthen long-term operational sustainability.

		2026				2027				2028	
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	
1.1 Complete design of a new wastewater treatment plant	1.1.1 Complete the Investment Grade Audit (IGA) and document findings and recommendations.										
	1.1.2 Develop the scope, design approach, and cost estimate for required concrete structures in coordination with Southland Industries.										
	1.1.3 Present IGA findings, design recommendations, and associated costs to the Board for consideration and direction.										
	1.1.4 Complete final wastewater treatment plant design, including plans, specifications, and engineering cost estimates.										
1.2 Renew the National Pollutant Discharge Elimination System (NPDES) permit	1.2.1 Initiate coordination with the NPDES regulatory representative to confirm renewal requirements, timelines, and submittal expectations.										
	1.2.2 Prepare and submit the complete NPDES permit renewal application and required supporting documentation.										
	1.2.3 Review the draft NPDES permit and identify operational, regulatory, or compliance impacts to the District.										
	1.2.4 Address regulatory comments and complete all required documentation for final permit approval.										
	1.2.5 Obtain issuance of the renewed NPDES permit.										
1.3 Complete Collection System Master Plan	1.3.1 Complete a condition assessment of the District's collection system infrastructure.										
	1.3.2 Complete a useful-life and life-expectancy analysis of collection system assets.										
	1.3.3 Complete the Inflow and Infiltration (I&I) analysis and document recommended mitigation priorities.										
	1.3.4 Develop prioritized Capital Improvement Program projects based on system condition, risk, and future needs.										
	1.3.5 Finalize and present the Collection System Master Plan for Board approval.										
1.4 Implement Collection System Master Plan	Pending Completion of 1.3										
1.5 Create an employee training program	1.5.1 Identify required technical, regulatory, safety, and professional training requirements for each District position.										
	1.5.2 Establish department-specific training requirements and development priorities.										
	1.5.3 Establish District-wide training requirements applicable to all employees.										
	1.5.4 Develop and implement an annual employee training calendar that incorporates required and developmental training.										
	1.5.5 Develop standardized department-specific onboarding and training checklists for new employees.										

Note: Strategies initiated prior to 2026 are shown beginning 01/01/2026 for purposes of the 2026–2028 Work Plan timeline.

Priority 1 - Operational Sustainability

Objective	Strategy	Champion (Objective) or Owner (Strategy)	Support	Funding	Start Date	Target Completion	Status
1.1 Complete design of a new wastewater treatment plant		Bryce Swetek					
1.1.1	Complete the Investment Grade Audit (IGA) and document findings and recommendations.	Bryce Swetek	Leadership Team	CIP / Funded	9/1/2025	3/31/2027	In Progress
1.1.2	Develop the scope, design approach, and cost estimate for required concrete structures in coordination with Southland Industries.	Bryce Swetek	Southlands Industries, Leadership Team	CIP / Unfunded	10/1/2026	3/31/2027	Upcoming
1.1.3	Present IGA findings, design recommendations, and associated costs to the Board for consideration and direction.	Bryce Swetek	Leadership Team	N/A	4/1/2027	4/30/2027	Upcoming
1.1.4	Complete final wastewater treatment plant design, including plans, specifications, and engineering cost estimates.	Bryce Swetek	Leadership Team, Consultants	CIP / Unfunded	5/1/2027	3/31/2028	Upcoming
1.2 Renew the National Pollutant Discharge Elimination System (NPDES) permit		Bryce Swetek					
1.2.1	Initiate coordination with the NPDES regulatory representative to confirm renewal requirements, timelines, and submittal expectations.	Bryce Swetek	Carole, Marco	Operational	8/1/2026	10/31/2026	In Progress
1.2.2	Prepare and submit the complete NPDES permit renewal application and required supporting documentation.	Bryce Swetek	Carole, Marco	Operational	10/1/2026	1/31/2027	Upcoming
1.2.3	Review the draft NPDES permit and identify operational, regulatory, or compliance impacts to the District.	Bryce Swetek	Carole, Marco	Operational	2/1/2027	4/30/2027	Upcoming
1.2.4	Address regulatory comments and complete all required documentation for final permit approval.	Bryce Swetek	Carole, Marco	Operational	5/1/2027	7/31/2027	Upcoming
1.2.5	Obtain issuance of the renewed NPDES permit.	Bryce Swetek	Carole, Marco	Operational	8/1/2027	10/31/2027	Upcoming
1.3 Complete Collection System Master Plan		Bryce Swetek					
1.3.1	Complete a condition assessment of the District's collection system infrastructure.	Bryce Swetek	Carole, Marco	CIP / Funded	9/1/2024	2/28/2025	Complete
1.3.2	Complete a useful-life and life-expectancy analysis of collection system assets.	Bryce Swetek	Carole, Marco	CIP / Funded	3/1/2025	7/31/2025	Complete
1.3.3	Complete the Inflow and Infiltration (I&I) analysis and document recommended mitigation priorities.	Bryce Swetek	Carole, Marco	CIP / Funded	8/1/2025	7/31/2026	Complete
1.3.4	Develop prioritized Capital Improvement Program projects based on system condition, risk, and future needs.	Bryce Swetek	Carole, Marco	CIP / Funded	8/1/2025	7/31/2026	Complete
1.3.5	Finalize and present the Collection System Master Plan for Board approval.	Bryce Swetek	Carole, Marco	CIP / Funded	8/1/2026	11/15/2026	In Progress

Priority 1 - Operational Sustainability

Objective	Strategy	Champion (Objective) or Owner (Strategy)	Support	Funding	Start Date	Target Completion	Status
1.4 Implement Collection System Master Plan							
	<i>Pending Completion of 1.3</i>						Pending
1.5 Create an employee training program							
		Stephen Williams					
1.5.1	Identify required technical, regulatory, safety, and professional training requirements for each District position.	Stephen Williams	Marco, Rico	Operational - Funded	11/1/2026	12/31/2026	Upcoming
1.5.2	Establish department-specific training requirements and development priorities.	Stephen Williams	Marco, Rico	Operational - Funded	11/1/2026	12/31/2026	Upcoming
1.5.3	Establish District-wide training requirements applicable to all employees.	Stephen Williams	Marco, Rico	Operational - Funded	11/1/2026	12/31/2026	Upcoming
1.5.4	Develop and implement an annual employee training calendar that incorporates required and developmental training.	Stephen Williams		Operational - Funded	12/1/2026	12/31/2026	Upcoming
1.5.5	Develop standardized department-specific onboarding and training checklists for new employees.	Stephen Williams		Operational - Funded	12/1/2026	12/31/2026	Upcoming



Priority 2 - Future Treatment Determination

Summary: MSD will evaluate recycled water opportunities, treatment alternatives, and septic-to-sewer planning to inform the District's long-term wastewater treatment strategy.

		2026				2027				2028
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
2.1 Explore financial and operational feasibility of pursuing recycled water	2.1.1 Present recycled water considerations, mandates, and preliminary feasibility information to the Board and obtain policy direction.									
	2.1.2 Incorporate recycled-water-ready capabilities into the design of the new wastewater treatment plant.									
	2.1.3 Engage Montecito Water District to assess partnership interest and evaluate the financial and operational feasibility of recycled water implementation.									
2.2 Explore and assess alternative treatment options	2.2.1 Evaluate continued use of the District's existing treatment approach as the baseline alternative.									
	2.2.2 Evaluate alternative onsite wastewater treatment processes and technologies.									
	2.2.3 Evaluate the feasibility, costs, and operational implications of wastewater treatment through the City of Santa Barbara.									
	2.2.4 Evaluate the feasibility and operational implications of treating additional wastewater from Summerland Sanitary District.									
	2.2.5 Compare treatment alternatives and present IGA findings and recommendations to the Board for direction.									
2.3 Complete a septic-to-sewer master plan and develop a CIP project plan	2.3.1 Complete and present the Septic-to-Sewer Master Plan for Board acceptance.									
	2.3.2 Integrate findings from the Collection System Master Plan and Septic-to-Sewer Master Plan to develop a prioritized CIP project plan.									
	2.3.3 Present the resulting CIP project plan, priorities, and implementation considerations to the Board.									

Note: Strategies initiated prior to 2026 are shown beginning 01/01/2026 for purposes of the 2026–2028 Work Plan timeline.



Priority 2 - Future Treatment Determination

Objective	Strategy	Champion (Objective) or Owner (Strategy)	Support	Funding	Start Date	Target Completion	Status
2.1 Explore financial and operational feasibility of pursuing recycled water		John Weigold					
2.1.1	Present recycled water considerations, mandates, and preliminary feasibility information to the Board and obtain policy direction.	John Weigold	N/A	Operational	9/1/2026	11/30/2026	In Progress
2.1.2	Incorporate recycled-water-ready capabilities into the design of the new wastewater treatment plant.	Bryce Swetek	District Managers	CIP / Funded	9/1/2025	12/31/2027	In Progress
2.1.3	Engage Montecito Water District to assess partnership interest and evaluate the financial and operational feasibility of recycled water implementation.	John Weigold	Stephen, Bryce	Operational	10/1/2026	1/31/2027	Upcoming
2.2 Explore and assess alternative treatment options		Bryce Swetek					
2.2.1	Evaluate continued use of the District's existing treatment approach as the baseline alternative.	Bryce Swetek	Management Team	CIP / Funded	9/1/2025	3/31/2027	In Progress
2.2.2	Evaluate alternative onsite wastewater treatment processes and technologies.	Bryce Swetek	Management Team	CIP / Funded	9/1/2025	3/31/2027	In Progress
2.2.3	Evaluate the feasibility, costs, and operational implications of wastewater treatment through the City of Santa Barbara.	Bryce Swetek	Management Team	CIP / Funded	9/1/2025	3/31/2027	In Progress
2.2.4	Evaluate the feasibility and operational implications of treating additional wastewater from Summerland Sanitary District.	Bryce Swetek	Management Team	CIP / Funded	9/1/2025	3/31/2027	In Progress
2.2.5	Compare treatment alternatives and present IGA findings and recommendations to the Board for direction.	Bryce Swetek	Management Team	CIP / Funded	4/1/2027	4/30/2027	Upcoming
2.3 Complete a septic-to-sewer master plan and develop a CIP project plan		Bryce Swetek					
2.3.1	Complete and present the Septic-to-Sewer Master Plan for Board acceptance.	Bryce Swetek	N/A	CIP / Funded	3/1/2025	8/31/2026	Complete
2.3.2	Integrate findings from the Collection System Master Plan and Septic-to-Sewer Master Plan to develop a prioritized CIP project plan.	Bryce Swetek	N/A	CIP / Funded	3/1/2026	12/31/2026	In Progress

Priority 3 - Consolidation Determination

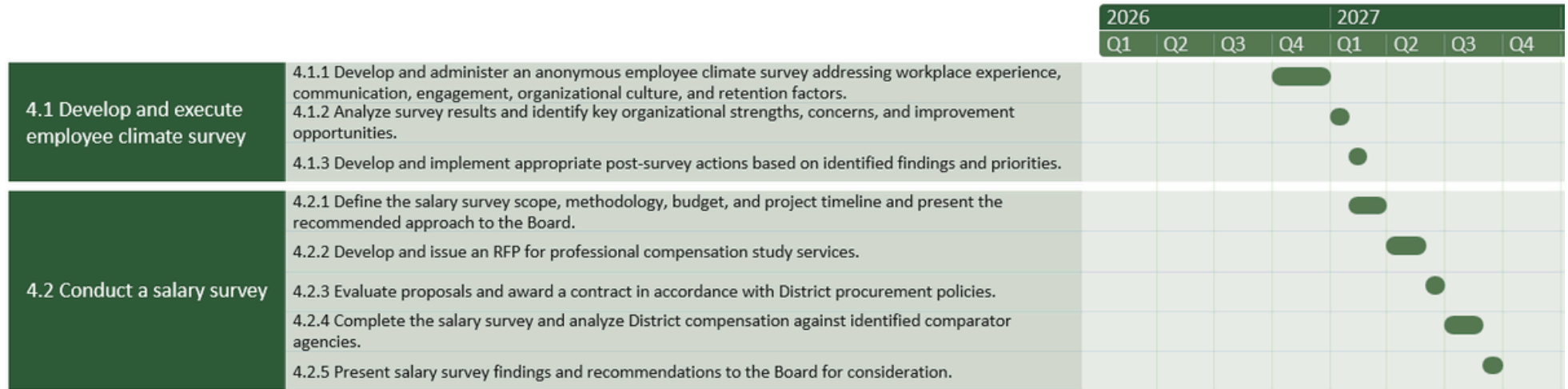
Summary: MSD will define reorganization goals, establish an assessment framework, engage potential partners, and evaluate organizational alternatives to determine the most beneficial path forward.

		2026				2027			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
3.1 Identify and outline reorganization goals and objectives	3.1.1 Obtain Board direction regarding the purpose, desired outcomes, and parameters of potential District reorganization.								
	3.1.2 Define and document the potential value and community benefits of reorganization for ratepayers.								
	3.1.3 Establish Board-supported goals, objectives, and evaluation criteria for assessing reorganization alternatives.								
3.2 Develop a reorganization assessment model	Contingent upon direction within 3.1								
3.3 Assess reorganization partner options	Contingent upon direction within 3.1								
3.4 Assess reorganization options	Contingent upon direction within 3.1 and 3.2								

Objective	Strategy	Champion (Objective) or Owner (Strategy)	Support	Funding	Start Date	Target Completion	Status
3.1 Identify and outline reorganization goals and objectives		John Weigold					
3.1.1	Obtain Board direction regarding the purpose, desired outcomes, and parameters of potential District reorganization.	John Weigold	Legal	Operational - Funded	11/1/2026	6/30/2027	Upcoming
3.1.2	Define and document the potential value and community benefits of reorganization for ratepayers.	John Weigold	Legal, Public Affairs	Operational - Funded	11/1/2026	1/31/2027	Upcoming
3.1.3	Establish Board-supported goals, objectives, and evaluation criteria for assessing reorganization alternatives.	John Weigold	Legal	Operational - Funded	11/1/2026	1/31/2027	Upcoming
3.2 Develop a reorganization assessment model		John Weigold					
	Contingent upon direction within 3.1	John Weigold					Pending
3.3 Assess reorganization partner options		John Weigold					
	Contingent upon direction within 3.1	John Weigold					Pending
3.4 Assess reorganization options		John Weigold					
	Contingent upon direction within 3.1 and 3.2	John Weigold					Pending

Priority 4 - Employee Survey & Retention

Summary: MSD will assess employee experience and compensation practices to identify opportunities to strengthen workplace culture, engagement, competitiveness, and retention.



Objective	Strategy	Champion (Objective) or Owner (Strategy)	Support	Funding	Start Date	Target Completion	Status
4.1 Develop and execute employee climate survey		John Weigold					
4.1.1	Develop and administer an anonymous employee climate survey addressing workplace experience, communication, engagement, organizational culture, and retention factors.	John Weigold	Stephen	Operational	10/1/2026	12/31/2026	Upcoming
4.1.2	Analyze survey results and identify key organizational strengths, concerns, and improvement opportunities.	John Weigold	Management Team	Operational	1/1/2027	1/31/2027	Upcoming
4.1.3	Develop and implement appropriate post-survey actions based on identified findings and priorities.	John Weigold	Management Team	Operational	2/1/2027	2/28/2027	Upcoming
4.2 Conduct a salary survey		John Weigold					
4.2.1	Define the salary survey scope, methodology, budget, and project timeline and present the recommended approach to the Board.	John Weigold	Stephen Williams	Operational	2/1/2027	3/31/2027	Upcoming
4.2.2	Develop and issue an RFP for professional compensation study services.	John Weigold	Stephen Williams	Operational	4/1/2027	5/31/2027	Upcoming
4.2.3	Evaluate proposals and award a contract in accordance with District procurement policies.	John Weigold	Stephen Williams	Operational - Not Funded	6/1/2027	6/30/2027	Upcoming
4.2.4	Complete the salary survey and analyze District compensation against identified comparator agencies.	John Weigold	Stephen Williams	Operational - Not Funded	7/1/2027	8/31/2027	Upcoming
4.2.5	Present salary survey findings and recommendations to the Board for consideration.	John Weigold	Stephen Williams	Operational - Not Funded	9/1/2027	9/30/2027	Upcoming

Priority 5 - Update Governance Documents

Summary: MSD will review and modernize Board policies, procedures, and onboarding practices to strengthen governance, consistency, and organizational continuity.

		2026				2027			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
5.1 Conduct a review of the District's existing Board policies and procedures to identify gaps, redundancies and outdated provisions	5.1.1 Complete a comprehensive review of existing Board policies and procedures to identify outdated provisions, gaps, inconsistencies, and redundancies.								
5.2 Develop Board policy and procedures recommendations based on best practices and submit them to Board for consideration	5.2.1 Present recommended policy and procedure updates to the Board for consideration and adoption.								
5.3 Develop an onboarding/orientation process for new director and staff	5.3.1 Assess the District's existing Board and employee onboarding and orientation practices. 5.3.2 Develop a standardized Board member orientation program incorporating District governance, strategic priorities, policies, financial responsibilities, regulatory requirements, and organizational operations.								

Note: Strategies initiated prior to 2026 are shown beginning 01/01/2026 for purposes of the 2026–2029 Work Plan timeline.

Objective	Strategy	Champion (Objective) or Owner (Strategy)	Support	Funding	Start Date	Target Completion	Status
5.1 Conduct a review of the District's existing Board policies and procedures to identify gaps, redundancies and outdated provisions		John Weigold					
5.1.1	Complete a comprehensive review of existing Board policies and procedures to identify outdated provisions, gaps, inconsistencies, and redundancies.	John Weigold	Outside Consultant	Operational - Funded	1/1/2026	4/30/2026	Complete
5.2 Develop Board policy and procedures recommendations based on best practices and submit them to Board for consideration		John Weigold					
5.2.1	Present recommended policy and procedure updates to the Board for consideration and adoption.	John Weigold	Outside Consultant	Operational - Funded	1/1/2026	6/30/2026	Complete
5.3 Develop an onboarding/orientation process for new director and staff		John Weigold					
5.3.1	Assess the District's existing Board and employee onboarding and orientation practices.	John Weigold	Stephen Williams, Board	Operational - Funded	9/1/2026	10/31/2026	Complete
5.3.2	Develop a standardized Board member orientation program incorporating District governance, strategic priorities, policies, financial responsibilities, regulatory requirements, and organizational operations.	John Weigold	Stephen Williams, Board	Operational - Funded	11/1/2026	11/30/2026	In Progress

Priority 6 - Financial Auditing

Summary: MSD will strengthen long-term financial planning, payment processes, financial controls, and capital funding strategies to support accountability and fiscal sustainability.

		2026				2027				
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
6.1 Conduct/complete rate study and present to the Board for consideration	6.1.1 Complete the District rate study and evaluate revenue requirements, rate structure, and long-term financial needs.									
	6.1.2 Present rate study findings and recommendations to the Board for consideration and direction.									
6.2 Develop a long-term financial plan for capital improvement projects	6.2.1 Annually review and update the five-year CIP, project schedules, and estimated project costs.									
	6.2.2 Evaluate projected CIP funding requirements against anticipated revenues and available reserves to identify funding gaps.									
	6.2.3 Prioritize capital projects based on operational need, regulatory requirements, risk, timing, and available funding.									
	6.2.4 Identify and evaluate financing, grant, reserve, and other funding strategies to address identified capital funding gaps.									
	6.2.5 Present the updated long-term capital financial plan and funding recommendations to the Board annually as part of the budget process.									
6.3 Consider changes to Ordinance 19 to shift sewer main extensions to affected properties	6.3.1 Evaluate Ordinance 19 and identify potential amendments related to responsibility and funding for sewer main extensions.	●								
	6.3.2 Present recommended Ordinance 19 amendments to the Finance Committee and Board for consideration and direction.	●								
6.4 Implement an electronic payment process and recommend policy changes for Board consideration	6.4.1 Develop and present an ACH implementation roadmap, including anticipated costs, savings, controls, and implementation requirements.			●						
	6.4.2 Identify and recommend necessary updates to financial policies and internal controls to support electronic payments.			●						
	6.4.3 Obtain Board authorization to implement ACH payments and associated policy changes.			●						
	6.4.4 Configure financial systems and banking processes to support ACH transactions.			●						
	6.4.5 Complete parallel testing and validate electronic payment controls and functionality.			●						
	6.4.6 Enroll applicable vendors in ACH payment processing.			●						
	6.4.7 Launch ACH payments and confirm successful implementation.			●						
6.5 Consider using a CPA firm to review monthly reconciliations	6.5.1 Define the scope and requirements for independent CPA review of monthly financial reconciliations.					●				
	6.5.2 Develop and issue an RFP and identify qualified CPA firms.					●				
	6.5.3 Evaluate proposals and present a recommended provider to the Finance Committee.					●				
	6.5.4 Present the recommended engagement to the Board for authorization and contract award.					●				

Note: Strategies initiated prior to 2026 are shown beginning 01/01/2026 for purposes of the 2026–2028 Work Plan timeline.

Priority 6 - Financial Auditing

Objective	Strategy	Champion (Objective) or Owner (Strategy)	Support	Funding	Start Date	Target Completion	Status
6.1 Conduct/complete rate study and present to the Board for consideration		John Weigold					
6.1.1	Complete the District rate study and evaluate revenue requirements, rate structure, and long-term financial needs.	John Weigold	Outside Consultant	Operational - Funded	12/1/2025	4/30/2026	Complete
6.1.2	Present rate study findings and recommendations to the Board for consideration and direction.	John Weigold	Outside Consultant	Operational - Funded	6/1/2026	6/30/2026	Complete
6.2 Develop a long-term financial plan for capital improvement projects		Stephen Williams					
6.2.1	Annually review and update the five-year CIP, project schedules, and estimated project costs.	Stephen Williams	Leadership Team	Operational	2/1/2027	6/30/2027	Upcoming
6.2.2	Evaluate projected CIP funding requirements against anticipated revenues and available reserves to identify funding gaps.	Stephen Williams	N/A	Operational	2/1/2027	6/30/2027	Upcoming
6.2.3	Prioritize capital projects based on operational need, regulatory requirements, risk, timing, and available funding.	Stephen Williams	Leadership Team, Operations Committee	Operational	2/1/2027	6/30/2027	Upcoming
6.2.4	Identify and evaluate financing, grant, reserve, and other funding strategies to address identified capital funding gaps.	Stephen Williams	N/A	Operational	2/1/2027	6/30/2027	Upcoming
6.2.5	Present the updated long-term capital financial plan and funding recommendations to the Board annually as part of the budget process.	Stephen Williams	Operations Committee	Operational	2/1/2027	6/30/2027	Upcoming
6.3 Consider changes to Ordinance 19 to shift sewer main extensions to affected properties		Stephen Williams					
6.3.1	Evaluate Ordinance 19 and identify potential amendments related to responsibility and funding for sewer main extensions.	Stephen Williams	Finance Committee, Board of Directors	Operational	7/1/2026	1/31/2027	In Progress
6.3.2	Present recommended Ordinance 19 amendments to the Finance Committee and Board for consideration and direction.	Stephen Williams	Finance Committee, Board of Directors	Operational	2/1/2027	6/30/2027	Upcoming



Priority 6 - Financial Auditing

Objective	Strategy	Champion (Objective) or Owner (Strategy)	Support	Funding	Start Date	Target Completion	Status
6.4 Implement an electronic payment process and recommend policy changes for Board consideration		Stephen Williams					
6.4.1	Develop and present an ACH implementation roadmap, including anticipated costs, savings, controls, and implementation requirements.	Stephen Williams	N/A	Operational	7/1/2026	7/31/2026	Complete
6.4.2	Identify and recommend necessary updates to financial policies and internal controls to support electronic payments.	Stephen Williams	N/A	Operational	8/1/2026	8/31/2026	Complete
6.4.3	Obtain Board authorization to implement ACH payments and associated policy changes.	Stephen Williams	Finance Committee	Operational	9/1/2026	9/30/2026	Complete
6.4.4	Configure financial systems and banking processes to support ACH transactions.	Stephen Williams	Sage: Software Provider (Vendor)	Operational	9/1/2026	9/30/2026	Complete
6.4.5	Complete parallel testing and validate electronic payment controls and functionality.	Stephen Williams	Montecito Bank & Trust	Operational	10/1/2026	10/31/2026	In Progress
6.4.6	Enroll applicable vendors in ACH payment processing.	Stephen Williams	N/A	Operational	10/1/2026	10/31/2026	In Progress
6.4.7	Launch ACH payments and confirm successful implementation.	Stephen Williams	N/A	Operational	11/1/2026	11/30/2026	Upcoming
6.5 Consider using a CPA firm to review monthly reconciliations		Stephen Williams					
6.5.1	Define the scope and requirements for independent CPA review of monthly financial reconciliations.	Stephen Williams	N/A	Operational	1/1/2027	1/31/2027	Upcoming
6.5.2	Develop and issue an RFP and identify qualified CPA firms.	Stephen Williams	N/A	Operational	2/1/2027	2/28/2027	Upcoming
6.5.3	Evaluate proposals and present a recommended provider to the Finance Committee.	Stephen Williams	Finance Committee	Operational	3/1/2027	3/31/2027	Upcoming
6.5.4	Present the recommended engagement to the Board for authorization and contract award.	Stephen Williams	N/A	Operational	3/1/2027	3/31/2027	Upcoming



Priority 7 - Enhance Employee Safety

Summary: MSD will assess and strengthen safety programs, onboarding, and employee training to promote consistent practices and reduce organizational risk.

		2026				2027			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
7.1 Assess the adequacy of the current safety program/equipment/procedures	7.1.1 Develop a comprehensive scope of work for an independent assessment of the District's safety program, equipment, procedures, onboarding practices, and electrical safety training.								
	7.1.2 Identify qualified safety consultants and determine the appropriate procurement approach.								
	7.1.3 Incorporate anticipated safety program assessment and implementation costs into the FY 2027 budget.								
	7.1.4 Determine appropriate procurement process for safety program review.								
	7.1.5 Procure and engage a qualified consultant to conduct the comprehensive safety assessment.								
	7.1.6 Review assessment findings, prioritize recommendations based on risk and regulatory requirements, and develop an implementation plan.								
7.2 Develop a comprehensive standardized onboarding program for new staff members	7.2.1 Incorporate evaluation of employee safety onboarding requirements into the comprehensive safety program assessment under Objective 7.1.								
7.3 Develop and provide an electrical safety training program for staff	7.3.1 Incorporate evaluation of electrical safety risks and training requirements into the comprehensive safety program assessment under Objective 7.1.								



Priority 7 - Enhance Employee Safety

Objective	Strategy	Champion (Objective) or Owner (Strategy)	Support	Funding	Start Date	Target Completion	Status
7.1 Assess the adequacy of the current safety program/equipment/procedures		Stephen Williams					
7.1.1	Develop a comprehensive scope of work for an independent assessment of the District's safety program, equipment, procedures, onboarding practices, and electrical safety training.	Stephen Williams	Management Team	Operational - Funded	1/1/2027	2/28/2027	Upcoming
7.1.2	Identify qualified safety consultants and determine the appropriate procurement approach.	Stephen Williams	Management Team	Operational - Funded	3/1/2027	4/30/2027	Upcoming
7.1.3	Incorporate anticipated safety program assessment and implementation costs into the FY 2027 budget.	Stephen Williams	Management Team	Operational - Funded	5/1/2027	6/30/2027	Upcoming
7.1.4	Determine appropriate procurement process for safety program review.	Stephen Williams	Management Team	Operational - Funded	5/1/2027	5/31/2027	Upcoming
7.1.5	Procure and engage a qualified consultant to conduct the comprehensive safety assessment.	Stephen Williams	Management Team	Operational - Not Funded	7/1/2027	10/31/2027	Upcoming
7.1.6	Review assessment findings, prioritize recommendations based on risk and regulatory requirements, and develop an implementation plan.	Stephen Williams	Management Team	Operational - Funded	11/1/2027	11/30/2027	Upcoming
7.2 Develop a comprehensive standardized on-boarding program for new staff members		Stephen Williams					
7.2.1	Incorporate evaluation of employee safety onboarding requirements into the comprehensive safety program assessment under Objective 7.1.	Stephen Williams	Management Team	Operational - Funded	1/1/2027	11/30/2027	Upcoming
7.3 Develop and provide an electrical safety training program for staff		Stephen Williams					
7.3.1	Incorporate evaluation of electrical safety risks and training requirements into the comprehensive safety program assessment under Objective 7.1.	Stephen Williams	Management Team	Operational - Funded	1/1/2027	11/30/2027	Upcoming



Priority 8 - Regulatory Tracking

Summary: MSD will establish consistent regulatory monitoring, professional engagement, and training practices to strengthen awareness, compliance, and organizational preparedness.

		2026		2027		2028	
		Q1	Q3	Q1	Q3	Q1	Q3
8.1 Develop regulatory tracking policies and procedures with District General Legal Counsel for Board consideration	8.1.1 Legal Counsel to review pending legislation that impacts the district and report to the Board.						
	8.1.2 General Manager and staff monitor directives from regulatory agencies.						
	8.1.3 General Manager and staff monitor potential regulatory changes and legislation through membership associations.						
	8.1.4 Provide periodic regulatory and legislative updates to the Board.						
8.2 Maintain participation in trade organizations such as the California Special District Association (CSDA) and the California Association of Sanitation Agencies (CASA)	8.2.1 Annually review District memberships to evaluate organizational value, regulatory relevance, educational opportunities, and budget requirements.						
	8.2.2 Maintain memberships that support the District's regulatory, operational, governance, and professional development priorities.						
	8.2.3 Regularly distribute relevant association information, legislative updates, training opportunities, and participation opportunities to Board members and staff.						
8.3 Improve Board and staff attendance at conferences and workshops for regulatory change awareness	8.3.1 Advise Board Members of upcoming conferences, workshops, and regulatory training opportunities.						
	8.3.2 Provide logistical support to facilitate Board and staff participation.						
	8.3.3 Annually budget for prioritized Board and staff conference, workshop, and professional development participation.						
8.4 All directors complete CSDA Special District Leadership Academy training	8.4.1 Maintain and communicate current CSDA Special District Leadership Academy dates, locations, and registration opportunities to all Directors.						
	8.4.2 Present a policy amendment for Board consideration establishing expectations for Director completion of the Special District Leadership Academy.						
	8.4.3 Include sufficient funding for Director participation in the annual District budget.						

Note: Ongoing strategies have no defined end date and may continue beyond the 2026–2028 planning period.

Priority 8 - Regulatory Tracking

Objective	Strategy	Champion (Objective) or Owner (Strategy)	Support	Funding	Start Date	Target Completion	Status
8.1 Develop regulatory tracking policies and procedures with District General Legal Counsel for Board consideration		John Weigold					
8.1.1	Legal Counsel to review pending legislation that impacts the district and report to the Board.	John Weigold	Management Team, Legal	Operational - Funded	1/1/2026	12/31/2028	Ongoing
8.1.2	General Manager and staff monitor directives from regulatory agencies.	John Weigold	Management Team	Operational - Funded	1/1/2026	12/31/2028	Ongoing
8.1.3	General Manager and staff monitor potential regulatory changes and legislation through membership associations.	John Weigold	Management Team	Operational - Funded	1/1/2026	12/31/2028	Ongoing
8.1.4	Provide periodic regulatory and legislative updates to the Board.	John Weigold	Management Team, Legal	Operational - Funded	1/1/2026	12/31/2028	Ongoing
8.2 Maintain participation in trade organizations such as the California Special District Association (CSDA) and the California Association of Sanitation Agencies (CASA)		John Weigold					
8.2.1	Annually review District memberships to evaluate organizational value, regulatory relevance, educational opportunities, and budget requirements.	John Weigold	N/A	Operational - Funded	1/1/2026	12/31/2028	Ongoing
8.2.2	Maintain memberships that support the District's regulatory, operational, governance, and professional development priorities.	John Weigold	N/A	Operational - Funded	1/1/2026	12/31/2028	Ongoing
8.2.3	Regularly distribute relevant association information, legislative updates, training opportunities, and participation opportunities to Board members and staff.	John Weigold	N/A	Operational - Funded	1/1/2026	12/31/2028	Ongoing
8.3 Improve Board and staff attendance at conferences and workshops for regulatory change awareness		John Weigold					
8.3.1	Advise Board Members of upcoming conferences, workshops, and regulatory training opportunities.	John Weigold	N/A	Operational - Funded	1/1/2026	12/31/2028	Ongoing
8.3.2	Provide logistical support to facilitate Board and staff participation.	John Weigold	Stephen Williams	Operational - Funded	1/1/2026	12/31/2028	Ongoing
8.3.3	Annually budget for prioritized Board and staff conference, workshop, and professional development participation.	John Weigold	Stephen Williams	Operational - Funded	1/1/2026	12/31/2028	Ongoing
8.4 All directors complete CSDA Special District Leadership Academy training		John Weigold					
8.4.1	Maintain and communicate current CSDA Special District Leadership Academy dates, locations, and registration opportunities to all Directors.	John Weigold	Stephen Williams	Operational - Funded	1/1/2026		Ongoing
8.4.2	Present a policy amendment for Board consideration establishing expectations for Director completion of the Special District Leadership Academy.	John Weigold	Stephen Williams	Operational - Funded	10/1/2026	1/31/2027	In Progress
8.4.3	Include sufficient funding for Director participation in the annual District budget.	John Weigold	Stephen Williams	Operational - Funded	1/1/2026		Ongoing



Montecito Sanitary District



STRATEGIC WORK PLAN

2026-2028

This page intentionally left blank



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 – 6A

DATE: October 14, 2026

TO: Board of Directors

FROM: John Weigold, General Manager
Stephen Williams, Business and Administrative Manager
Aleks Giragosian, General Counsel

SUBJECT: Director Compensation

RECOMMENDATION

It is recommended that the Board discuss Director Compensation and direct staff of any desired action.

ANALYSIS

Director Compensation is governed by Health and Safety Code Section 6489 and Water Code Sections 20200–20207. Pursuant to Water Code Section 20202, annual compensation increases are capped at 5% per calendar year since the last adjustment. The Board last adjusted its compensation in January 2025 (Ordinance No. 25) to \$254 per day (up to six days per calendar month). Because one year has elapsed, the Board has the following options regarding Director compensation:

1. **Option 1 (Do nothing):** No change to director compensation. Pay rate would remain at a rate of **\$254 per day**.
2. **Option 2 (Increase):** Adopt an ordinance to increase compensation by up to 5%, establishing a new rate of up to **\$266 per day**.
3. **Option 3 (Decrease):** Adopt an ordinance to reduce compensation and set to a level as specified by the Board.

PUBLIC NOTICING

Pursuant to Government Code section 6066 and Water Code section 20203, an updated Ordinance will require proper public noticing and adoption if the amount of Director Compensation changes.

FISCAL IMPACT

To be determined.

ATTACHMENTS: None



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 – 6B

DATE: October 14, 2026
TO: Board of Directors
FROM: John Weigold, General Manager
SUBJECT: Wastewater Treatment Plant Improvements Project Ad Hoc Committee Report and Discussion

RECOMMENDATION

It is recommended that the Board receive a report from the Wastewater Treatment Plant Improvements Project Ad Hoc Committee and discuss the report content as necessary.

DISCUSSION

The Montecito Sanitary District Wastewater Treatment Plant Upgrade Project Ad Hoc Committee met on October 8, 2026 to receive an update from Staff and to further discuss planning, design and engineering for the District's wastewater treatment plant.

Staff recommends that the Board receive a report from the ad hoc committee and discuss the content of that report.

FISCAL IMPACT

None.

ATTACHMENTS

None.



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 – 6C

DATE: October 14, 2026
TO: Board of Directors
FROM: John Weigold, General Manager
SUBJECT: Grant of Easement at Bonnymede Shores Association, Montecito, California

RECOMMENDATION

It is recommended that the Board:

- i. Accept the terms of the Agreement for Grant of Easement between Montecito Sanitary District (MSD) and Bonnymede Shores;
- ii. Direct staff to execute said Agreement and a Certificate of Acceptance; and
- iii. Determine that this action is not subject to California Environmental Quality Act (CEQA) pursuant to it not being considered a project per CEQA Guidelines §§15060(c)(2)-(3) and 15378.

BACKGROUND

The District is seeking a new easement from Bonnymede Shores Association to facilitate its Channel Drive Force Main Improvements project. The grantor desires to assist the District in its endeavor with reasonable compensation.

FISCAL IMPACT: The Agreement for the Grant of Easement includes MSD paying \$25,000 for the land as well as \$17,766.25 for legal fees incurred. In addition, several trees and shrubs may need to be replaced, pending construction. New trees have been priced at \$675 per tree. Up to seven trees have been identified for potential removal. Staff find these fees as reasonable compensation. The Channel Drive Force Main Improvement project is budgeted at \$3.3 Million and funds for this easement are available. Ultimately, staff believes this easement will reduce the cost of the project by facilitating a more contractor friendly construction effort.

ATTACHMENTS:

1. Agreement for Grant of Easement
2. Bonnymede Shores Association Legal Fees

Agreement for Grant of Easement

This Agreement for Grant Easement ("Agreement") is dated, for reference purposes only _____, 2026, and is entered into by and between the Montecito Sanitary District, a California independent special assessment District (the "District"), and the Bonnymede Shores Association, a California nonprofit corporation (the Association") with reference to the following Recitals.

Recitals

Whereas, upon the terms and conditions set forth herein, and in the *Grant of Easement* attached hereto as Exhibit "A," (the "Easement"), the District desires to acquire an Easement over a portion of the Association's property.

Whereas, upon the terms and conditions set forth herein, and in the *Grant of Easement* attached hereto as Exhibit "A," the Association is willing to grant the Easement over a portion of the Association's property.

Wherefore, the parties hereto agree as follows:

Agreement

1. Consideration: For and in consideration of the Grant of Easement, in the form of that attached hereto as Exhibit "A," currently upon this Agreement being executed by all parties, the District shall pay to the Association the following sums:

a. \$25,000.

b. The Association's legal fees incurred in this matter in the sum of \$17,766.25.

2. Removal of Trees and Shrubs: Attached hereto as Exhibit "B" is a photograph showing those trees and shrubs that will be removed by the District to allow for the installation of the Facilities as allowed by the Easement.

3. Replacement of Shrubs: Attached hereto as Exhibit "C" is a photograph showing those shrubs that will be replaced by the District immediately following the installation of the Facilities as allowed by the Easement. Replacement shall be of like size, kind and quantity. Replaced shrubs shall not be less than 5' in height and, except for height, shall provide the same screening as existed prior to removal.

4. Replacement of Trees: For each tree removed as allowed by this Agreement, the District shall purchase a replacement tree and deliver such trees to the Bonnymede Shores complex at a location specified by the Association in writing. The type of replacement trees shall be selected by the Association in writing. The type shall either be the same as that removed or any other type that is native to Montecito. Replacement trees shall not be less than 25 gallon. For each tree removed, the District

Montecito Sanitary District
Regular Board Meeting - October 14, 2026
Page 81 of 102

EXHIBIT A

EXHIBIT A

EXHIBIT A

RECORDING REQUESTED BY)
AND WHEN RECORDED RETURN TO:)
MONTECITO SANITARY DISTRICT)
1042 MONTE CRISTO LANE)
SANTA BARBARA, CA 93108-2809)

Exempt from recording fee pursuant to
Government Code Sections 6103 & 27383

Portion of A.P.N. 009-380-395

GRANT OF EASEMENT

This Grant of Easement ("Grant") is entered into by and between the Montecito Sanitary District, a California independent special district, ("District") and Bonnymede Shores Association, a homeowners association (HOA) in Montecito, California ("Grantor")

RECITALS

- A. Grantor is the owner of real property located at 50 Olive Mill Road, Assessor Parcel Number 009-380-CA1 ("Property");
- B. The District desires to acquire a permanent easement and a temporary construction easement (collectively referred to as "Easement") for an agreed upon fee of \$ 25,000 over Grantor's Property. The Easement will allow for the best available sewer main alignment as part of the District's Channel Drive Force Main Improvements (project). It is anticipated that the Easement will also allow for reduced construction risk, traffic congestion, construction duration, community impact, and construction cost; therefore, providing the greatest communal benefit;
- C. The District desires to acquire the Easement over Grantor's Property under Health and Safety Code §§ 6512 and 6514 and other applicable law for the purpose of laying sewer lines, including main lines, trunk lines, collection lines, and laterals, and installing manholes and other underground and surface structures (manhole frame and cover, concrete ring as well as an identification fiberglass post adjacent to the manhole) appurtenant to the sewer lines ("Facilities"), and obtaining the right of ingress to and egress from the Property as reasonably necessary to construct, operate, maintain, inspect, repair, and replace the Facilities;
- D. Grantor desires to grant the Easement to the District to service the wastewater facilities and for the benefit of the community;
- E. Under Health and Safety Code section 6514, the District may acquire "such real and personal property and rights of way, either within or without the limits of the district, as in the judgment

Grant of Easement

1 of 4

EXHIBIT A Page 1 of 13

of the board are necessary or proper to the exercise of its powers, and particularly for the purpose of permitting ingress to and egress from such real or personal property, ... ;” and

- F. On September 26, 1960, the District adopted Resolution No. 1960-21 which authorizes any member of the Governing Board “to accept for and on behalf of Montecito Sanitary District, deeds or grants conveying any interest in or easement upon real property to Montecito Sanitary District”.

AGREEMENT

1. Grant of Permanent Easement. Grantor grants to District a permanent easement within the “Easement Area,” as more particularly described in the Legal Descriptions (Exhibits A) and depicted in the Plats (Exhibits B), attached and incorporated in full by reference, subject to the terms of this Grant.
2. Description of Permanent Easement. The permanent easement is for the operation, maintenance, inspection, repair, and replacement of the Facilities and the right of ingress to and egress from the Property at all times for those purposes.
3. Grant of Temporary Construction Easement. Grantor grants to District a temporary construction easement within the “Construction Easement Area,” as more particularly described in the Legal Descriptions (Exhibits C) and depicted in the Plats (Exhibits B), attached and incorporated in full by reference, subject to the terms of this Grant. Any reference to the “Easement Area” in this Grant shall apply equally to the “Construction Easement Area”, except as modified by this Section 3 and Section 4.
4. Description of Temporary Construction Easement. The temporary construction easement is for the construction of the Facilities and the right of ingress to and egress from the Property at all times for those purposes. The temporary construction easement will terminate once the proposed pipeline construction activities associated with this project are completed.
5. Use of Easement Area by District. District agrees to use the Easement Area only in the manner consistent with the terms and conditions of this Grant. Prior to the performance of any work within the Easement Area, District shall inform the Grantor. In the event that Grantor gives the District written notice that District’s use of the Easement Area violates the terms and conditions of this Grant, District shall promptly take such steps as are necessary to cure such violation. District shall not make any changes to the Easement Area that are inconsistent with the purpose of the Grant.
6. Use of Easement Area by Grantor. Grantor shall not increase or decrease or permit to be increased or decreased the ground elevations or grades of the Easement Area then existing upon the Effective Date of this Grant. Neither shall Grantor construct or permit to be constructed any

Grant of Easement

2 of 4

EXHIBIT A Page 2 of 13

permanent or temporary encroachments upon or abutting the Easement Area, without the prior written consent of the District per Montecito Sanitary District Ordinance No. 23.

7. Removal of Encroachments. At the expense of the Grantor, District may remove any permanent or temporary encroachments, including vegetation, upon or abutting the Easement Area that conflict, interfere, or are inconsistent with the purposes of this Grant.

8. Relocation of Easement. Grantor may, at Grantor's own expense and subject to the written approval of the District, relocate the Easement Area or Facilities in the event that they conflict with future development at the Property, provided that Grantor does not cause the discontinuance of service to any area outside the Property being served by the District and the District receives, without expense to the District, a comparable easement for the relocation.

9. Damage to Property or Easement Area. To the maximum extent allowed by law, the District shall defend, indemnify, protect, and hold free and harmless the Grantor, including its officers, directors, members, agents, and employees, and each of them, together with the property of the HOA including, but not limited, to the Easement Area, of and from any and all claims, demands, causes of action, damages, costs, expenses, attorney fees, losses, personal injury, death, penalties, fines, liens, judgments and liability of every kind and nature whatsoever arising from, or alleged to arise from, this Grant including, but not limited to, the use, maintenance and/or repair of the easement, design, construction, installation, maintenance and/or repair of any improvement installed or placed by the District, or at its direction, on or about the Easement Area. The provisions of this indemnity agreement shall apply regardless of any active and/or passive negligent act or omission of the Association, or its officers, directors, members, agents, or employees. However, no indemnity will be provided for Claims that arise from the sole negligence or willful misconduct of the HOA.

10. Maintenance of Facilities. The District shall at all times maintain the Easement Area, and Facilities, in operable, good and safe condition and repair in accordance with all applicable laws, regulations and industry standards.

11. Term. This Easement shall commence on the date this Grant is recorded in the official records of Santa Barbara County and shall terminate upon the recordation executed by the District with notary acknowledgement.

12. Restoration Following Termination. Upon termination of this Easement by recorded release, the District will restore the Easement Area to its original condition immediately before the Effective Date of this Grant. For purposes of this paragraph, the word "restore" requires removals of all pipelines, improvements and Facilities placed in the Easement Area by the District.

13. Integration; Waiver. Except for that Agreement to Grant Easement entered into between the Grantor and Grantee, dated, August XX, 2026, there are no other agreements, understandings, representations or warranties by or among the parties with respect to the subject matter of this Grant except as expressly set forth in this Grant. This Grant may only be amended or modified by a writing executed by each party to this Grant. No waiver of or failure by any party to enforce a provision, covenant, condition or right under this Grant (each, a "Right") will be construed as a

Grant of Easement

3 of 4

subsequent waiver of the same Right or waiver of any other Right. No extension of time for performance of any obligations or acts extends the time for performance of any other obligations or acts. The waiver of any Right and any extension of time for performance or obligations or acts are only effective when made in writing.

14. Successors and Assigns. This Grant shall run with the land and is binding upon and inures to the benefit of the parties' respective heirs, personal and legal representatives, successors and assigns.

15. Processing Fee. There is no processing fee associated with the execution of this Grant.

Grant of Easement
4 of 4

IN WITNESS WHEREOF, this Grant shall take effect upon the date of the last signature below ("Effective Date").

"DISTRICT"
Montecito Sanitary District

"Grantor"
[NAME]

Authorized Signatory:

Signature: _____

Printed: _____

Title: _____

Date: _____

Authorized Signatory:

Signature: _____

Printed: _____

Title: _____

Date: _____

Attest:

Signature: _____

Printed: _____

Title: _____

Date: _____

Approved as to Form:

Signature: _____

Printed: _____

Title: _____

Date: _____

Grant of Easement
5 of 4

EXHIBIT A Page 5 of 13

EXHIBIT A
PERMANENT LEGAL DESCRIPTION

Grant of Easement

EXHIBIT "A"
LEGAL DESCRIPTION
WATER PIPELINE EASEMENT
within
LOT 1
TRACT No. 10370
per
73 MR 96

That portion of Lot 1, Tract No. 10370 in the unincorporated territory of the County of Santa Barbara, State of California, as shown on the Map filed in Book 73, Pages 96 to 98 inclusive, of Maps, in the Office of the County Recorder of said County, more particularly described as follows:

The northerly 54.00 feet of the westerly 14.00 feet of said Lot 1.

CONTAINING: 756 Square feet, more or less.

SUBJECT TO: All covenants, Rights, Rights-of-Way and Easements of record.

EXHIBIT "B": Attached and by this reference made a part hereof.



A handwritten signature in black ink, appearing to read "Matthew J. Vernon".

Digitally signed by Matthew
J. Vernon
Date: 2026.06.25 15:13:06
-07'00'

Matthew J. Vernon
PLS 7553

Date

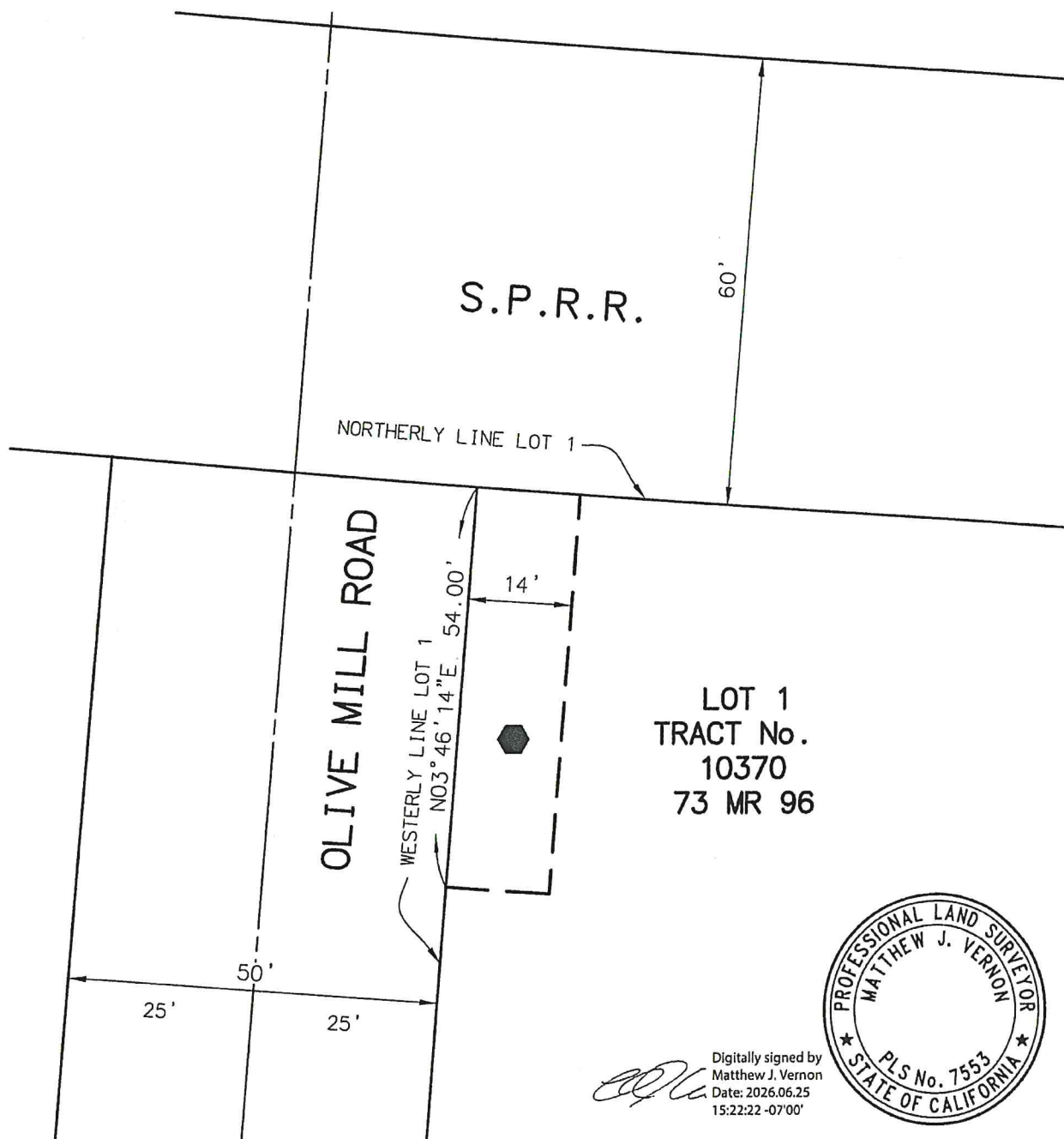
EXHIBIT B
PERMANENT EASEMENT PLAT

Grant of Easement

EXHIBIT A Page 8 of 13



INDICATES 14-FOOT WIDE PERMANENT EASEMENT
CONTAINING 756 SQ. FT.



LOT 1
TRACT No.
10370
73 MR 96



Digitally signed by
Matthew J. Vernon
Date: 2026.06.25
15:22:22 -07'00'



200 East Carillo Street, Suite 101, Santa Barbara, CA 93101
Phone: (805) 963-9532

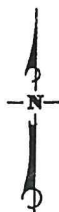


EXHIBIT "B"
PLAT TO ACCOMPANY LEGAL DESCRIPTION
UNINCORPORATED TERRITORY
COUNTY OF SANTA BARBARA
STATE OF CALIFORNIA

DWG: EXB-B-PERM-EASE.dwg

SCALE: 1"=20'

EXHIBIT A Page 9 of 13

EXHIBIT "C"
LEGAL DESCRIPTION
TEMPORARY CONSTRUCTION EASEMENT
within
LOT 1
TRACT No. 10370
per
73 MR 96

That portion of Lot 1, Tract No. 10370, in the unincorporated territory of the County of Santa Barbara, State of California, as shown on the Map filed in Book 73, Pages 96 to 98 inclusive, of Maps, in the Office of the County Recorder of said County, more particularly described as follows:

The northerly 60.00 feet of the westerly 17.00 feet of said Lot 1.

CONTAINING: 1,020 Square feet, more or less.

SUBJECT TO: All covenants, Rights, Rights-of-Way and Easements of record.

EXHIBIT "D": Attached and by this reference made a part hereof.



A handwritten signature in black ink, appearing to read "Matthew J. Vernon".

Digitally signed by Matthew J.
Vernon
Date: 2026.07.31 09:59:16
-07'00'

Matthew J. Vernon
PLS 7553

Date

EXHIBIT D
TEMPORARY CONSTRUCTION EASEMENT PLAT

Grant of Easement



INDICATES 17-FOOT WIDE TEMPORARY
CONSTRUCTION EASEMENT
1,020 SQ. FT.

S.P.R.R.

60'

NORTHERLY LINE LOT 1

OLIVE MILL ROAD

WESTERLY LINE LOT 1
N03°46'14"E 60.00'

17'

LOT 1
TRACT No.
10370
73 MR 96



50'

25'

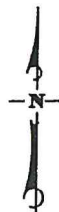
25'



Stantec

200 East Carillo Street, Suite 101, Santa Barbara, CA 93101
Phone: (805) 963-9532

DWG: EXB-D-TCE.dwg



SCALE: 1"=20'

EXHIBIT "D"

PLAT TO ACCOMPANY LEGAL DESCRIPTION
UNINCORPORATED TERRITORY
COUNTY OF SANTA BARBARA
STATE OF CALIFORNIA

STATE OF CALIFORNIA)
) ss:
COUNTY OF SANTA BARBARA)

On _____, 20__ before me, _____, personally appeared

_____ personally known to me (or proved to me the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.

Notary Public, in and for the
County of Santa Barbara,
State of California

Grant of Easement

EXHIBIT B

EXHIBIT B

EXHIBIT B

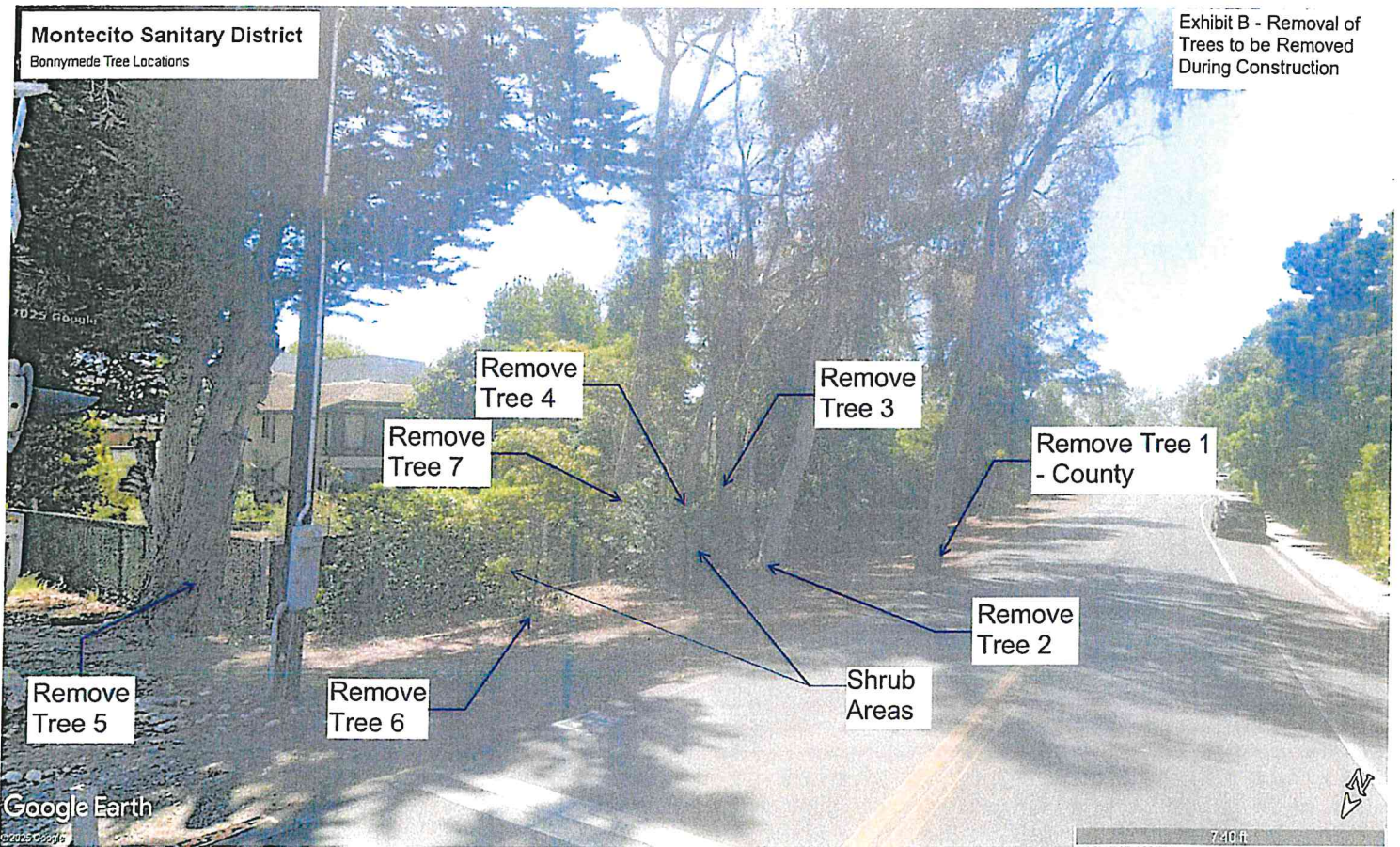


EXHIBIT C

EXHIBIT C

EXHIBIT C



Statement of Account

009213 Bonnymede Shores
000003 Montecito Sanitary District

-09/23/2026

Time & Rate: Original Value

BONNYMEDE SHORES ASSOCIATION
PO Box 4579
Houston, TX 77210-4579

Fees

Date	ID	Description	Time	Hrly Rate	Orig Amount	Bill Amount
8/5/2025	JHS	Phone conference with John Turner re; Montecito Sanitary District Bonnymede Shores easement; Review email from Jon Turner with Easement. Draft email to Jon. Draft email to Bob and Michelle re: authorization to proceed with review of grant of easement with documents attached.	0.60	\$495	\$297.00	\$297.00
8/12/2025	JHS	Prepare draft letter to Montecito Sanitary District re: required revisions to purposed Easement with recommended language for indemnity and obligation to maintain; Draft email to Client re; purposed email to Montecito Sanitary District with copy attached for client review and approval.	2.65	\$495	\$1,311.75	\$1,311.75
8/20/2025	JHS	Review email from Bob re; authorization to send email to Sanitary District re; easement terms. Review easement. Review purposed email to district & revise. Draft email to Sanitary District re; revised easement with copy attached. Send copy to Client.	0.70	\$495	\$346.50	\$346.50
Total Fees: 08/2025			3.95		\$1,955.25	\$1,955.25
9/9/2025	JHS	Review email from Water District re revisions to Easement. Review revision.	0.75	\$495	\$371.25	\$371.25
9/15/2025	JHS	Review email from Jon Turner re completing easement terms and compensation. Draft email to Jon. Draft email to Bob & Michelle re phone conference for reply to Jon; Review email from Bob re phone conference to discuss cost of easement. Draft email to Bob.	0.80	\$495	\$396.00	\$396.00
9/16/2025	JHS	Phone conference with Bob re easement & entry scanners; Prepare draft email to District re compensation for easement, payment of attorney fees and costs and payment for landscaping; Draft email to Bob re draft email to District re compensation for easement, payment of attorney fees and costs and payment for landscaping with copy of draft email attached.	2.30	\$495	\$1,138.50	\$1,138.50
9/17/2025	JHS	Review email from Bob & Connie re appraiser for easement. Draft email to Bob & Connie re retaining Appraiser with recommendations; Review email from Bob re: Connie's comments re: landscaping concerns. Review and revise draft email to District re landscaping; Draft email to Bob & Connie re revised email to district addressing landscaping responsibilities; Review email from Bob re approval revised letter to District for easement. Draft email to Bob; Review email from Connie re email to District. Finalize email to District and send. Send copy to Client.	2.50	\$495	\$1,237.50	\$1,237.50
9/18/2025	JHS	Review email from Bob & Connie re need for survey for Appraiser. Review how easement value is determined; Draft email to Bob & Connie re calculation of Easement value with copy of Stantec Map attached; Phone conference with appraiser, Mike Arnold, re easement value.	2.00	\$495	\$990.00	\$990.00
9/19/2025	JHS	Conference with Santec re: Easement Map and placement of notations on map; Review email from Mike Arnold re Fee Agreement and CV. Review Fee Agreement; Draft email to Mike Arnold re; appraisal with copy of easement maps attached; Draft email to Bob and Connie re: Arnold Fee Agreement, CV, and Easement Maps with documents attached; Review email from Connie re Easement Appraisal. Draft email to Bob & Connie re Mike Arnold will send proposal of appraisal.	2.20	\$495	\$1,089.00	\$1,089.00
9/29/2025	JHS	Review email from Jon Turner re easement terms. Draft email to Mr. Turner. Draft email to Bob and Connie re review and response to purposed terms.	0.40	\$495	\$198.00	\$198.00
Total Fees: 09/2025			10.95		\$5,420.25	\$5,420.25
10/21/2025	JHS	Review email from John Turner, Montecito Sanitary District re response to Sept. 25 Easement offer; Review offer; Draft email to Mr. Turner re will check with Board; Draft email to Michelle re Board's response to Montecito Sanitary District's response to District's Sept. 25 Easement offer; Phone conference with Michelle re Board response to Sanitary District's Easement offer in their email of Sept. 25; Draft email to Bob, Connie & Michelle re response to District's Easement offer and appraisal information with copy of Easement Map, Appraiser's Fee Agreement, CV and prior emails attached; Review Regular Board Meeting Bob's response to District's Sept. 25 Easement offer and retaining Appraiser. Draft email to Bob.	1.60	\$495	\$792.00	\$792.00

Montecito Sanitary District
Regular Board Meeting
September 22, 2025

Page 100 of 102

Statement of Account

009213 Bonnymede Shores
000003 Montecito Sanitary District

-09/23/2026
Time & Rate: Original Value

Fees

Date	ID	Description	Time	Hrly Rate	Orig Amount	Bill Amount
10/22/2025	JHS	Phone conference with Bob re response to Sanitary Districts Easement offer.	0.40	\$495	\$198.00	\$198.00
10/23/2025	JHS	Review emails from Bob and Connie re appraisal, price for Easement and landscape plan; Draft email to Bob and Connie re recommended response to Sanitary District with response attached; Review email from Bob approving Counter offer to District for Easement. Draft email to Bob and Connie, need Connie to approve.	0.75	\$495	\$371.25	\$371.25
10/28/2025	JHS	Review email from Connie re approving email to Sanitary District setting fourth terms of Easement. Draft email to Connie confirming email will be sent; Review, revise and send email to Sanitary District re terms of Easement. Send copy to client.	0.75	\$495	\$371.25	\$371.25
10/29/2025	JHS	Review email from Sanitary District re Board will consider Association's Counter offer. Draft email to Sanitary District. Send copy to client.	0.40	\$495	\$198.00	\$198.00
Total Fees: 10/2025			3.90		\$1,930.50	\$1,930.50
11/14/2025	JHS	Phone conference with Ross Morgan re revisions to contract.	0.75	\$495	\$371.25	\$371.25
11/18/2025	JHS	Review email from Sanitary District approving terms for Easement and preparation of documentation. Draft District email District approving procedure. Draft email to Board re Easement terms accepted.	0.50	\$495	\$247.50	\$247.50
Total Fees: 11/2025			1.25		\$618.75	\$618.75
12/5/2025	JHS	Review email from Sanitary District re; Update on Easement Agreement.	0.20	\$495	\$99.00	\$99.00
Total Fees: 12/2025			0.20		\$99.00	\$99.00
4/22/2026	JHS	Review email from Connie re; update on easement. Review file.	0.40	\$525	\$210.00	\$210.00
Total Fees: 04/2026			0.40		\$210.00	\$210.00
7/1/2026	JHS	Review email from sanitary District, Jon Turner. Review Easement and Exhibits. Review file for conditions imposed on easement by Bonnymede; Draft email to Jon Turner, Montecito Sanitary District, re; terms that must be agreed to before Easement can be signed. Send copy to client.	1.00	\$525	\$525.00	\$525.00
7/23/2026	JHS	Review email from Jon Turner with Montecito Sanitary Dist. re; Easement. Review file re; issues to be resolved; Draft email to John Turner issues that need to be resolved for grant of easement with copy of prior email attached. Send copy to client; Phone conference with Jon Turner re; Easement.	1.10	\$525	\$577.50	\$577.50
7/27/2026	JHS	Review email from Jon at Montecito Sanitary District re; Agreement for Easement. Draft Agreement for Easement; Draft email to Jon at Montecito Sanitary District re; Agreement for Grant of Easement with copy attached. Send copy to client.	2.80	\$525	\$1,470.00	\$1,470.00
7/29/2026	JHS	Review email from Jon (Sanitary District), with copy of revised Easement and Exhibits to Easement. Review Easement and Exhibits; Draft email to Jon re; additional clarification and revisions to easement are needed. Send copy to client with Easement and Exhibits attached.	1.30	\$525	\$682.50	\$682.50
Total Fees: 07/2026			6.20		\$3,255.00	\$3,255.00
8/3/2026	JHS	Phone conference with Bob re; Sanitary District Easement.	0.40	\$525	\$210.00	\$210.00
8/5/2026	JHS	Revise Grant of Easement per conversation with Bob; Draft email to Sanitary District re; Exhibits needed to Complete Agreement for Grant of Easement and modification to Easement with modified Easement attached. Send copy to client.	0.90	\$525	\$472.50	\$472.50
Total Fees: 08/2026			1.30		\$682.50	\$682.50
9/1/2026	JHS	Review email form Jon Turner, Montecito Sanitary District, re; update on Easement. Review file; Draft email to Jon re; need exhibits from him for the Agreement to Grant Easement with copy of Agreement attached. Send copy to client.	1.10	\$525	\$577.50	\$577.50
9/3/2026	JHS	Review email from Bob re; Easement. Draft email to Bob waiting for Exhibits from District.	0.25	\$525	\$131.25	\$131.25
9/15/2026	JHS	Review email from Jon Turner, Montecito Sanitary District, with Exhibits and Regular Board Easement Agreement Attached. Review Exhibits and revised Agreement	3.35	\$525	\$1,758.75	\$1,758.75

Statement of Account

009213 Bonnymede Shores
000003 Montecito Sanitary District

-09/23/2026
Time & Rate: Original Value

Fees

Date	ID	Description	Time	Hrly Rate	Orig Amount	Bill Amount
		and compare to requested revisions; Draft email to Jon re; 7 trees removed with no replacements and fees owing. Attach completed Agreement for Grant of Easement with Exhibits attached; Draft email to Bob and Connie re; 7 trees removed with no replacement trees with copy of Agreement to Grant Easement and Exhibits attached; Review email from Jon Turner re; replacement of trees. Draft email to Jon re; need to know details on tree replacement and incorporate into Agreement to Grant Easement; Review email from Bob re; what is District is not replacing Trees. Draft email to Bob; Review email from Bob re; tree issue. Draft email to Bob; Review email from Jon re; district will provide replacement trees for those they remove. Draft email to Jon. Draft email to Bob and Connie re; replacement trees.				
9/17/2026	JHS	Review email from bob re; Agreement for Grant of Easement. Revise Agreement re; replacement trees & payment for planting costs; Draft mail to Bob re; revised Agreement for Grant of Easement with copy attached.	1.10	\$525	\$577.50	\$577.50
9/18/2026	JHS	Review email from Connie & bob re; approval of Agreement for Grant of Easement. Draft email to Bob & Connie. Phone conference with Jon at sanitary District re; finalizing documents; Finalize Agreement for Grant of Easement and Exhibits; Draft email to Jon re; Agreement for Grant of Easement has been revised and is ready for signature with copy attached; Draft email to bob & Connie re; Agreement for Grant of Easement sent to district, when payment is due and when work to be performed with copy of Agreement attached.	1.40	\$525	\$735.00	\$735.00
Total Fees: 09/2026			7.20		\$3,780.00	\$3,780.00
Total Fees:			35.35		\$17,951.25	\$17,951.25