



# Montecito Sanitary District

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

Phone: (805) 969-4200  
[www.montsan.org](http://www.montsan.org)

## BOARD LIST OF PAYABLES

<u>CHECK DATE</u>	<u>SUMMARY &amp; TYPE</u>	<u>BATCH TOTAL</u>
09/16/2022	ACCOUNTS PAYABLE	142,676.45
	<b>Subtotal</b>	<b>\$ 142,676.45</b>
09/16/22	CAPITAL IMPROVEMENT PROJECTS	549.50
	<b>Subtotal</b>	<b>\$ 549.50</b>
09/08/2022	PAYROLL	91,750.77
09/22/2022	PAYROLL	86,411.20
	<b>Subtotal</b>	<b>\$ 178,161.97</b>
	<b><u>TOTAL</u></b>	<b><u>\$ 320,838.42</u></b>

All Invoices were reviewed and approved by Department Managers

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

Interim Board Treasurer, Dana Newquist approved all payables by email prior to check mailing

**Check History Report**  
**Sorted By Check Number**  
**Activity From: 9/16/2022 to 9/16/2022**  
**MONTECITO SANITARY DISTRICT (MSD)**

Bank Code: B OPERATING CASH (MBT)

Check Number	Check Date	Name	Check	Description
0000027790	9/16/2022	805 INDUSTRIAL SUPPLY, LLC	756.84	Disposable Gloves for Operations
0000027791	9/16/2022	ACWA/JPIA	25,123.83	Medical/Dental/Life Insurance Premium-September
0000027792	9/16/2022	AMAZON CAPITAL SERVICES	2,099.00	Tri-Pods, Extension Cords, Office Supplies, COVID Rapid Tests, Owl Pro Camera, Weekly Planners
0000027793	9/16/2022	ARCE, MICHAEL J	952.60	Tri-State Seminar Travel Expense Reimbursement, Boot Allowance Reimbursement
0000027794	9/16/2022	BECKER STUDIOS, INC	3,450.00	Deposit Refund-788 San Ysidro Lane
0000027795	9/16/2022	BIG GREEN CLEANING COMPANY	2,321.00	Janitorial Services-September
0000027796	9/16/2022	CANON FINANCIAL SERVICES INC	272.61	Canon Copier Lease Payment-August
0000027797	9/16/2022	CINTAS CORPORATION #684	925.68	Uniforms, Towels, Floor Mats-Cleaning/Rental-August
0000027798	9/16/2022	COMPUVISION COMMUNICATIONS	4,253.15	Datto Cloud Backup, NetAlert Managed Services-October PO 4724-New Board Room Desktop Computer
0000027799	9/16/2022	CORT	44.00	Deed Report-August
0000027800	9/16/2022	COX BUSINESS	160.39	Internet Wireless Service-September
0000027801	9/16/2022	DAVMAR	167.40	Plant Air Compressor Check Valve
0000027802	9/16/2022	ENGEL & GRAY, INC	8,003.73	Biosolids Hauling/Bin Rental-August
0000027803	9/16/2022	FAMCON PIPE & SUPPLY, INC	674.25	PO 4707-Piping for Wasting Pump Replacement / Collection Pipe Fittings
0000027804	9/16/2022	FASTENAL COMPANY	1,053.96	Plant Maintenance Materials
0000027805	9/16/2022	FEDERAL LICENSING INCORPORATED	120.00	FCC License Data Grid Update
0000027806	9/16/2022	FISHER SCIENTIFIC	104.75	Lab Testing Supplies
0000027807	9/16/2022	FRONTIER	779.29	Phone Services - August and September
0000027808	9/16/2022	GLS COMPANIES	750.00	Landscape Services - August
0000027809	9/16/2022	GRAINGER	119.49	Miscellaneous Collections Supplies
0000027810	9/16/2022	HADRONEX, INC	31,560.00	Annual Smartcover Service
0000027811	9/16/2022	HARRINGTON INDUSTRIAL PLASTICS	612.55	Valves and Bushings for Sample Pumps
0000027812	9/16/2022	AUSTIN HERLIHY	3,450.00	Deposit Refund-1385 School House Lane
0000027813	9/16/2022	ROBERT KEEN	727.60	Tri-State Seminar Travel Expense Reimbursement
0000027814	9/16/2022	LIEBERT CASSIDY WHITMORE	3,527.50	Legal Services-SEIU Negotiations - June and July
0000027815	9/16/2022	MARBORG INDUSTRIES	754.28	Refuse Disposal and Recycling - August
0000027816	9/16/2022	MCCORMIX CORP	880.74	Vehicle Fule - 8/15 - 8/31/22
0000027817	9/16/2022	MOUNTAIN SPRING WATER	155.15	Drinking Water - August
0000027818	9/16/2022	MONTECITO WATER DISTRICT	852.18	Water Services - August
0000027819	9/16/2022	NIXON-EGLI EQUIPMENT CO.	128.59	Small Jetter Parts
0000027820	9/16/2022	NOEE ORTIZ	727.60	Tri-State Seminar Travel Expense Reimbursement
0000027821	9/16/2022	PAYCHEX OF NEW YORK, LLC	514.00	Payroll Services - August
0000027822	9/16/2022	PLUMBERS DEPOT, INC	896.70	CCTV Camera Repair
0000027823	9/16/2022	PRICE POSTEL & PARMA	684.00	Legal Services - HR - August
0000027824	9/16/2022	PURETEC INDUSTRIAL WATER	72.03	Water Softener Sodium Tank Exchange
0000027825	9/16/2022	SANSUM CLINIC	160.00	Medical Examination - Perez
0000027826	9/16/2022	S B HOME IMPROVEMENT CENTER	154.20	General Operating Supplies
0000027827	9/16/2022	SANTA BARBARA NEWS-PRESS	186.25	Notice to Contractors Publication - HWY 101 Sewer Reloc.
0000027828	9/16/2022	SOUTHERN CALIFORNIA EDISON CO	16,481.81	Electric Service - August
0000027829	9/16/2022	SMARDAN-HATCHER COMPANY	292.24	Operations Bathroom Repair
0000027830	9/16/2022	SOCAL GAS	222.77	Gas Services - August
0000027831	9/16/2022	STREAMLINE	310.00	Website Hosting Sevices - September
0000027832	9/16/2022	UNIVAR SOLUTIONS	19,186.36	Plant Chemicals
0000027833	9/16/2022	UNDERGROUND SERVICE ALERT	132.50	70 Dig Alert Tickets for August
0000027834	9/16/2022	MIGUEL VILLAFANA	171.32	Safety Boot Allowance

0000027835 9/16/2022 WORLD WATER WORKS, INC 7,704.11 DAFT Sludge Pump Materials

**Bank B Total:** 142,676.45

**Report Total:** 142,676.45

**Check History Report**  
**Sorted By Check Number**  
**Activity From: 9/16/2022 to 9/16/2022**  
**MONTECITO SANITARY DISTRICT (MSD)**

Bank Code: G CIP CASH (MBT)

<b>Check Number</b>	<b>Check Date</b>	<b>Name</b>	<b>Check Amount</b>	<b>Description</b>
0000001355	9/16/2022	RINCON CONSULTANTS, INC	549.50	CIP 9 - Consulting Services to obtain permits for the HWY 101 Sewer Main Relocation Project - August
			<hr/> 549.50	
			<hr/> 549.50	
			<hr/> <hr/>	



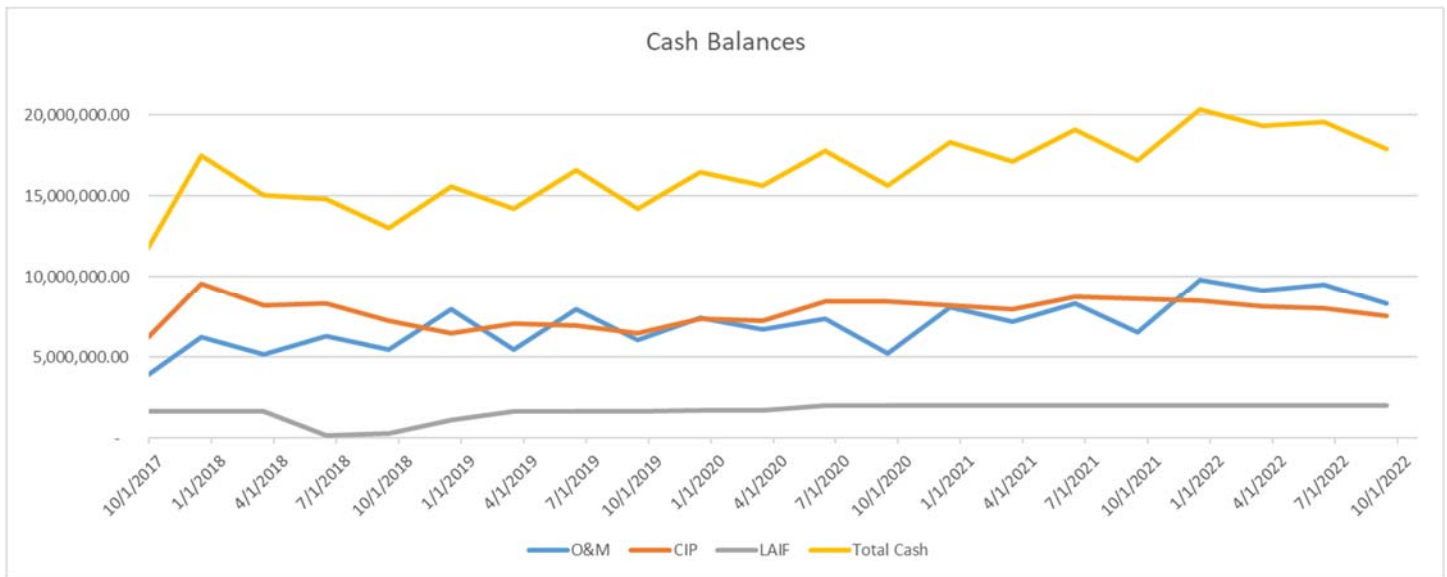
# **Fiscal Year 2022-23 Unaudited First Quarter Financial Summary Memo**

**For the Period Ended 9/30/2022**

## FINANCIAL HEALTH AND CASH POSITIONS

As of September 30, 2022, the District is in a sound financial position. It maintains a healthy cash balance sufficient to cover its short term and long term obligations. The District also maintains an unofficial reserve balance of approximately **\$2M** in its LAIF account, which is equal to approximately **4.65** months of Operations & Maintenance (O&M) expenditures (currently **\$430,063** per month). Typical business practice is to hold at least 3-6 months of cash on hand for emergencies, along with adequate insurance holdings. Based on this metric the District is within that range with its LAIF account.

Below is a chart detailing the District’s cash positions over the past five years:



Below is a chart detailing the current cash balances the District maintains compared to last quarter:

	Balance at 6/30/2022	Balance at 9/30/2022	Difference
Operations & Maintenance	\$ 9,500,348	\$ 8,306,833	\$ (1,193,515)
Capital Improvement Projects	8,025,990	7,562,507	(463,483)
LAIF (Reserve)	2,021,996	2,025,781	3,785
<b>Total Available Cash</b>	<b>\$ 19,548,334</b>	<b>\$ 17,895,121</b>	<b>\$ (1,653,213)</b>

## REVENUES

For Fiscal Year 2022-23, the District expects approximately \$7.4M in revenues between its two main revenue types: Operating and Non-operating revenue. The District receives 96% of its revenues through two allocations from the County of Santa Barbara’s Property Tax apportionment, in December and April. As such, the District has not received its expected **\$3.6M** in the first apportionments from the County. The District has sufficient cash on hand to handle the timing of revenues, so no temporary borrowing is necessary for the District to meet its obligations.

Table 1 below shows the breakdown of revenue received for the period ending September 30, 2022.

## OPERATIONS & MAINTENANCE BUDGET TO ACTUAL SUMMARY

### OPERATING AND NONOPERATING REVENUES

	2022-23 Budget	2022-23 Actuals	Difference
<b>Operating Revenues</b>			
Service Charges	\$ 6,600,000	\$ 144,754	\$ (6,455,246)
Connection Fees	100,000	60,948	(39,052)
Other Services	75,000	16,310	(58,690)
<b>Total Operating Revenues</b>	<b>\$ 6,775,000</b>	<b>\$ 222,012</b>	<b>\$ (6,552,988)</b>
<b>Nonoperating Revenues</b>			
Property Taxes	\$ 665,000	\$ 26,114	\$ (638,886)
Interest Income	-	29,986	29,986
<b>Total Nonoperating Revenues</b>	<b>\$ 665,000</b>	<b>\$ 26,114</b>	<b>\$ (638,886)</b>
<b>Total Revenues</b>	<b>\$ 7,440,000</b>	<b>\$ 248,125</b>	<b>\$ (7,191,875)</b>

Table 1. Fiscal Year 2022-23 Budget to Actuals for Revenue

Below is a deeper analysis or estimated versus actual revenues collected:

#### Operating and Non-operating Revenue Noteworthy Items:

- Sewer Service Charges - The District's primary source of revenues comes from Sewer Service Charges.**  
 The District submitted all Sewer Service Charges to the County for inclusion on connected properties Property Tax bills in early July. This method saves a substantial amount of administrative time having to bill, collect, and reconcile over 3,000 sewer service bills to customers. Total amount reported to the Auditor was **\$6,717,577**, so Staff anticipates Sewer Service Charges revenue coming in higher than budgeted for Fiscal Year 2022-23. This increase is mostly attributed to our Commercial account holders as a result of increasing water usage.
- Connection Fees** – The District has seen a higher number of connection fees processed in the first quarter of the fiscal year than anticipated. These properties have paid for their connection fees through the permitting process and will be included in the Property Tax Roll in the next fiscal year. The District also completed a sewer main extension project in Q1 to serve an additional 23 homes and once the project is accepted by the Board, it is expected the District will begin receiving a portion of the connection fees for the project.
- Other Services** – The District collects various fees as it relates to inspection services, sewer availability inquiries, engineering review services, agreements, and administrative certifications. The District is in line with the projected budgeted figure for the Other Services fees revenue category. As of the end of Q1, Staff does not anticipate any material overages or underages in this revenue source.

- **Property Tax** – The District’s ½ of 1% Property Tax Revenue is collected in the same manner as the Sewer Service Charges. On September 30<sup>th</sup>, 2022, the County released updated property tax revenue estimates and the District is expected to receive **\$720,423**, which is **\$55,423** higher than budgeted for Fiscal Year 2022-23.

**OPERATING EXPENDITURES**

	2022-23 Budget		2022-23 Actuals		Difference	% of Budget
<b>Operating Expenditures</b>						
Salaries and Benefits	\$	3,154,263	\$	816,937	\$ 2,337,326	26%
Insurance		86,000		9,165	76,835	11%
Maintenance & Repairs		180,000		18,646	161,355	10%
Goods & Supplies		148,500		11,089	137,412	7%
Professional Services		360,000		19,336	340,664	5%
Administrative Costs		385,000		58,614	326,386	15%
Plant & Lab Operating Costs		538,000		103,959	434,041	19%
Safety, Training, & Travel		53,500		7,987	45,513	15%
Utilities		266,000		55,065	210,935	21%
<b>Total Operating Expenditures</b>	\$	5,171,263	\$	1,100,797	\$ 4,070,466	21%

The District’s Operations and Maintenance expenditure budget is in alignment with what the District anticipated for end of Q1. Salaries and Benefits expenditures are sitting at approximately **26%** of utilization, even with a large Unfunded Actuarial Liability (UAL) payment being made during the first quarter. Services and Supplies budget has utilized approximately **14%** of the anticipated budget at the end of the first quarter, and we expect that percentage to increase as some of the larger projects begin later on in the fiscal year.

Below is a deeper analysis of some of the areas the District wishes to highlight for the Board from its Operations & Maintenance budget to actuals:

**Operating Expenditures Noteworthy Items:**

- **6400 – CalPERS Contribution** – Every year the District elects to prepay its UAL in July rather than paying in monthly installments in order to save money. This large expenditure early in the year is causing the percentage of budget utilized to be high, however, based on the UAL payment and estimated contributions for the rest of the fiscal year the District expects to be slightly under budget at year end.
- **7461 – Professional Services – Legal** – This line item will now only track costs for the District’s General Legal Counsel (Colantuonno Highsmith & Whatley). Based on current costs realized through the first quarter and a normal utilization of our General Legal Counsel, Staff expects this to be in line with annual budgetary figures. Staff will continue to monitor this line item at future financial reports in order to provide projections on budget to actuals.



- **7466 – Professional Services – Human Resources** – This line budgets for and tracks costs for Human Resources legal support by Price, Postel and Parma for Human Resource Special under a retainer agreement. Current period costs are in alignment with what the District budgeted for the fiscal year.
- **7467 – Professional Services – Special Legal Counsel** – This new line item for Fiscal Year 2022-23 tracks costs associated with special legal counsel hired by the District for special projects. Currently, that is Liebert, Cassidy, and Whitmore for work performed on negotiations with SEIU Local 620. The District entered into a not to exceed contract for \$25,000, of which the District is currently under that budget as of the end of the first quarter. No expenditures have been made for legal review from Colantuonno, Highsmith and Whatley for any analysis performed for the Special District Consolidation Feasibility Study.
- **7510 - Contracted Services/Labor** - The District paid its annual Smartcover System Service Warranty in September totaling \$31,560. This large expenditure early in the year is causing the percentage of budget utilized to be high, however, this was planned for during the budget process and the remaining transactions are expected to be within the budgeted amount.
- **7653 – Chemicals** – Plant chemicals costs associated with the delivery of sodium hypochlorite (Hypo) and sodium bisulfate (Bisulfate) used for the disinfection process are one of the largest expenditure categories in the operation and maintenance budget. The District’s supplier, Univar, has provided both chemicals since 2010. Since then, prices have trended very closely with inflation. This fiscal year has been a period of hyper-inflation, and as such, Univar has instituted multiple price increases totaling 16% for Hypo and 14% for Bisulfate. District staff has taken notice of these increases and issued a request for quotes through Planetbids. The bid period closes on October 21, 2022 at which time the District will be able to analyze the ability to enter into a more favorable purchase order for the remainder of the Fiscal Year.

**CAPITAL IMPROVEMENTS PROJECTS**

The District maintains separate Capital Improvement Project band of accounts from its Operations and Maintenance funds. As of the end of the period the balance held in CIP accounts totals **\$6,582,791**.

The budget passed for Fiscal Year 2022-23 utilizes estimates for the anticipated expenditures for CIP work including permitting, design, construction management, and all other costs associated with projects. The annual budget passed by the Board this Fiscal Year totaled **\$4,991,945**. The following table shows total budget and amount expended through the quarter by program.

	<b>2022-2023 Approved Budget</b>	<b>2022-23 Expenditures Through 9/30/2022</b>
<b>Collections</b>	\$ 2,638,445	\$ 470,169
<b>Lift Stations</b>	\$ 140,000	\$ -
<b>Treatment &amp; Laboratory</b>	\$ 2,026,000	\$ 3,483
<b>Facilities</b>	\$ 117,500	\$ -
<b>Sewer Main Extensions</b>	\$ 70,000	\$ -
<b>Recycled Water</b>	\$ -	\$ 568
<b>Total</b>	<b>\$ 4,991,945</b>	<b>\$ 474,220</b>

The following highlights noteworthy capital expenditures for Q1 and Attachment C provides includes all CIP activity through the period ending September 30, 2022.

- **FY 2021-22 Carryover – Lilac-Oak Grove Sewer Main Extension** –A large portion of Collections CIP expenditures for Q1 was for the Lilac-Oak Grove Sewer Main Extension project. Staff are in the process of finalizing invoicing for the project and a Notice of Completion will be brought to the Board in November. Once the Notice of Completion is issued, Staff can notify the participating property owners and begin the process of collecting reimbursements of the proportionate construction costs.
- **FY 2021-22 Carryover – Highway 101 Sewer Main Relocation – Design** – Staff continued working with MNS Engineers to finalize the design and bid the project. Design costs for work in Q1 totaled 42,263.75 leaving \$48,867.84 in the contract balance.

### **2017 SEWER REFUNDING REVENUE BONDS – CALIFORNIA SPECIAL DISTRICTS ASSOCIATION (CSDA) FINANCE CORPORATION**

In May 2017 the District refunded its 2007 Certificates of Participation (COP). The District will make two payments on its bond during Fiscal Year 2022-23 totaling \$936,500. Of this total \$685,000 will be applied to principal and \$251,500 will be applied to interest. The next payment due date is January 1, 2023. The bond is expected to be paid off by July 1, 2030.

### **ANNUAL DEPRECIATION FUNDING**

Annually, District’s Operations & Maintenance accounts contribute to the Capital Replacement Fund near the end of the fiscal year. Typically, this contribution has been based on the prior fiscal year’s annual depreciation expense. The current year contribution based on the Fiscal Year 2020-21 Financial Audit was **\$1,228,291**. Once the Fiscal Year 2021-22 audit is finalized in December 2022, the auditor will determine the figure used for the coming year. Staff expects it to be similar to last year’s figure as there were minor assets added to our Capital Asset inventory during Fiscal Year 2021-22.

#### **Attachments:**

- Attachment A – Quarterly Cash and Investments Holdings as of **9/30/2022**
- Attachment B – Quarterly Operations & Maintenance Expenditure Status Report as of **9/30/2022**
- Attachment C – Quarterly Capital Improvement Projects Expenditure Status Report as of **9/30/2022**
- Attachment D – Quarterly Investment Certification

**FY2022-23 Quarterly Cash and Investment Activity  
Quarter 1**

	<u>7/1/2022</u>	<u>Income</u>	<u>Interest</u>	<u>Transfers In</u>	<u>Transfers Out</u>	<u>Withdrawals</u>	<u>9/30/2022</u>	<u>Net Change</u>	
<b>Investment Accounts</b>									
Cash with LAIF	2,021,996		3,785				2,025,781	3,785	Quarterly Interest
Cash with County-Operating	8,837,552	2,366	16,295		(1,000,000)		7,856,212	(981,340)	Property Tax: \$2,366 Quarterly Interest: \$16,295 Transfers to MBT O&M: \$1,000,000
Cash with County - Capital Replacement	6,639,679		9,623		(500,000)		6,149,302	(490,377)	Quarterly Interest: \$9,623 Transfers: \$500,000 to MBT CIP
Cash with County-Retiree Medical	184,699		284				184,983	284	Quarterly Interest: \$284
<b>Cash Accounts</b>									
MBT Operating account	364,217	119,705		1,000,000		(1,332,221)	151,701	(212,516)	Income: connection, permit, & other fees Transfers: \$1,000,000 from County O&M Withdrawals: O&M Expenses
MBT Capital Improvement account	406,640			500,000		(473,152)	433,488	26,848	Transfers: \$500,000 from County CIP Withdrawals: pmts on Capital Projects
Revolving fund account	1,400						1,400	-	Withdrawals: payments on O&M expenses paid outside normal processing
Insurance Reimbursement Acct	112,230		57				112,287	57	Quarterly Interest: \$57
MBT Recycled Water account	979,671		614			(568)	979,717	46	Withdrawals: pmts on Recycled Water Projects
Petty Cash	250						250	-	
<b>Total Cash &amp; Investment accounts</b>	<b>19,548,335</b>	<b>122,071</b>	<b>30,657</b>	<b>1,500,000</b>	<b>(1,500,000)</b>	<b>(1,805,940)</b>	<b>17,895,122</b>	<b>(1,653,213)</b>	

**MONTECITO SANITARY DISTRICT OPERATIONS AND MAINTENANCE EXPENDITURE STATUS REPORT**  
**FOR THE PERIOD ENDED 09/30/2022**

		2022-23 BUDGET	2022-23 ACTUALS	VARIANCE	% OF BUDGET
<b>OPERATING EXPENDITURES</b>					
<b>SALARIES AND BENEFITS</b>					
6100	STAFF SALARIES	\$ 1,910,563.00	\$ 423,759.91	\$ 1,486,803.09	22%
6105	BOARD SALARIES	52,800.00	11,000.00	41,800.00	21%
6108	AUTO ALLOWANCE - GM	3,600.00	900.00	2,700.00	25%
6270	STANDBY PAY	33,000.00	7,605.00	25,395.00	23%
6300	OVERTIME	30,000.00	-	30,000.00	0%
6400	PERS CONTRIBUTION	435,000.00	254,268.61	180,731.39	58%
6410	EMPLOYEE BENEFITS	65,000.00	14,071.43	50,928.57	22%
6500	FICA CONTRIBUTION	125,000.00	26,730.17	98,269.83	21%
6510	MEDICARE	29,000.00	6,251.48	22,748.52	22%
6520	UNEMPLOYMENT TAX - STATE	4,500.00	344.85	4,155.15	8%
6600	GROUP MEDICAL - ACWA	325,000.00	57,198.05	267,801.95	18%
6605	RETIREE MEDICAL BENEFITS	25,000.00	5,153.28	19,846.72	21%
6610	LIFE INSURANCE - ACWA	7,300.00	1,292.50	6,007.50	18%
6615	DISABILITY INS - STANDARD	26,000.00	4,682.02	21,317.98	18%
6620	WORKER'S COMPENSATION	50,000.00	-	50,000.00	0%
6640	DENTAL INSURANCE - ACWA	21,000.00	2,731.12	18,268.88	13%
6650	UNIFORM SERVICE - MISSION	11,500.00	948.91	10,551.09	8%
	<b>TOTAL SALARIES AND BENEFITS</b>	<b>\$ 3,154,263.00</b>	<b>\$ 816,937.33</b>	<b>\$ 2,337,325.67</b>	<b>26%</b>
<b>SERVICES AND SUPPLIES</b>					
7090	INS (GEN LIAB/AUTO/E&O) - CSRMA	\$ 60,000.00	\$ (1,092.12)	\$ 61,092.12	-2%
7091	PROPERTY INSURANCE	15,000.00	-	15,000.00	0%
7093	INS (EMP DISHONESTY BOND) - CSRMA	1,000.00	849.00	151.00	85%
7094	INS (MOBILE EQUIP) - CSRMA	10,000.00	9,408.00	592.00	94%
7110	EMPLOYEE PHYSICALS	2,500.00	627.50	1,872.50	25%
7121	PROPERTY MAINTENANCE	65,000.00	15,823.79	49,176.21	24%
7122	VEHICLE MAINTENANCE	13,000.00	423.60	12,576.40	3%
7126	COLL - EQUIPMENT RENTAL	1,000.00	-	1,000.00	0%
7127	COLL - SAFETY EQUIPMENT/SUPPLIES	8,000.00	73.49	7,926.51	1%
7129	LIFT STATION PARTS	30,000.00	70.16	29,929.84	0%
7133	VACCON EQUIPMENT & REPAIRS	15,000.00	-	15,000.00	0%
7134	CCTV EQUIPMENT/REPAIRS	15,000.00	1,008.61	13,991.39	7%
7136	COLL - MISC COLLECTION TOOLS	10,000.00	604.78	9,395.22	6%
7138	JETTER TRUCK EQUIP / REPAIRS	8,000.00	221.17	7,778.83	3%
7150	MECHANICAL MAINTENANCE	5,000.00	143.55	4,856.45	3%
7200	GENERAL OPERATING SUPPLIES	10,000.00	1,471.23	8,528.77	15%
7201	DRINKING WATER	2,500.00	294.40	2,205.60	12%
7202	GLOVES	8,000.00	1,717.64	6,282.36	21%
7205	COMMUNITY & EMPLOYEE GOODWILL	6,000.00	-	6,000.00	0%
7220	MAILING/SHIPPING EXPENSES	5,000.00	14.00	4,986.00	0%
7430	MEMBERSHIPS	60,000.00	-	60,000.00	0%
7440	MISCELLANEOUS EXPENSES	2,500.00	-	2,500.00	0%
7450	OFFICE EXPENSES	15,000.00	1,566.19	13,433.81	10%
7452	SCANNING & SHREDDING	10,000.00	-	10,000.00	0%
7454	BOOKS/SUBSCRIPTIONS/STUDY GUIDES	2,000.00	-	2,000.00	0%
7456	COMPUTER HARDWARE/SOFTWARE/LICENSING	37,500.00	6,025.04	31,474.96	16%
7461	PROFESSIONAL SERVICES/FEES - LEGAL	70,000.00	576.00	69,424.00	1%
7462	PROFESSIONAL FEES - ACCOUNTING	45,000.00	2,952.50	42,047.50	7%
7463	PROF SERVICES - ENGINEERING	50,000.00	-	50,000.00	0%
7464	PROFESSIONAL FEES - COMPUTER/GIS	60,000.00	10,771.06	49,228.94	18%
7466	PROF SERVICES - HUMAN RESOURCES	10,000.00	1,508.65	8,491.35	15%
7467	PROF SERVICES - SPECIAL LEGAL COUNSEL	50,000.00	3,527.50	46,472.50	7%
7500	PUBLIC OUTREACH	75,000.00	-	75,000.00	0%
7506	ADMINISTRATIVE FEES	30,000.00	8,498.00	21,502.00	28%
7508	COLLECTION/TREATMENT FINES	10,000.00	-	10,000.00	0%
7510	CONTRACTED SERVICES/LABOR	95,000.00	43,103.56	51,896.44	45%
7530	ADS/NOTICES FOR PUBLICATION	3,000.00	702.50	2,297.50	23%
7610	FURNITURE/FIXTURES	10,000.00	63.54	9,936.46	1%
7641	NPDES PERMIT EXPENSES-LAB	15,000.00	2,708.04	12,291.96	18%
7645	NPDES PERMIT REQUIREMENTS - OPERATIONS	50,000.00	-	50,000.00	0%
7650	ELECTION EXPENSES	7,000.00	-	7,000.00	0%
7652	BIOSOLIDS DISPOSAL	60,000.00	14,828.05	45,171.95	25%
7653	CHEMICALS	220,000.00	65,256.93	154,743.07	30%
7654	GENERATOR SERVICE	10,000.00	635.07	9,364.93	6%
7655	HAZARDOUS MATERIALS DISPOSAL	2,000.00	-	2,000.00	0%

7656	PLANT EQUIPMENT RENTAL	5,000.00	-	5,000.00	0%
7657	PLANT MAINTENANCE MATERIALS	75,000.00	16,327.49	58,672.51	22%
7658	PLANT MAINTENANCE PROJECTS	5,000.00	-	5,000.00	0%
7659	PLANT SAFETY EXPENSES	5,000.00	276.35	4,723.65	6%
7661	POLYMER	10,000.00	-	10,000.00	0%
7662	SMALL TOOLS/EQUIP	4,000.00	2,551.56	1,448.44	64%
7670	SPECIAL PROJECTS	115,000.00	-	115,000.00	0%
7671	ASSET MANAGEMENT	100,000.00	-	100,000.00	0%
7675	COVID-19 EXPENSES	35,000.00	2,911.03	32,088.97	8%
7700	LAB CONSUMABLES-SMALL EQUIPMENT	32,000.00	3,302.29	28,697.71	10%
7702	LAB EQUIPMENT MAINTENANCE	10,000.00	1,018.62	8,981.38	10%
7703	CONTRACT LAB ANALYSES	10,000.00	38.75	9,961.25	0%
7722	BOARD TRAINING/CONF REGISTRATION	2,500.00	-	2,500.00	0%
7723	BOARD MEETINGS/TRAVEL EXPENSES	1,000.00	-	1,000.00	0%
7724	STAFF TRAINING/CONF REGISTRN	15,000.00	3,200.00	11,800.00	21%
7725	STAFF TRAVEL EXPENSES	15,000.00	2,182.80	12,817.20	15%
7726	STAFF CERTIFICATIONS/LICENSES	8,000.00	298.00	7,702.00	4%
7727	OSHA REQUIRED TRAINING	5,000.00	1,235.00	3,765.00	25%
7728	SAFETY BOOT ALLOWANCE	4,500.00	1,071.32	3,428.68	24%
7729	APPAREL AND UNIFORMS	2,500.00	-	2,500.00	0%
7731	LOCAL MEETING EXPENSES	2,500.00	-	2,500.00	0%
7740	FUEL AND OIL	25,000.00	3,923.14	21,076.86	16%
7761	WATER	15,000.00	1,701.52	13,298.48	11%
7762	NATURAL GAS	5,000.00	446.82	4,553.18	9%
7763	ELECTRICITY	175,000.00	38,633.65	136,366.35	22%
7766	TRASH / RECYCLING	16,000.00	4,168.03	11,831.97	26%
7767	TELEPHONE - LOCAL/LD	18,000.00	3,205.86	14,794.14	18%
7768	TELEPHONE CELLULAR	12,000.00	2,986.13	9,013.87	25%
	<b>TOTAL SERVICES AND SUPPLIES</b>	<u>\$ 2,017,000.00</u>	<u>\$ 283,859.79</u>	<u>\$ 1,733,140.21</u>	<u>14%</u>
	<b>TOTAL OPERATING EXPENDITURES</b>	<u>\$ 5,171,263.00</u>	<u>\$ 1,100,797.12</u>	<u>\$ 4,070,465.88</u>	<u>21%</u>

## Fiscal Year 2022-23 Capital Improvement Program (CIP) Plan

Adopted by the Board on June 23, 2022

**Collections:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 9/30/2022
<b>FY2021-2022 Carryover</b>	Highway 101 Sewer Main Relocation - Design	\$ 194,127	\$ -	\$ 89,445	\$ 52,975
<b>FY2021-2022 Carryover</b>	Lilac-Oak Grove Sewer Main Extension	\$ 2,051,473	\$ 1,564,325	\$ 750,000	\$ 381,043
C001	Collection System Condition Assessment & Prioritization Plan	\$ 40,000		\$ 40,000	
C002	Highway 101 Sewer Main Relocation - Construction	\$ 860,000		\$ 860,000	
C003	Olive Mill/San Ysidro Roundabout Relocation	\$ 250,000		\$ 250,000	
C004	Large Diameter Sewer Main Rehabilitation	\$ 875,000		\$ 75,000	
C005	Manhole Rehab lining project	\$ 25,000		\$ 25,000	
CMAN	Manhole Adjustments	\$ 60,000	\$ -	\$ 60,000	\$ 8,970
CEME	Collection System Emergency Repairs	\$ 30,000	\$ -	\$ 30,000	\$ 27,182
CEQU	Equipment Replacement	\$ 459,000		459,000	
<b>Collections Subtotal</b>			<b>\$ 1,564,325</b>	<b>\$ 2,638,445</b>	<b>\$ 470,169</b>

**Lift Stations:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 9/30/2022
L001	Lift Station Condition Assessment & Prioritization Plan	\$ 50,000		\$ 50,000	
L002	Channel Lift Station Improvement	\$ 60,000		\$ 60,000	
LEME	Lift Station Emergency Repairs	\$ 30,000		\$ 30,000	
<b>Lift Stations Subtotal</b>			<b>\$ 1,564,325</b>	<b>\$ 140,000</b>	<b>\$ -</b>

**Treatment & Laboratory:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 9/30/2022
T001	Electrical Rehabilitation & Aeration Blower Replacement Project	\$ 1,440,000		\$ 1,440,000	
T002	Skimmer troughs replacement	\$ 140,000		\$ 140,000	
T003	SCADA Implementation	\$ 100,000		\$ 75,000	
T004	Disinfection Process -Pumps Replacement	\$ 40,000		\$ 40,000	
T005	IPS Channel Improvements	\$ 141,000		\$ 141,000	
T006	Grinder No. 2 Replacement	\$ 40,000		\$ 40,000	
TEME	Treatment O/M Emergencies	\$ 100,000		\$ 100,000	
TEQU	Equipment Replacement	\$ 50,000	\$ -	\$ 50,000	\$ 3,483
<b>Treatment Subtotal</b>			\$ -	\$ 2,026,000	\$ 3,483

**Facilities:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 9/30/2022
F001	Roof for Admin/Operations Building	\$ 65,000		\$ 65,000	
F002	Maintenance Gate controller with new keypads	\$ 13,500		\$ 13,500	
F003	Main Gate replacement with motorized gate and keypads	\$ 24,000		\$ 24,000	
F004	Remodel Men's Restroom in Maintenance Building	\$ 15,000		\$ 15,000	
<b>Facilities Subtotal</b>			\$ -	\$ 117,500	\$ -

**Sewer Main Extensions:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 9/30/2022
S001	Septic to Sewer Strategic Plan (Alisos/Ashley & E Mountain 30% Design)	\$ 70,000		\$ 70,000	
<b>Sewer Main Extensions Subtotal</b>			\$ -	\$ 70,000	\$ -

**Recycled Water:**

Project No.	Description	Estimated Project Cost	Project Expenditures Through 6/30/2022	2022-23 Approved Budget	Project Expenditures Through 9/30/2022
T011	Recycled Water Final Design, Update CDP, and Title 22 Report for first phase	Unknown		\$ -	\$ 568
T012	Recycled Water Construction for first phase	Unknown		\$ -	
T008	Recycled Water Construction for remaining phases	Unknown		\$ -	
<b>Recycled Water Subtotal</b>			\$ -	\$ -	\$ 568

	2022-2023 Approved Budget	2022-23 Expenditures Through 9/30/2022
<b>Collections</b>	\$ 2,638,445	\$ 470,169
<b>Lift Stations</b>	\$ 140,000	\$ -
<b>Treatment &amp; Laboratory</b>	\$ 2,026,000	\$ 3,483
<b>Facilities</b>	\$ 117,500	\$ -
<b>Sewer Main Extensions</b>	\$ 70,000	\$ -
<b>Recycled Water</b>	\$ -	\$ 568
<b>Total</b>	<b>\$ 4,991,945</b>	<b>\$ 474,220</b>





# Montecito Sanitary District

1042 Monte Cristo Lane  
Santa Barbara, CA 93108

*A Public Service Agency*

Phone: (805) 969-4200  
[www.montsan.org](http://www.montsan.org)

## QUARTERLY CERTIFICATION STATEMENTS FOR THE MONTECITO SANITARY DISTRICT

*in accordance with  
RESOLUTION NO. 2013-883, MSD INVESTMENT POLICY*

**For the Quarter Ended**

**September 30, 2022**

As Treasurer of the Montecito Sanitary District, I, **Dana Newquist** certify that:

- (1) All investment actions executed since the last report have been made in full compliance with the Montecito Sanitary District Investment Policy;
- (2) A complete and timely record of all investment transactions is maintained in the District office from reports supplied by LAIF and the S. B. County Treasurer's office; and
- (3) The Montecito Sanitary District is able to meet its pool's expenditure requirements for the next six months.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Board Treasurer  
MONTECITO SANITARY DISTRICT



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## MONTECITO SANITARY DISTRICT STAFF REPORT

**DATE:** Thursday, October 20, 2022  
**TO:** Board of Directors  
**FROM:** Bradley Rahrer, General Manager  
**PREPARED BY:** Stephen Williams, District Administrator  
**SUBJECT:** 2022 Reissued Sewer Service Rate Study Request for Proposals

**RECOMMENDATION:** That the Finance Committee members consider the following:

1. Discussing the three proposals received from qualified firms for the Sewer Service Rate and the approach to selecting a firm to award a contract for conducting the rate study.

### DISCUSSION:

**Background** – At the September 22, 2022 meeting, the Board of Directors voted to reject all proposals received as part of a previous request for proposals and directed staff to include cost in the selection criteria.

The District reissued Request for Proposals (RFP) through PlanetBids on September 30<sup>th</sup>, 2022. The RFP was available for all consultants to view and to determine if they wanted to submit a proposal to the District. The General Manager and the District Administrator also reached out to the firms who had previously submitted proposals under the first RFP to make sure they were aware of the reissuance.

The proposal period closed on October 14<sup>th</sup>, 2022 and three consultants submitted proposals to provide the services detailed in the District's reissued RFP. Those three firms, along with a high level summary of the total hours and price included in their proposals, are as follows:

<u>Contractor Name</u>	<u>Hours Proposed</u>	<u>Price</u>
HDR Engineering, Inc.	257	\$62,570
Robert D. Niehaus, Inc.	200	\$38,220
NBS	232	\$49,940

Staff included the following selection criteria in the RFP to evaluate and rank the proposals:

1. Qualifications - The Project Manager's, Consultant and Sub-Consultant teams' qualifications, relevant experience and ability to perform the scope of work as outlined above, based on information provided by the Consultant and client references.
2. Approach - The Consultant's understanding of the Project as demonstrated by the approach included in the proposal, the proposal's responsiveness to the RFP and Project needs, and their demonstrated ability to meet the District's desired timeframe.
3. References - The consultant's client references and the consultant's performance on similar studies.
4. Presentation - The District values clear and concise communication, as demonstrated in the written proposal and/or interview.
5. Cost – The District is seeking the best value in terms of delivering the services listed in the RFP for a reasonable cost.

Staff requests that the Board assist in helping determine next steps to select and retain a contractor to provide the services detailed in the RFP.

**Fiscal Impact** – Staff included \$50,000 in the annual budget for FY2022-2023 under Contracted Services for the purposes of funding a rate study by the end of the current Fiscal Year.

**Analysis – Justifications:** – From Staff's review, all proposals are responsive to requirements of the request for proposals. The request for proposals included the ability for the District to interview the top ranked firms for interviews to assist the District with making a selection.

**OTHER DEPARTMENTS INVOLVED:** None

**ATTACHMENTS:** None.