



# 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 PACKET**

For the Regular Board Meeting of

**Thursday, August 12, 2021**

- 1. Agenda .....[www.montsan.org/2021-08-12-board-of-directors-meeting](http://www.montsan.org/2021-08-12-board-of-directors-meeting)
- 2. Minutes of the Regular Meeting of the Board on July 22, 2021.....2
- 3. Minutes of the Special Meeting of the Board on August 5, 2021.....6
- 4. Payables for dates July 17, 2021 through August 6, 2021 .....8
- 5. EXHIBIT A – Quarterly Financial Statements as of June 30, 2021 .....11
- 6. EXHIBIT B – Staff Report: 1510 E. Mountain Dedication Agreement.....17
- 7. EXHIBIT C – Staff Report & attachments: Connection Fees .....25
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- 9. Committee Report: Finance Committee .....62
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## MINUTES

For the Regular Meeting of the Board on:

**July 22, 2021**

### 1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a regular meeting at 2:00 pm on Thursday, July 22, 2021 using Zoom teleconferencing in accordance with the State Executive Order No. N-29-20 issued on March 17, 2020.

#### ATTENDANCE

##### *Board Members Present:*

President Dorinne Lee Johnson, Vice President Woody Barrett, Treasurer Don Eversoll, Director Gary Fuller

Director Newquist joined the meeting at 2:23 pm

##### *Board Members Absent:*

None

##### *Also Present and Participating:*

Brad Rahrer, P.E., MSD General Manager  
Carrie Poytress, P.E. MSD Engineering Manager  
Mark Manion, MSD General Counsel, Price Postel & Parma  
Elizabeth (Betsy) Byrne, District Administrator/Clerk of the Board  
Tony Wong, P.E. Kimley-Horn; Interim General Manager  
Carole Rollins, MSD Laboratory & Pretreatment Manager  
Keith Berry  
Justin Long, Kimley-Horn  
Glenn Gary, Kimley-Horn  
Patrick Wong, Kimley-Horn  
Kevin Thomas, Kimley-Horn  
Bryce Ross, Rosewood Miramar Hotel  
Caller 01  
Ken

### 2. PUBLIC COMMENT

None.

### 3. APPROVAL OF MINUTES

ON MOTION by Director Barrett, Second by Director Eversoll, the Board voted to approve the Minutes from Board Meeting held on July 8<sup>th</sup>, 2021.

AYES: Directors Barrett, Eversoll, Fuller, and Johnson  
NAYS: None

ABSTAIN: None  
ABSENT: Directors Newquist

**4. APPROVAL OF PAYABLES**

ON MOTION by Director Eversoll, Second by Director Barrett, the Board voted to approve the District payables for checks dated July 3<sup>rd</sup> through July 16<sup>th</sup>, 2021.

AYES: Directors Barrett, Eversoll, and Johnson  
NAYS: None  
ABSTAIN: Director Fuller  
ABSENT: Director Newquist

**5. OLD BUSINESS**

**A. GRANT FUNDING**

**Director Newquist joined the meeting at 2:23 pm**

MOTION by Director Newquist, Second by Director Eversoll, that the District hire Tony Wong as a consultant solely for the purpose of grant acquisition, writing, etc.

**Director Eversoll left the meeting at 2:44 pm**

**Director Eversoll re-joined the meeting at 2:50 pm**

Motion rescinded upon Board discussion. Further information requested and the item will be revisited at a special meeting on August 5, 2021.

**B. AN ORDINANCE TO COLLECT CONSTRUCTION COSTS ON THE COUNTY TAX ROLL**

General Counsel Mark Manion provided an update on the status of a draft Ordinance: The plan is to present this at the first meeting of the board in September [September 9, 2021]. The direction from the Board at the previous meeting was clear on objective & goals. To clarify, this ordinance applies to homeowners at the time they choose to connect. The option for the District to collect costs on the County Tax Roll is available to the District, there is not much doubt about that.

**6. NEW BUSINESS**

**A. HIGHWAY 101 SEWER MAIN RELOCATION PROJECT**

ON MOTION by Director Fuller, Second by Director Barrett, the Board voted to Direct Counsel, Mark Manion, to investigate any legal limitations on the future use of the Miramar lift station. The Board requested for Counsel to present findings at the second meeting in August [August 26, 2021.]

AYES: Directors Barrett, Eversoll, Fuller, Newquist, and Johnson  
NAYS: None  
ABSTAIN: None  
ABSENT: None

**Director Eversoll left the meeting at 2:44 pm**

**B. SEWER LATERAL REBATE PROGRAM**

ON MOTION by Director Newquist, Second by Director Barrett, the Board voted to discontinue the Sewer Lateral Investigation and Rehabilitation Program.

AYES: Directors Barrett, Newquist, and Johnson

NAYS: Director Fuller

ABSTAIN: None

ABSENT: Director Eversoll

**7. COMMITTEE REPORTS**

- i) The Board heard a report from Director Barrett of the Administration & Operation Committee (Barrett & Eversoll) related to their Meeting of July 142, 2021
- ii) The Board heard a brief report from Director Johnson on the Strategic Planning Committee (Johnson & Barrett) related to their Meeting of July 15, 2021 and the Enhanced Recycled Water Feasibility Study.
- iii) The Board tabled a discussion related to the committee report from the Joint Strategic Planning Committee (Johnson & Barrett) related to their Meeting with the Montecito Water District on July 21, 2021 and will hear this committee report, and a presentation from WSC and Carollo at the Special meeting of the MSD Board on August 5, 2021.

**8. DISTRICT OPERATIONS AND MAINTENANTE**

General Manager Brad Rahrer provided updates to the Board:

- i) County of Santa Barbara Public Health Department issued new COVID-19 guidance and that MSD Staff will accommodate all practices to follow such guidance which recommends masks in indoor settings even for vaccinated individuals.
- ii) MSD received a request from a member of the public that our meeting recordings be placed on our website, and that we have complied with that request and uploaded Board meeting recordings back to December 2020.
- iii) Highway 192 paving work for CalTrans with Toro Enterprises is going to begin week of Aug 2nd. MSD staff had pre-construction meeting this morning with Tierra Contracting who will adjust the sewer manholes starting next week to lower the 60 manholes and after paving, Tierra will be back to raise the manholes.
- iv) Operations and Maintenance
  - a. Temperatures rising, affects flow, but operators handling well; no sanitary sewer main spills, one private sewer spill.
  - b. Lab sampling continues; signed a PO for annual outfall inspection.

**9. ITEMS FOR THE NEXT AGENDA**

A special meeting of the Board will be held on Thursday August 5, 2021 at 2:00 pm:

- i) Grant Funding
- ii) Joint Strategic Planning Committee Report from meeting of July 21, 2021
- iii) Hearing a presentation from Carollo Engineers Inc. and WSC on the Enhanced Recycled Water Feasibility Study

The next regular Board meeting will be on August 12, 2021 at 2:00 pm.

- i) Hearing a report from the Ad-Hoc committee on Board Policies & Procedures Manual.
- ii) Enhanced Recycled Water Feasibility Study
- iii) Quarterly Financial Statements & Investment Certification
- iv) Discuss the District's \$8,400 connection fee and the District's policy and requirement to replace sewer lines from the sewer main to the home.

**10. ADJOURNMENT**

The meeting adjourned at 4:46 pm ON MOTION by Director Newquist, second by Director Barrett.

These minutes were presented for approval at the Regular Board Meeting on August 12, 2021.

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Dorinne Lee Johnson, President

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Ellwood T. Barrett II, Vice President

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Dana Newquist, Secretary

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Donald M. Eversoll, Treasurer

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Gary Fuller, Director



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## MINUTES

For the special Meeting of the Board on:

**August 5, 2021**

### 1. CALL TO ORDER

The Governing Board of the Montecito Sanitary District convened a special meeting at 2:05 pm on Thursday, August 5, 2021 using Zoom teleconferencing in accordance with the State Executive Order No. N-29-20 issued on March 17, 2020.

#### ATTENDANCE

##### Board Members Present:

Directors Dorinne Lee Johnson, Dana Newquist, and Don Eversoll

##### Board Members Absent:

Director Fuller joined the meeting with audio at 2:18 pm

Director Barrett joined the meeting at 2:20 pm

##### Also Present and Participating:

Bradley Rahrer, P.E. MSD Interim General Manager/District Engineer

Carrie Poytress, P.E. MSD Engineering Manager

Mark Manion, PP&P; MSD General Counsel

Ricardo Larroude, MSD Collections & Maintenance Supervisor

Tony Wong, Kimley-Horn

Betsy Byrne, MSD District Administrator

Andy Salveson, Carollo Engineers

Laura Camp, MWD Public Information Officer

Anonymous

Ken

### 2. PUBLIC COMMENT

None.

### 3. OLD BUSINESS

None.

### 4. NEW BUSINESS

#### A. GRANT FUNDING

ON MOTION by Director Newquist, Second by Director Fuller, the Board voted to authorize the General Manager to negotiate with Kimley Horn & Associates, a scope of services not to exceed \$15,000 to explore grant support and research.

AYES: Directors Eversoll, Fuller, Newquist, and Johnson

NAYS: None

ABSTAIN: Director Barrett  
ABSENT: None

**B. ENHANCED RECYCLED WATER FEASIBILITY STUDY**

Director Newquist left the meeting at 3:20pm.

ON MOTION by Director Fuller, Second by Director Newquist, the Board voted to approve and authorize the president to execute a contract with the Montecito Water District and Carollo Engineers for the Enhanced Recycled Water Feasibility Study in an amount not to exceed \$220,000.

AYES: Directors Barrett, Eversoll, Fuller, and Johnson  
NAYS: None  
ABSTAIN: None  
ABSENT: Director Newquist

**5. ITEMS FOR THE NEXT AGENDA**

The next regular Board meeting will be on August 12, 2021 at 2:00 pm.

- i) Unaudited Quarterly Financial Statements & Investment Certification for June 30, 2021.
- ii) 1510 East Mountain Drive Sewer Main Extension Dedication Agreement
- iii) Discuss the District's \$8,400 connection fee
- iv) Discuss the District's policy and requirement to replace sewer lines from the sewer main to the home.
- v) Joint Powers Insurance Authority (JPIA) Board Director Appointee.

**6. ADJOURNMENT**

The meeting adjourned at 4:07 pm.

These minutes were presented for approval at the Board Meeting on August 12, 2021.

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Dorinne Lee Johnson, President

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Ellwood T. Barrett II, Vice President

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Dana Newquist, Secretary

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Donald M. Eversoll, Treasurer

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Gary Fuller, Director



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## BOARD LIST OF PAYABLES

| <u>CHECK DATE</u> | <u>SUMMARY &amp; TYPE</u>    | <u>BATCH TOTAL</u>   |
|-------------------|------------------------------|----------------------|
| 07/30/2021        | ACCOUNTS PAYABLE             | 145,303.43           |
|                   |                              |                      |
| 07/30/2021        | CAPITAL IMPROVEMENT PROJECTS | 15,648.75            |
|                   |                              |                      |
| 07/29/2021        | PAYROLL                      | 84,890.87            |
|                   | <b>TOTAL</b>                 | <b>\$ 245,843.05</b> |

### Approved for Payment:

Date: August 12, 2021 Amount: \$ 245,843.05

\_\_\_\_\_, General Manager

\_\_\_\_\_, Treasurer

\_\_\_\_\_, Director



**Check History Report**  
**Sorted By Check Number**  
**Activity From: 7/30/2021 to 7/30/2021**  
**MONTECITO SANITARY DISTRICT (MSD)**

| Check Number         | Check Date | Name                                | Check Amount             | Check Type  |
|----------------------|------------|-------------------------------------|--------------------------|---|
| 026761               | 7/30/2021  | ACWA/JPIA                           | 28,328.58                | Health/Dental/Life Insurance Premium-August   |
| 026762               | 7/30/2021  | STEPHEN AIZENSTAT (or) MAREN HANSEN | 2,812.00                 | Deposit Refund/Service Charge deducted -730 Ayala Lane  |
| 026763               | 7/30/2021  | AT&T MOBILITY                       | 144.75                   | Wireless Data Ports for Office & Lift Station 4,Standby Cellphone                             |
| 026764               | 7/30/2021  | AUTOZONE, INC                       | 119.05                   | Lift Station Maintenance Supplies   |
| 026765               | 7/30/2021  | BARTLETT, PRINGLE & WOLF, LLP       | 410.00                   | Pre-Budget Meeting with CPA   |
| 026766               | 7/30/2021  | CALIFORNIA ASSOCIATION OF           | 595.00                   | Annual Conference Registration-Rahrer   |
| 026767               | 7/30/2021  | CINTAS                              | 26.87                    | Replenish First Aid Supplies  |
| 026768               | 7/30/2021  | COMPUVISION COMMUNICATIONS          | 1,740.00                 | Datto Cloud Backup, NetAlert Managed Services-August  |
| 026769               | 7/30/2021  | COX BUSINESS                        | 160.39                   | Wireless Internet Service-July  |
| 026770               | 7/30/2021  | CSRMA                               | 33,626.90                | Worker's Compensation Insurance Renewal 7/2021-7/2022   |
| 026771               | 7/30/2021  | CSRMA                               | 4,586.99                 | Sewer Mainline Spill at San Ysidro/Las Tunas Adjuster Services                                |
| 026772               | 7/30/2021  | CSRMA                               | 20,894.16                | Property Insurance Renewal 7/2021-7/2022  |
| 026773               | 7/30/2021  | DOCU PRODUCTS                       | 99.65                    | Copier Maintenance Agreement-August   |
| 026774               | 7/30/2021  | DOCUSIGN INC. Lockbox               | 3,105.00                 | Annual Signature Business Pro Renewal   |
| 026775               | 7/30/2021  | FISHER SCIENTIFIC                   | 800.26                   | Lab Testing Supplies  |
| 026776               | 7/30/2021  | FRONTIER                            | 266.65                   | Phone Services-August   |
| 026777               | 7/30/2021  | GEOGRAPHIC DATA & MANAGEMENT        | 2,790.00                 | Property Tax Roll Report  |
| 026778               | 7/30/2021  | GRAINGER                            | 941.94                   | Safety Glasses, Small Tools, Plant Maintenance Materials                                      |
| 026779               | 7/30/2021  | HENSLEY LAW GROUP                   | 1,100.00                 | Legal Services-January  |
| 026780               | 7/30/2021  | KAMAN INDUSTRIAL TECHNOLOGIES       | 237.37                   | Rubber for Aeration Basin Influent Flow   |
| 026781               | 7/30/2021  | JAMES KELLY (or) AMY MANGONE        | 1,662.00                 | Deposit Refund/Service Charge deducted -2121 Sycamore Canyon                                  |
| 026782               | 7/30/2021  | MARBORG INDUSTRIES                  | 2,580.08                 | Restroom Trailer Rental Payment-July  |
| 026783               | 7/30/2021  | MCCORMIX CORP                       | 747.53                   | Vehicle Fuel 07/01-07/15/21   |
| 026784               | 7/30/2021  | MISSION COMMUNICATIONS, LLC         | 4,243.80                 | Annual Service Package for Mission Boxes  |
| 026785               | 7/30/2021  | MONTECITO WATER DISTRICT            | 342.37                   | Vac-Con, Small Jetter Water Usage-May/June  |
| 026786               | 7/30/2021  | NSI LAB SOLUTIONS                   | 390.00                   | Lab Testing Supplies  |
| 026787               | 7/30/2021  | OILFIELD ENVIRONMENTAL & COMPLIANCE | 655.00                   | Outside Lab Testing   |
| 026788               | 7/30/2021  | PAYCHEX OF NEW YORK, LLC            | 93.00                    | Paychex Flex Time-July  |
| 26788                | 7/30/2021  | PAYCHEX OF NEW YORK, LLC            | 93.00                    | CHECK REVERSAL  |
| 026789               | 7/30/2021  | PLUMBERS DEPOT, INC                 | 339.93                   | Lift Station Parts  |
| 026790               | 7/30/2021  | PRICE POSTEL & PARMA                | 4,577.00                 | Legal Services-June   |
| 026791               | 7/30/2021  | PURETEC INDUSTRIAL WATER            | 53.44                    | Water Softener Sodium Tank Exchange   |
| 026792               | 7/30/2021  | QUINN COMPANY                       | 3,695.71                 | Preventative Maintenance Servicing of all District Generators                                 |
| 026793               | 7/30/2021  | RINGCENTRAL, INC.                   | 531.64                   | Phone Service-July  |
| 026794               | 7/30/2021  | ROYAL ADHESIVES & SEALANTS, LLC     | 318.05                   | Smartcover Epoxy  |
| 026795               | 7/30/2021  | SCARMINACH, BRIAN (or) KATHLEEN     | 2,300.00                 | Deposit Refund-166 Santa Elena Lane   |
| 026796               | 7/30/2021  | STANDARD INSURANCE COMPANY          | 1,570.60                 | Short/Long Term Disability-August   |
| 026797               | 7/30/2021  | TAFT ELECTRIC COMPANY               | 8,727.46                 | On-Call Electrical Services January-June  |
| 026798               | 7/30/2021  | T-MOBILE                            | 20.00                    | Wireless Data Port for UF/RO-June   |
| 026799               | 7/30/2021  | TOTAL COMPENSATION SYSTEMS          | 1,350.00                 | GASB 75 Full Valuation  |
| 026800               | 7/30/2021  | UNION BANK                          | 50.00                    | June Credit Card Payment Rollins-Boot Allowance   |
| 026801               | 7/30/2021  | UNION BANK                          | 1,921.03                 | July Credit Card Payment Larroude-Tri-State Seminar Registration, Hotel & Flight Reservations |
| 026802               | 7/30/2021  | UNIVAR SOLUTIONS                    | 6,442.23                 | Plant Chemicals   |
| <b>Bank B Total:</b> |            |                                     | <u>145,303.43</u>        |   |
| <b>Report Total:</b> |            |                                     | <u><u>145,303.43</u></u> |   |

**CIP Check History Report**  
**Sorted By Check Number**  
**Activity From: 7/30/2021 to 7/30/2021**  
**MONTECITO SANITARY DISTRICT (MSD)**

| <b>Check Number</b>  | <b>Check Date</b> | <b>Name</b>               | <b>Check Amount</b>     | <b>Description</b>   |
|----------------------|-------------------|---------------------------|-------------------------|--|
| 001290               | 7/30/2021         | FLOWERS & ASSOCIATES, INC | 15,300.00               | CIP No. 9-HWY 101 Sewer Main Crossing Relocation Project               |
| 001291               | 7/30/2021         | HAMNER JEWELL ASSOCIATES  | 348.75                  | CIP No. 9-Easement Appraisal for the Ashley Road Lift Station Location |
| <b>Bank G Total:</b> |                   |                           | <u>15,648.75</u>        |  |
| <b>Report Total:</b> |                   |                           | <u><u>15,648.75</u></u> |  |

**Operations & Maintenance Budget Status  
For The 12 Periods Ended 6/30/2021  
MONTECITO SANITARY DISTRICT (MSD)**

|   |                                    | 7/1/2020 through |                     | FY20-21    |                     |           |                   |
|---|------------------------------------|------------------|---------------------|------------|---------------------|-----------|-------------------|
|   |                                    | 6/30/2021        |                     | YTD Budget |                     | Variance  |                   |
| <b>PAYROLL &amp; BENEFITS EXPENSES</b>        |                                    |                  |                     |            |                     |           |                   |
| 6100  | STAFF SALARIES                     | \$               | 1,921,372.00        | \$         | 2,053,829.00        | \$        | 132,457.00        |
| 6105  | BOARD SALARIES                     | \$               | 37,520.00           | \$         | 30,000.00           | \$        | (7,520.00)        |
| 6108  | AUTO ALLOWANCE - GM                | \$               | 1,497.00            | \$         | 3,600.00            | \$        | 2,103.00          |
| 6270  | STANDBY PAY                        | \$               | 31,905.00           | \$         | 33,000.00           | \$        | 1,095.00          |
| 6300  | OVERTIME PAY                       | \$               | 12,345.00           | \$         | 20,000.00           | \$        | 7,655.00          |
| 6400  | PERS CONTRIBUTION                  | \$               | 418,093.00          | \$         | 500,000.00          | \$        | 81,907.00         |
| 6500  | FICA CONTRIBUTION                  | \$               | 109,376.00          | \$         | 126,000.00          | \$        | 16,624.00         |
| 6510  | MEDICARE                           | \$               | 32,694.00           | \$         | 30,000.00           | \$        | (2,694.00)        |
| 6520  | UNEMPLOYMENT TAX - STATE           | \$               | 4,928.00            | \$         | 4,000.00            | \$        | (928.00)          |
| 6600  | GROUP MEDICAL - ACWA               | \$               | 269,469.00          | \$         | 360,000.00          | \$        | 90,531.00         |
| 6605  | RETIREE MEDICAL BENEFITS           | \$               | 10,272.00           | \$         | 12,000.00           | \$        | 1,728.00          |
| 6610  | LIFE INSURANCE - ACWA              | \$               | 5,014.00            | \$         | 7,000.00            | \$        | 1,986.00          |
| 6615  | DISABILITY INS - STANDARD          | \$               | 19,452.00           | \$         | 25,000.00           | \$        | 5,548.00          |
| 6620  | WORKERS COMP INSURANCE             | \$               | 37,027.00           | \$         | 50,000.00           | \$        | 12,973.00         |
| 6640  | DENTAL INSURANCE - ACWA            | \$               | 13,308.00           | \$         | 20,000.00           | \$        | 6,692.00          |
| 6650  | UNIFORM SERVICE - MISSION          | \$               | 8,087.00            | \$         | 7,000.00            | \$        | (1,087.00)        |
| <b>Total PAYROLL &amp; BENEFITS EXPENSES:</b> |                                    | <b>\$</b>        | <b>2,932,359.00</b> | <b>\$</b>  | <b>3,281,429.00</b> | <b>\$</b> | <b>349,070.00</b> |
| <b>OPERATING &amp; MAINTENANCE EXPENSES</b>   |                                    |                  |                     |            |                     |           |                   |
| 7090  | INS (GEN LIAB/AUTO/E&O) - CSRMA    | \$               | 43,721.00           | \$         | 60,000.00           | \$        | 16,279.00         |
| 7091  | INS (PROPERTY) - CSRMA             | \$               | 14,523.00           | \$         | 13,000.00           | \$        | (1,523.00)        |
| 7093  | INS (EMP DISHONESTY BOND) - CSRMA  | \$               | 770.00              | \$         | 1,000.00            | \$        | 230.00            |
| 7094  | INS (MOBILE EQUIP) - CSRMA         | \$               | 7,830.00            | \$         | 9,000.00            | \$        | 1,170.00          |
| 7100  | INTEREST EXPENSE                   | \$               | (82,288.00)         | \$         | -                   | \$        | 82,288.00         |
| 7110  | EMPLOYEE PHYSICALS                 | \$               | 2,451.00            | \$         | 2,500.00            | \$        | 49.00             |
| 7121  | PROPERTY MAINTENANCE               | \$               | 36,687.00           | \$         | 30,000.00           | \$        | (6,687.00)        |
| 7122  | VEHICLE MAINTENANCE                | \$               | 26,741.00           | \$         | 13,000.00           | \$        | (13,741.00)       |
| 7126  | COLL - EQUIPMENT RENTAL            | \$               | 66.00               | \$         | 1,000.00            | \$        | 934.00            |
| 7127  | COLL - SAFETY EQUIPMENT/SUPPLIES   | \$               | 545.00              | \$         | 8,000.00            | \$        | 7,455.00          |
| 7129  | LIFT STATION PARTS                 | \$               | 25,071.00           | \$         | 25,000.00           | \$        | (71.00)           |
| 7133  | VAC CON EQUIP/MAINT                | \$               | 12,177.00           | \$         | 15,000.00           | \$        | 2,823.00          |
| 7134  | CCTV EQUIPMENT/REPAIRS             | \$               | 16,513.00           | \$         | 10,000.00           | \$        | (6,513.00)        |
| 7135  | PRIVATE LATERAL REPL INCENTIVE     | \$               | 46,961.00           | \$         | 50,000.00           | \$        | 3,039.00          |
| 7136  | COLL - MISC COLLECTION TOOLS       | \$               | 15,324.00           | \$         | 8,000.00            | \$        | (7,324.00)        |
| 7150  | MECHANICAL MAINTENANCE             | \$               | 2,983.00            | \$         | 5,000.00            | \$        | 2,017.00          |
| 7200  | GENERAL OPERATING SUPPLIES         | \$               | 9,028.00            | \$         | 8,000.00            | \$        | (1,028.00)        |
| 7201  | DRINKING WATER                     | \$               | 1,089.00            | \$         | 1,750.00            | \$        | 661.00            |
| 7202  | GLOVES                             | \$               | 5,282.00            | \$         | 5,000.00            | \$        | (282.00)          |
| 7205  | EMPLOYEE/COMMUNITY GOODWILL        | \$               | 2,182.00            | \$         | 3,000.00            | \$        | 818.00            |
| 7220  | MAILING/SHIPPING EXPENSES          | \$               | 1,167.00            | \$         | 3,000.00            | \$        | 1,833.00          |
| 7430  | MEMBERSHIPS/ ANNUAL DUES           | \$               | 40,391.00           | \$         | 40,000.00           | \$        | (391.00)          |
| 7440  | MISCELLANEOUS EXPENSES             | \$               | -                   | \$         | 2,500.00            | \$        | 2,500.00          |
| 7450  | OFFICE EXPENSES                    | \$               | 11,491.00           | \$         | 10,000.00           | \$        | (1,491.00)        |
| 7454  | BOOKS/SUBS/STUDY GUIDES            | \$               | 521.00              | \$         | 1,000.00            | \$        | 479.00            |
| 7456  | COMPUTER HARDWARE/SOFTWARE/LICEN   | \$               | 15,956.00           | \$         | 30,000.00           | \$        | 14,044.00         |
| 7461  | PROFESSIONAL SERVICES/FEES - LEGAL | \$               | 72,583.00           | \$         | 30,000.00           | \$        | (42,583.00)       |
| 7462  | PROFESSIONAL FEES - ACCOUNTING     | \$               | 29,607.00           | \$         | 40,000.00           | \$        | 10,393.00         |
| 7463  | PROFESSIONAL FEES - ENGINEERING    | \$               | 116,840.00          | \$         | 25,000.00           | \$        | (91,840.00)       |

|  |                                  |    |                     |    |                     |    |                     |
|--|----------------------------------|----|---------------------|----|---------------------|----|---------------------|
| 7464   | PROFESSIONAL FEES - COMPUTER/GIS | \$ | 51,144.00           | \$ | 60,000.00           | \$ | 8,856.00            |
| 7466   | PROF SERVICES - HUMAN RESOURCES  | \$ | 28,516.00           | \$ | 6,000.00            | \$ | (22,516.00)         |
| 7500   | CUSTOMER RELATIONS EXPENSE       | \$ | 24,341.00           | \$ | 50,000.00           | \$ | 25,659.00           |
| 7506   | ADMINISTRATIVE FEES              | \$ | 23,256.00           | \$ | 22,000.00           | \$ | (1,256.00)          |
| 7510   | CONTRACTED SERVICES/LABOR        | \$ | 79,666.00           | \$ | 120,000.00          | \$ | 40,334.00           |
| 7530   | ADS/NOTICES FOR PUBLICATION      | \$ | 2,764.00            | \$ | 2,000.00            | \$ | (764.00)            |
| 7610   | FURNITURE/FIXTURES               | \$ | -                   | \$ | 10,000.00           | \$ | 10,000.00           |
| 7641   | NPDES PERMIT EXPENSES-LAB        | \$ | 10,738.00           | \$ | 20,000.00           | \$ | 9,262.00            |
| 7645   | NPDES PERMIT EXPENSE-OPS         | \$ | 35,023.00           | \$ | 27,000.00           | \$ | (8,023.00)          |
| 7650   | ELECTION EXPENSE                 | \$ | 6,762.00            | \$ | 5,000.00            | \$ | (1,762.00)          |
| 7651   | ANALYZER CHEMICALS               | \$ | 5,252.00            | \$ | 5,000.00            | \$ | (252.00)            |
| 7652   | BIOSOLIDS DISPOSAL               | \$ | 50,824.00           | \$ | 50,000.00           | \$ | (824.00)            |
| 7653   | CHEMICALS                        | \$ | 163,753.00          | \$ | 200,000.00          | \$ | 36,247.00           |
| 7654   | GENERATOR SERVICE                | \$ | 6,207.00            | \$ | 10,000.00           | \$ | 3,793.00            |
| 7655   | HAZ MATERIALS DISPOSAL           | \$ | 642.00              | \$ | 1,000.00            | \$ | 358.00              |
| 7656   | PLANT EQUIPMENT RENTAL           | \$ | 9,951.00            | \$ | 10,000.00           | \$ | 49.00               |
| 7657   | PLANT MAINTENANCE MATERIALS      | \$ | 54,515.00           | \$ | 50,000.00           | \$ | (4,515.00)          |
| 7658   | PLANT MAINTENANCE PROJECTS       | \$ | -                   | \$ | 5,000.00            | \$ | 5,000.00            |
| 7659   | PLANT SAFETY EXPENSES            | \$ | 2,308.00            | \$ | 5,000.00            | \$ | 2,692.00            |
| 7661   | POLYMER                          | \$ | 1,988.00            | \$ | 10,000.00           | \$ | 8,012.00            |
| 7662   | SMALL TOOLS/EQUIP                | \$ | 3,689.00            | \$ | 4,000.00            | \$ | 311.00              |
| 7670   | SPECIAL PROJECTS                 | \$ | 114,540.00          | \$ | 100,000.00          | \$ | (14,540.00)         |
| 7700   | LAB CONSUMABLES-SMALL EQUIPMENT  | \$ | 22,249.00           | \$ | 28,000.00           | \$ | 5,751.00            |
| 7702   | LAB EQUIPMENT MAINTENANCE        | \$ | 4,996.00            | \$ | 10,000.00           | \$ | 5,004.00            |
| 7703   | CONTRACT LAB ANALYSES            | \$ | 14,590.00           | \$ | 6,000.00            | \$ | (8,590.00)          |
| 7722   | BOARD TRAINING/CONF REGISTRN     | \$ | -                   | \$ | 1,000.00            | \$ | 1,000.00            |
| 7723   | BOARD TRAVEL EXPENSES            | \$ | -                   | \$ | 1,000.00            | \$ | 1,000.00            |
| 7724   | STAFF TRAINING/CONF REGISTRN     | \$ | 3,602.00            | \$ | 3,000.00            | \$ | (602.00)            |
| 7725   | STAFF TRAVEL EXPENSES            | \$ | -                   | \$ | 1,000.00            | \$ | 1,000.00            |
| 7726   | STAFF CERTIFICATIONS/LICENSES    | \$ | 3,756.00            | \$ | 10,000.00           | \$ | 6,244.00            |
| 7727   | OSHA REQUIRED TRAINING           | \$ | 2,190.00            | \$ | 7,000.00            | \$ | 4,810.00            |
| 7728   | SAFETY BOOT ALLOWANCE            | \$ | 3,064.00            | \$ | 4,000.00            | \$ | 936.00              |
| 7731   | LOCAL MEETING EXPENSES           | \$ | 5.00                | \$ | 1,000.00            | \$ | 995.00              |
| 7740   | FUEL AND OIL                     | \$ | 17,772.00           | \$ | 30,000.00           | \$ | 12,228.00           |
| 7761   | WATER                            | \$ | 11,375.00           | \$ | 12,000.00           | \$ | 625.00              |
| 7762   | NATURAL GAS                      | \$ | 2,778.00            | \$ | 3,000.00            | \$ | 222.00              |
| 7763   | ELECTRICITY                      | \$ | 159,564.00          | \$ | 160,000.00          | \$ | 436.00              |
| 7766   | TRASH / RECYCLING                | \$ | 15,162.00           | \$ | 13,000.00           | \$ | (2,162.00)          |
| 7767   | TELEPHONE - LOCAL/LD             | \$ | 10,031.00           | \$ | 10,000.00           | \$ | (31.00)             |
| 7768   | TELEPHONE CELLULAR               | \$ | 11,545.00           | \$ | 12,000.00           | \$ | 455.00              |
| <b>Total OPERATING &amp; MAINTENANCE EXPENSES:</b> |                                  | \$ | 1,434,770.00        | \$ | 1,533,750.00        | \$ | 98,980.00           |
| <b>Total EXPENSES:</b>                             |                                  | \$ | <b>4,367,129.00</b> | \$ | <b>4,815,179.00</b> | \$ | <b>448,050.00</b>   |
| <hr/>  |                                  |    |                     |    |                     |    |                     |
| 7105   | DEBT SERVICE PAYMENT             |    | 303,100.00          |    | 303,100.00          |    | -                   |
| 2710   | BOND PRINCIPAL PAYMENT           |    | 635,000.00          |    | 635,000.00          |    | -                   |
| <b>Total DEBT PAYMENTS:</b>                        |                                  |    | <b>938,100.00</b>   |    | <b>938,100.00</b>   |    | -                   |
| <hr/>  |                                  |    |                     |    |                     |    |                     |
| <b>NON-OPERATING EXPENSES</b>                      |                                  |    |                     |    |                     |    |                     |
| 7675   | COVID-19 EXPENSES                |    | 140,104.00          |    | -                   |    | (140,104.00)        |
|  |                                  |    | <b>140,104.00</b>   |    | -                   |    | <b>(140,104.00)</b> |

**CAPITAL IMPROVEMENT PROJECTS  
UNAUDITED YEAR TO DATE STATUS**

**FY20-21 :: July 1, 2020 to June 30, 2021**

| <b>ASSIGNED PROJECT #</b>                               | <b>CAPITAL IMPROVEMENT PROJECT DESCRIPTION</b> | <b>Total Proj. Exp. through 6/30/20</b> | <b>Expenditures 7/1/20 - 6/30/21</b> | <b>Board Approved FY20-21 Funding</b> |
|---|--|---|--------------------------------------|---------------------------------------|
| <b>Annual projects</b>                                  |  |   |                                      |                                       |
| 1   | Scheduled and Emergency Replacements           | n/a                                     | \$ 26,522                            | \$ 100,000                            |
| 2   | Manhole Raising / Repair / Replacement         | n/a                                     | \$ 170,828                           | \$ 400,000                            |
| 3   | Sewer Main Repair / Replacement                | n/a                                     | \$ 12,457                            | \$ 150,000                            |
| <b>Ongoing projects</b>                                 |  |   |                                      |                                       |
| 7   | Essential Services Building Construction       | \$ 468,613                              | \$ -                                 | \$ 4,625,000                          |
| 9   | Sewer Main Extensions                          | n/a                                     | \$ 727,706                           | \$ 600,000                            |
| 10  | Recycled Water - Pilot Project                 | \$ 139,300                              | \$ 15,793                            | \$ 38,000                             |
| <b>New projects FY2020-21</b>                           |  |   |                                      |                                       |
| 12  | Collections Truck Replacement                  | n/a                                     | \$ 31,402                            | \$ 36,000                             |
| <b>Capital Improvement Project Expenditures FY20-21</b> |  | <b>\$ 607,913</b>                       | <b>\$ 984,707</b>                    | <b>\$ 5,949,000</b>                   |
| <b>Recycled Water Fund</b>                              |  |   |                                      |                                       |
| 11  | Recycled Water                                 | \$ 122,080                              | \$ -                                 | \$ 1,096,680                          |
| <b>Total Funds Expended in FY20-21</b>                  |  | <b>\$ 729,993</b>                       | <b>\$ 984,707</b>                    | <b>\$ 7,045,680</b>                   |

\*\* At its meeting on October 31, 2019, The Board approved the designation of two fiscal years of property tax revenue, in the amount of \$1,190,000 to a Recycled Water Project to serve the Cemetery

## FY20-21 CIP Project Breakdown

| CIP Project #      | CIP Project                                   | Project Name | Sum of Debit   |
|--------------------|---|--------------|----------------|
| <b>1</b>           | <b>Scheduled and Emergency Replacements</b>   | <b>1</b>     | <b>26,521</b>  |
| <b>2</b>           | <b>Manhole Raising / Repair / Replacement</b> | <b>2</b>     | <b>170,828</b> |
| <b>3</b>           | <b>Sewer Main Repair / Replacement</b>        | <b>3</b>     | <b>12,457</b>  |
| <b>9</b>           | <b>Sewer Main Extensions</b>                  | <b>9</b>     | <b>727,706</b> |
| 9                  | Sewer Main Extensions                         | Ashley Rd    | 13,457         |
| 9                  | Sewer Main Extensions                         | Oak Grove    | 3,250          |
| 9                  | Sewer Main Extensions                         | Riven Rock   | 336,486        |
| 9                  | Sewer Main Extensions                         | Romero Cyn   | 374,513        |
| <b>10</b>          | <b>Recycled Water - Pilot Project</b>         | <b>10</b>    | <b>15,793</b>  |
| <b>12</b>          | <b>Collections Truck Replacement</b>          | <b>12</b>    | <b>31,402</b>  |
| <b>Grand Total</b> |   |              | <b>984,706</b> |

**FY2020-21 Quarterly Cash and Investment Activity**  
**FY20-21 QTR 4 (Mar - Jun)**

|   | <u>3/31/2021</u>  | <u>Income</u>    | <u>Interest</u> | <u>Transfers In</u> | <u>Transfers Out</u> | <u>Withdrawals</u> | <u>6/30/2021</u>  | <u>Net Change</u> |  |
|---|-------------------|------------------|-----------------|---------------------|----------------------|--------------------|-------------------|-------------------|--|
| <b>Investment Accounts</b>                  |                   |                  |                 |                     |                      |                    |                   |                   |  |
| Cash with LAIF                              | 2,014,166         |                  | 2,200           |                     |                      |                    | <b>2,016,367</b>  | 2,200             | Quarterly Interest   |
| FMV adjustment (annually)                   | 9,827             | (9,660)          |                 |                     |                      |                    | <b>167</b>        | (9,660)           | No Change in Fair Market Value   |
| BNY Bond Refunding Costs                    | -                 |                  |                 | 786,550             |                      |                    | <b>786,550</b>    | 786,550           | <b>6/30/21 Debt Service Payment</b>  |
| Cash with County-Operating                  | 6,676,562         | 3,155,155        | 7,019           |                     | (3,020,550)          |                    | <b>6,818,185</b>  | 141,624           | <b>Income: SSC &amp; PTAX \$3,155,155</b><br><b>Quarterly Interest: \$7,019</b><br><b>Transfers to MBT O&amp;M: \$1,000,000</b><br><b>Annual Depreciation to CIP: \$1,219,000</b><br><b>Annual Funding to County OPEB: \$15,000</b><br><b>Annual Debt Service Payment: \$786,550</b> |
| FMV adjustment (quarterly)                  | 5,625             | (3,589)          |                 |                     |                      |                    | <b>2,036</b>      | (3,589)           | Change in Fair Market Value  |
| Cash with County - Capital Replacement      | 6,763,615         |                  | 6,780           | 1,219,000           | (369,000)            |                    | <b>7,620,395</b>  | 856,780           | <b>Annual Depreciation funding: \$1,219,000</b><br><b>Quarterly Interest: \$6,780</b><br><b>Transfers: \$369,000 to MBT CIP</b>  |
| FMV adjustment (quarterly)                  | 5,699             | (3,422)          |                 |                     |                      |                    | <b>2,276</b>      | (3,422)           | Change in Fair Market Value  |
| Cash with County-Retiree Medical            | 168,851           |                  | 166             | 15,000              |                      |                    | <b>184,017</b>    | 15,166            | <b>Annual OPEB Funding: \$15,000</b><br><b>Quarterly Interest: \$166</b>   |
| FMV adjustment (quarterly)                  | 143               | (87)             |                 |                     |                      |                    | <b>55</b>         | (87)              | Change in Fair Market Value  |
| <b>Cash Accounts</b>                        |                   |                  |                 |                     |                      |                    |                   |                   |  |
| MBT Operating account                       | 217,773           | 242,965          |                 | 1,061,442           | (61,442)             | (1,022,681)        | <b>438,058</b>    | 220,285           | <b>Income: connection, permit, &amp; other fees</b><br><b>Transfers: \$1,000,000 from County O&amp;M</b><br><b>Withdrawals: O&amp;M Expenses</b>   |
| MBT Capital Improvement account             | 72,806            |                  |                 | 369,000             |                      | (421,717)          | <b>20,089</b>     | (52,717)          | <b>Transfers: \$369,000 from County CIP</b><br><b>Withdrawals: pmts on Capital Improvement Projects</b>  |
| Revolving fund account                      | 1,395             |                  |                 |                     |                      | 55                 | <b>1,450</b>      | 55                | <b>Withdrawals: paymens on O&amp;M expenses paid outside normal processing</b>   |
| Insurance Reimbursement Acct                | 111,999           |                  | 35              | 61,442              | (61,442)             |                    | <b>112,034</b>    | 35                | Disaster Insurance Payment - due to FEMA<br>Quarterly Interest   |
| MBT Recycled Water account                  | 1,096,056         |                  | 624             |                     |                      |                    | <b>1,096,680</b>  | 624               | Quarterly Interest   |
| Petty Cash                                  | 250               |                  |                 |                     |                      |                    | <b>250</b>        | -                 |  |
| <b>Total Cash &amp; Investment accounts</b> | <b>17,144,766</b> | <b>3,381,362</b> | <b>16,824</b>   | <b>3,512,434</b>    | <b>(3,512,434)</b>   | <b>(1,444,343)</b> | <b>19,098,610</b> | <b>1,953,844</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**

**June 30, 2021**

As Treasurer of the Montecito Sanitary District, I, **Donald M. Eversoll** 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: 8/3/2021

DocuSigned by:

04D4CA25D94F434...

Board Treasurer

MONTECITO SANITARY DISTRICT





# Montecito Sanitary District

1042 Monte Cristo Lane  
Santa Barbara, CA 93108

*A Public Service Agency*

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## MONTECITO SANITARY DISTRICT STAFF REPORT

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**DATE:** August 12, 2021  
**TO:** Board of Directors  
**FROM:** Brad Rahrer, General Manager  
**PREPARED BY:** Carrie Poytress, Engineering Manager  
**SUBJECT:** 1510 E. Mountain Drive Sewer Main Extension under a Dedication Agreement  
**SUMMARY:** The sewer main extension to serve 1508, 1510, and 1516 E. Mountain Drive will be constructed by the property owner per MSD standards then dedicated to the District once construction is completed.

**RECOMMENDATION: THEREFORE, STAFF RECOMMENDS THAT**

1. The Board of Directors approve the Dedication Agreement for the sewer main extension to serve 1508, 1510, and 1516 E. Mountain Drive.

**DISCUSSION:**

**Background:** There have been four sewer main extensions up E. Mountain Drive with the most recent extension to 1514 E. Mountain Drive completed in 2012. The proposed extension will extend sewer service to the remaining properties at 1508, 1510, and 1516 E. Mountain Drive. The project includes installing 264 linear feet of 8" PVC sewer main, two manholes, an end-of-the-line cleanout, and three sewer laterals. The design meets District Standards and will be dedicated to the District once construction is completed by the property owners' private contractor, meaning that the District will assume responsibility for future operation and maintenance of the sewer main and manholes.

**Fiscal Impact:** No impact to the District. Under the dedication agreement, the property owner is responsible to pay for the design, construction, and inspection in addition to all District connection fees.

**Environmental Determination:** Categorically exempt by CEQA.

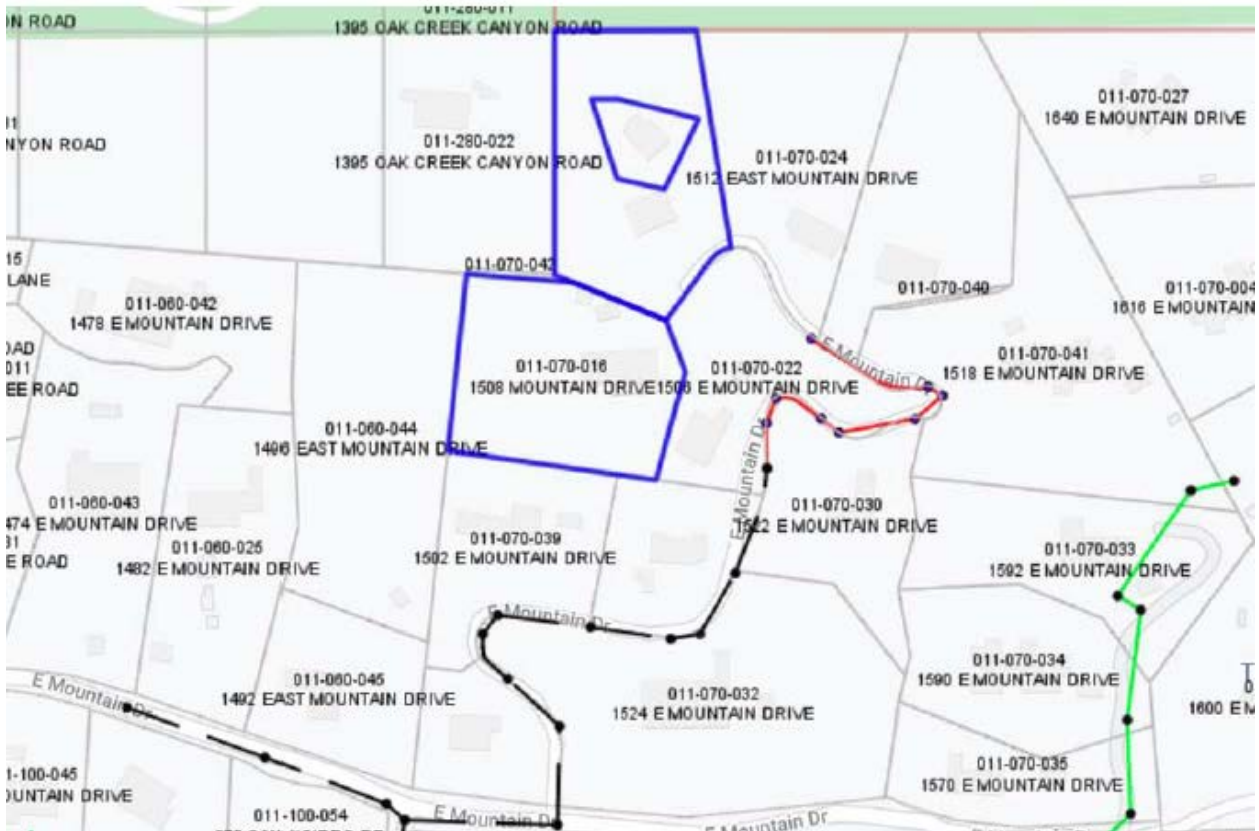
**Other Stakeholders Impacts:** None.

**Attachments:** Location Exhibits.

Vicinity Map



Properties to be served



## DEDICATION AGREEMENT FOR SEWER FACILITIES

THIS DEDICATION AGREEMENT FOR SEWER FACILITIES (this "Agreement") is made the 30th day of July, 2021 by and between MONTECITO SANITARY DISTRICT ("District"), and, True Horizon, LLC ("OWNER").

WHEREAS, Cristal Clark is the owner of certain real property commonly identified as Assessor Parcel Number 011-070-025, located at 1510 East Mountain Drive ("Property"); and

WHEREAS, the Property is within District's boundaries; and

WHEREAS, OWNER intends to construct certain sewer facilities improvements described below (the "Facilities") to extend the District's existing sewer system in order to serve 1508, 1510 and 1516 East Mountain Drive properties; and

WHEREAS, OWNER desires to dedicate the Facilities to District for the benefit of the Properties; and

WHEREAS, District desires to acquire the Facilities pursuant to its powers under California Health and Safety Code Sections 6512 and 6514 and other applicable law; and

WHEREAS, District desires to ensure that the Facilities are constructed in a good and worker-like manner, in accordance with all applicable laws; and

NOW, THEREFORE, District and OWNER agree as follows:

1. Facilities to be Constructed. The Facilities to be constructed shall consist of approximately 256 feet of 8-inch sewer main and appurtenances to be constructed within East Mountain Drive as more particularly depicted in Exhibit A attached hereto and incorporated in full herein by this reference ("Facilities"). This Agreement dedicates the Facilities to District and, upon acceptance of the Facilities by District under Section 13 below; the Facilities shall be owned and controlled by District.

2. Supervision and Commencement of Construction. Construction of the Facilities shall be performed under OWNER'S direction and supervision, at OWNERS expense and shall be commenced so as to be completed no later than 280 days following the date first written above.

3. Plans; Permits; Inspections. All plans for construction of the Facilities shall be submitted in duplicate to District for written approval. The Facilities shall be constructed by OWNER in strict conformity with the plans approved by District and any other standards and specifications identified by District. OWNER shall be responsible, at Owner's expense, for obtaining and paying for any permits required prior to or during construction of the Facilities, and OWNER shall furnish to District copies of all such permits. OWNER shall also be responsible, at Owner's expense, for obtaining any inspections required during the course of construction and upon completion of construction.

4. Compliance with Applicable Laws. OWNER shall comply with all applicable local, county, state and federal laws (including, without limitation, laws relating to workers' compensation, prevailing wages and safety) in connection with the construction of the Facilities and this Agreement. For example, California Labor Code Section 1860 requires an employer to secure the payment of workers' compensation for employees in accordance with the provisions of Section 3700 of the Labor Code. As such, prior to the commencement of the construction, OWNER shall sign and file with District a

Dedication of Sewers Agreement

1 of 5

certification in the following form: "I am aware of the provisions of California Labor Code Section 3700 that requires every employer to be insured against liability for workers' compensation or to undertake self-insurance in accordance with the provisions of that code, and I will comply with such provisions before commencing the performance of the applicable sewer construction."

5. Performance Guarantee. OWNER shall furnish District with a faithful performance guarantee conditioned upon OWNER completing construction on or before the time for completion set forth in Section 2 above. Such guarantee shall be in a form approved by the District and shall be in the amount of 100% of the accepted construction bid amount of \$98,200. OWNER shall maintain such guarantee in full force and effect until final acceptance by the District Board.

6. Liens and Releases. Prior to acceptance of the Facilities by District under Section 13 below, OWNER shall ensure that the Facilities and easements to be dedicated and transferred to District are free and clear of any and all liens and encumbrances. Within 35 days of the notice of completion under Section 12 below, OWNER shall obtain for the benefit of Owners and District written waivers and releases of all claims, liens or other rights from all contractors, subcontractors, suppliers and other parties providing labor or materials to the construction of the Facilities or other satisfactory evidence that no such claims or liens have been filed against the Facilities or easements.

7. Indemnification. OWNER shall investigate, defend, indemnify and hold harmless the District and its officers, agents and employees from and against any and all loss, damage, liability, claims, demands, detriments, costs, charge and expenses (including attorneys' fees) and causes of action of whatsoever character that District may incur, sustain or be subjected to on the account of property damage or of bodily injury to or death of any person arising out of or in connection with the construction of the Facilities or this Agreement.

8. Insurance. OWNER shall provide a policy or policies of public liability insurance to protect District against any loss from liability for damages on the account of property damage or of bodily injury to or death of any person arising out of or in connection with the construction of the Facilities or this Agreement. Such insurance shall, on the policy or by endorsement, name District and its officers, employees and agents as additional insured's. Such insurance shall include not less than One Million Dollars (\$1,000,000) of comprehensive general liability insurance, including property damage or bodily injury and death coverage, together with such other and additional coverage as the District may determine to be prudent. Prior to the notice of commencement under Section 11 below, OWNER shall provide to District a copy of the applicable policy or certificate of insurance along with all necessary endorsements.

9. Deposit. Prior to approval of the construction plans by the District, OWNER will deposit with District the fees required by Permit No. B-263, to cover District's estimated inspection costs in connection with this Agreement.

10. Agreement with Third Parties to Provide the Construction. If OWNER contracts with any third party to provide some or all of the construction of the Facilities, OWNER shall furnish District with a copy of the applicable contract(s). For the benefit of District, such contract(s) shall contain: (i) a compliance with laws provision similar to Section 4 above; (ii) a lien release provision similar to Section 6 above; (iii) an indemnification provision similar to Section 7 above; and (iv) other customary construction contract provisions.

11. Notice of Commencement. OWNER shall furnish written notice to District of construction commencement not less than 48 hours prior to such commencement. District and its representatives shall be given free access to the Project at any time during construction of the Facilities to allow for inspections by District.

12. Notice of Completion. OWNER shall furnish written notice to District of construction completion not less than 48 hours after such completion. District and its representatives shall be given free access to the Project at any time after construction of the Facilities to allow for inspections by District. For example, the construction may be inspected by District using closed circuit television, to ensure the integrity of the Facilities.

13. Acceptance of the Facilities by District. Upon completion of its post-construction inspections, District will notify OWNER of its inspection results. If District's inspection results are acceptable, in District's sole discretion, and OWNER has met his requirements under this Agreement, then District shall provide OWNER with written notice of District's acceptance of the Facilities. Prior to acceptance, OWNER shall also submit the original construction drawings corrected to reflect "as built" conditions and two copies of the "as built" plans. If District's inspection results are unacceptable, in District's sole discretion, or OWNER has failed to meet his requirements under this Agreement, then District shall provide OWNER with written notice of District's rejection.

14. Guarantees; Repair and Replacement. OWNER represents, warrants, and guarantees that the materials and the workmanship to be used in the construction of the Facilities are and will be good and workmanlike and otherwise fully meet the requirements of this Agreement. OWNER hereby agrees to repair or replace, at Owners' expense, the Facilities or any existing District facilities requiring repair or replacement as a result of a defect in the materials or workmanship provided by OWNER or a third party that becomes evident within one year after acceptance of the Facilities by District. OWNER acknowledges that the replacement of earth fill or backfill settled below the required surfaces shall be considered a part of such repair work, and any repair or surfacing that becomes necessary by reason of such settlement shall likewise be considered part of such repair work. OWNER shall make all repairs and replacements required by this Section 14 promptly upon the receipt of written notice from the District. If OWNER fails to make such repairs and replacement promptly, then District may perform the repairs or replacements and OWNER'S surety shall be liable to District for the cost of such repairs or replacements. OWNER shall maintain a warranty/guarantee in the amount of ten percent (10%) of the performance guarantee required pursuant to Section 5 above during the one (1)-year warranty period, for the purpose of ensuring that said repairs and replacements will be made.

15. District's Costs. If the amount deposited with District for inspection services as described under Section 9 above is not sufficient to cover District's costs in connection with this Agreement, OWNER shall promptly pay District the amount of the difference. If such amount deposited was more than District's costs in connection with this Agreement, District shall promptly refund OWNER the amount of the difference. After acceptance by District under Section 13 above and upon OWNER'S written request, District shall furnish OWNER with a complete written accounting of District's costs in connection with this Agreement.

16. Additional Connections; Additional Applications and Fees. Nothing in this Agreement shall be construed to preclude District from allowing other properties from connecting to the Facilities. Nothing in this Agreement shall be construed to preclude District from requiring OWNER to make application to District for sewer service or from charging fees or costs associated with connecting the Facilities to District's sewers. Nothing herein contained is to be construed as eliminating the necessity

for making application to the District for sewer service on the District's usual form provided for that purpose.

17. No Authority to Bind District to Maintenance. Nothing in this Agreement shall be construed or interpreted as giving OWNER or any third party the authority when obtaining any permits to bind or commit District to any continuing maintenance and/or repair of any excavation or trench made in or of the surface of any street, road, highway or easement. District will not accept the Facilities under Section 13 above if the construction of the Facilities is subject to any condition or term that will impose on District any obligation for maintenance and/or repair of any such excavation, trench or surface.

18. Notices. Any notice required to be given under this Agreement shall be given in writing and mailed or delivered as follows:

To District: MONTECITO SANITARY DISTRICT  
1042 Monte Cristo Lane  
Santa Barbara, CA 93108

To Owner: True Horizon, LLC  
c/o Cristal Clark  
PO Box 50206  
Santa Barbara, CA 93150

19. District's Right to Terminate this Agreement. In the event of a breach of any term or condition set forth in this Agreement or a third party contract contemplated by Section 10 above, District may, in its sole discretion, terminate this Agreement and use any and all of its powers (including, without limitation, the powers set forth under California Health and Safety Code Section 6523.2).

20. Integration; Waiver. There are no other agreements, understandings, representations or warranties by or among the parties with respect to the subject matter of this Agreement except as expressly set forth in this Agreement. This Agreement may only be amended or modified by a writing executed by each party to this Agreement. No waiver of or failure by any party to enforce a provision, covenant, condition or right under this Agreement (each, a "Right") shall be construed as a subsequent waiver of the same Right or waiver of any other Right. No extension of time for performance of any obligations or acts shall be deemed an extension of 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 shall be effective only if made in writing.

21. Governing Law; Venue; Attorneys' Fees. This Agreement shall in all respects be governed by and construed in accordance with the laws of the State of California without regard to conflict of laws principles. If suit is initiated against any party for any matter arising from or in connection with this Agreement, the venue for such action shall be in the Superior Court of the State of California in and for the County of Santa Barbara. If any party commences an action or brings any proceedings against the other arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover its attorneys' fees (including, without limitation, those attorneys' fees and expenses and costs incurred in the enforcement of collection or any judgment or award) and related costs and expenses (including, without limitation, facsimile, messenger, photocopying, telephone, overnight mail and consultant/expert fees and charges).

22. Further Assurances. Each party agrees to execute, acknowledge and deliver such other and further documents as may be necessary or appropriate to carry out the purposes and intent of this Agreement.

23. Successors and Assigns. This Agreement may not be assigned or otherwise transferred by OWNER without District's prior written consent. Notwithstanding the foregoing, this Agreement shall be binding upon and inure to the benefit of the parties the respective heirs, personal and legal representatives, successors and assigns.

24. Warranty of Authority. Each party represents and warrants to each other party that the person executing this Agreement on its behalf has full authority and power to execute and enter into this Agreement for that respective party. Upon its execution by each party, this Agreement shall be binding and enforceable according to its terms.

25. Recordation: Upon the execution of this agreement, Owner shall pay to District a processing fee of \$2,300.00 for the administrative handling of this agreement, which is included on permit B-263.

IN WITNESS WHEREOF, District and OWNER duly executed this Agreement as of the date first written above.

MONTECITO SANITARY DISTRICT

Date: \_\_\_\_\_ By: \_\_\_\_\_  
Dorinne Lee Johnson, Board President

ATTEST

\_\_\_\_\_  
Dana Newquist, Board Secretary

OWNER:

Date: 7/30/2021

By: Cristal Clark  
Cristal Clark True Horizon LLC

Montecito Sanitary District

APPLICATION FOR

- SEWER DESIGN AND PLAN CHECK
CONSTRUCTION PERMIT
SEWER EASEMENT PROCESSING

- Residential
Commercial

Date June 10, 2021

Location 1510 East Mountain Drive

Project or Applicant True Horizon LLC APN No. 011-070-025

Property Owner Cristal Clark Phone No. 805-455-4419

Contractor Mac Brown Excavating, Inc. Phone No.

Address License No.

Engineer Mike Viettone Phone No. 805-403-0560

Address R.C.E. No.

NOTICE

- (1) All abandoned septic tanks, cesspools or dry wells must be filled and inspected by County of Santa Barbara Environmental Health Services.
(2) A permit must be obtained to excavate in County and State Highways.
(3) Property owner must obtain all other permits required by law.

I hereby certify that I have read this Application and that it is correct and I agree to comply with all rules and regulations of the Montecito Sanitary District, County ordinances and laws of the State of California regulating sewers and sanitation. I hereby certify that I am a licensed contractor or, am the legal owner of his authorized agent the above described property.

Signed [Signature]
Owner, Agent, Contractor

SEWER DESIGN / PLAN CHECK

Feet Main Line Sewer (Per Resolution 2017-906) \$

Rechecking

Before Plans Approved: Additional Feet

After Plans Approved: Additional Feet

SUBTOTAL

CONSTRUCTION PERMIT

Feet of Sewer Main Line to be Constructed 256

Per Dedication Agreement, Construction Cost Estimate \$ 98,200 98,200.00

Dedication Agreement 2,300.00

Inspection Fees (Cost Estimate) 14,000.00

Reimbursement Agreement Fee (Fican) \$812.93 x 2 for 1508 & 1510 1,625.86

SUBTOTAL 116,125.86

EASEMENT PROCESSING

First Parcel \$2,300

Additional Parcels at \$1,150 each

SUBTOTAL

Reviewed [Signature]

Check No. 4157 Receipt No. 3694

TOTAL \$ 116,125.86

Amount: \$116,125.86

Construction Cost - Surety Bond Reference No.

(Property owner required to provide Bond or payment for the total construction cost of the sewer main)

Issued By [Signature]
Caroline Martin, Acct/Administrative Assistant





# 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)

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## MONTECITO SANITARY DISTRICT STAFF REPORT

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**DATE:** Thursday, August 12, 2021  
**TO:** Board of Directors  
**FROM:** Bradley Rahrer, General Manager  
**SUBJECT:** Overview of MSD Connection Fees

**RECOMMENDATION:**

That the Board of Directors:

1. Receive a presentation from the General Manager on connection fees; and
2. Discuss the current connection fee of \$8,400.

**DISCUSSION:**

**Background** – Districts, cities, and utilities use rate studies to support the establishment of connection fees. There are generally two methods available to utilities for developing connection fees to recover the cost of capacity available for new service; 1) Average Cost Buy-in method and 2) the Incremental Growth-Related Cost method. Since MSD is a small district and is considered to be nearly built-out, the District elected to use the Average Cost Buy-in method to establish its connection fees.

In 2010, the District hired a consultant, CDM Smith, to analyze the District's existing connection fees and update those established in MSD Resolution 2004-816. In 2010 the fees were increased from \$3,250 to \$7,300 per equivalent residential unit, or ERU. The fee was calculated from capital asset investments made by the District to develop capacity in the wastewater collection and treatment systems. The recalculated fee allowed for any future customer growth to "pay for itself" without burdening existing customers.

CDM Smith also advised MSD to update the fee periodically based on inflationary escalations in facility construction costs. On October 9, 2017, the MSD Board of Directors passed Resolution 2017-906 amending several District Fees, including the connection fees updating the charge per 1.0 ERU to \$8,400.

Resolution No. 2017-906, took effect on January 1, 2018 and is still currently in effect.

Periodic evaluation and analysis of District fees, annual sewer service charges, is recommended. The District's last rate study was prepared by Water Consultancy in 2016, however the connection fee analysis was not part of the scope of service for that study.

**Fiscal Impact** – When property owners propose to make a new connection to District facilities, either through development or septic to sewer conversion, the current connection fee is collected and those funds are separated from other District revenue in a general ledger line item and on the financial statements.

**Public Notice** – Modifying District fees not based solely on inflationary escalations requires a full rate study. And any modification to District fees requires advance public noticing and a new resolution.

**OTHER STAKEHOLDERS:** NA

**ATTACHMENTS:**

1. 2010 MSD Updated Connection Fee Memo (CDM Smith, May 5, 2010)
2. Resolution No. 2017-906

## **ORDINANCE NO. 12**

### **AN ORDINANCE OF THE BOARD OF DIRECTORS OF THE MONTECITO SANITARY DISTRICT**

#### **ESTABLISHING CERTAIN RULES REGARDING CONNECTION TO THE DISTRICT'S SEWER SYSTEM, PROHIBITING CONNECTIONS THAT RESULT IN RAINWATER OR STORMWATER DISCHARGES INTO THE DISTRICT'S SEWER SYSTEM, REQUIRING PRETREATMENT MEASURES AND AUTHORIZING PREVENTIVE MEASURES RESPECTING INDUSTRIAL WASTEWATER, AND REQUIRING PROPERTY OWNERS TO CONDUCT VIDEO INSPECTIONS OF PRIVATE SEWER LATERALS THAT DISCHARGE INTO THE DISTRICT'S SEWER SYSTEM**

WHEREAS, the District is duly formed and operates pursuant to the Sanitary District Act of 1923, which is codified in Health and Safety Code section 6400 et seq. (the "Act"); and

WHEREAS, Section 6521 of the Act authorizes the District to make and enforce all necessary and proper regulations for all sanitary purposes not in conflict with the laws of the State of California; and

WHEREAS, Section 6522 of the Act further provides that the District may do any act necessary or proper to the complete exercise and effect of any of its powers, or for the purposes for which it was formed; and

WHEREAS, pursuant to California Government Code section 54739(a), the District is authorized, among other things, to require pretreatment of any industrial waste which the District determines is necessary to protect its treatment works or the proper and efficient operation thereof or the health or safety of its employees or the environment, and to require prevention of the entry of such industrial waste into the collection system and treatment works; and

WHEREAS, based upon the express authority set forth in the Act and Government Code section 54739, the District desires to adopt this ordinance regulating connection to and use of the District sewer system and requiring pretreatment of industrial wastewater and prevention of discharge of such wastewater into the District sewer system; and

WHEREAS, the adoption of such an ordinance is exempt from the California Environmental Quality Act ("CEQA") in accordance with Section 15308 of the State CEQA Guidelines that exempts actions taken by regulatory agencies as authorized by State law or local ordinance, to assure the maintenance, restoration, enhancement, or protection of the environment where the regulatory process involves procedures for the protection of the environment.

NOW, THEREFORE, the Board of Directors of the Montecito Sanitary District does ordain as follows:

Section 1. The following ordinance is hereby adopted to read as follows:

**I. Purpose**

The purpose of this ordinance is to:

A. Insure that a fair and equitable system is established for providing sanitary sewer service to residents of the District and for collecting the revenues necessary to build, operate and maintain the District's collection, treatment, and disposal system.

B. Prohibit any person from making any connection to the District's sewer system that results in rainwater or stormwater being discharged into the District's sewer system.

C. Establish the District's requirements for pretreatment of industrial wastewater that the District determines is necessary to protect its treatment works or the health and safety of its employees or the environment.

D. Establish the District's authority to prevent entry of such industrial wastewater into the collection system and treatment works.

E. Require owners to conduct video inspections of private sewer laterals that discharge into the District sewer system in order to insure the proper maintenance and operation of the District's sewer system.

**II. Definitions**

Unless specifically defined below, words or phrases used in this ordinance shall be interpreted so as to give them the meaning they have in common usage and to give this ordinance its most reasonable application.

A. "Auxiliary structure" is any structure that is intended for any use other than a dwelling unit.

B. "Board" is the Board of Directors of the Montecito Sanitary District.

C. "District" is the Montecito Sanitary District.

D. "Dwelling unit" is defined as any structure/unit equipped with both food preparation (e.g. oven, cooking surface, microwave, etc.) and bathroom facilities that allows for independent living accommodations for one or more persons. Such units may exist as a house divided into more than one residence, a guest house, an attached or detached residential second unit, a studio, an apartment, a converted garage and/or any other structure attached to or separate from the principal dwelling unit on any parcel.

E. “General Manager” is the General Manager of the District or his or her designee.

F. “Industrial Wastewater” is any wastewater that is discharged, directly or indirectly, into the District’s sewer system, which is solid, liquid or gaseous waste and contains pollutants different from or stronger than or with constituents other than those normally included in domestic wastewater.

G. “Non-permitted connection” is any dwelling unit and/or auxiliary structure or portion thereof that has been connected to the District’s sewer system without the issuance of a valid connection permit by the District.

H. “Owner” is the property owner of record at the time of discovery of the non-permitted connection.

I. “Sewer System” is any portion of the District’s collection system, treatment works and/or disposal system.

### **III. Connection to Sewer System**

A. No person shall make any connection or maintain any connection to the District sewer system or to a lateral connected to the District sewer system without obtaining a written permit from the District and paying all required fees and charges.

B. No person shall make any connection or maintain any connection to the District sewer system or to a lateral connected to the District sewer system that results in rainwater or stormwater being discharged into the District sewer system.

C. Once any dwelling unit and/or auxiliary structure on a parcel has been connected to the District’s sewer system, all dwelling units and/or auxiliary structures containing plumbing fixtures on that parcel must also be connected to the sewer system, and all on-site private disposal systems must be properly abandoned in accordance with the law.

### **IV. Capacity Rights**

So long as capacity is available in the District sewer system, the District will provide sanitary sewer service to all existing and/or new dwelling units and/or auxiliary structures upon payment of all applicable fees and charges and issuance of a District sewer connection permit.

### **V. Non-Permitted Connection to Dwelling Unit and/or Auxiliary Structure**

In the event a non-permitted connection to a dwelling unit and/or auxiliary structure exists, and the owner chooses to maintain the connection, owner shall be responsible for paying to District all current District fees and charges related to connecting to the District sewer system and shall be responsible for payment of the annual sewer service charge from the date of the non-permitted connection.

**VI. Voluntary Compliance**

Any owner that voluntarily discloses the existence of any non-permitted connection will not be charged fees and charges for any prior year's service charges. For such voluntary compliance, only current and future service charges and capacity fees will be imposed on the owner by the District.

**VII. Refund Policy**

If sufficient evidence is submitted to the satisfaction of the General Manager that incorrect service charges have been collected by the District, the overcharge shall be refunded to the owner at the time of the General Manager's determination, subject to the following limitations:

- A. In no event shall an owner be eligible for a refund of service charges for a period of time in excess of three years from the date of the General Manager's determination.
- B. Owner is only eligible to receive a refund for the amount overpaid by that owner and not for any amount overpaid by a previous owner. Documentation of the date of title transfer must be submitted by the owner to the District with any request for consideration.

**VIII. Video Inspection of Private Laterals and/or On-site Private Collection Systems**

- A. District may require that an owner conduct video inspections of the private sewer lateral(s) and/or private on-site sewer collection systems that discharge into the District sewer system. Upon written notice from the General Manager, within 90 days owner shall complete the video inspection of owner's private sewer lateral and/or private on-site sewer collection system and provide a copy of the video to District. District shall provide owner with the names of companies that are qualified to provide the video inspection of the private sewer laterals. Owner may choose another company at owner's discretion.
- B. In the event the video identifies any necessary repairs to the private lateral(s) and/or private on-site collection system, such repairs shall be undertaken at the owner's sole expense and completed within 90 days of receiving a written notice of repair from the District. Failure to comply with this provision may result in the imposition of civil penalties.

**IX. Prohibition Concerning Discharge of Industrial Wastewater**

- A. No person may discharge any industrial wastewater into the District sewer system, whether from a private lateral, manhole, or other point of connection, without first obtaining written approval from the District to permit such industrial wastewater to enter the District sewer system. The District may require pretreatment, in a manner acceptable to the District, of any such industrial wastewater that the District determines may pose a substantial risk to the District sewer system or the proper and efficient operation thereof, or to the health or safety of its employees, or to the environment.
- B. At any time while this Ordinance remains in effect, the District may adopt such requirements as it deems necessary to prevent the entry of industrial wastewater into the District sewer system.

C. Any person who violates any prohibition or requirement of the District pursuant to this section shall be subject to civil liability in accordance with Government Code Section 54740 *et seq.* The provisions of Section X Enforcement and Appeals of this Ordinance shall not apply in the event of a violation under this Section IX except to the extent that Section X is consistent with the statutory provisions of Government Code sections 54740.5 and 54740.6.

**X. Enforcement and Appeals**

A. Owner may appeal the General Manager's determination of any violation of this ordinance by requesting a review by the Board. At the Board hearing, the owner may present evidence to the Board as to why the alleged violation does not exist. Any hearing before the Board will require the preparation of written request for a hearing within 15 days after the final determination by the General Manager. If the owner does not request the hearing within the time allowed, the right to appeal the General Manager's determination shall be deemed waived.

B. The District will provide a final notice of determination explaining the decision of the Board and the required actions.

C. In the event any outstanding fees and charges are not paid in the manner ordered by the Board, such fees and charges will be added to the County tax roll for the property to be collected during the next fiscal year. In such instances, an additional administrative fee in the amount of \$300 will be added to the fees and charges.

Section 2. Findings

In adopting this ordinance, the District Board hereby finds as follows:

A. That the content of this ordinance is a necessary and proper regulation for all sanitary purposes and is not in conflict with the laws of the State of California.

B. That the adoption of this ordinance is necessary and proper for the complete exercise of the purposes contained in the Sanitary District Act of 1923.

C. The improper maintenance of private sewer laterals may result in a discharge of excessive amounts of water into the District's sewer system resulting in the potential inundation of the District's sewer system and may cause damage to the District's sewer system and treatment plant. Further, improper maintenance may result in sanitary sewer overflows sending untreated wastewater into the waters of the United States and causing public health problems and environmental damage.

D. The improper discharge of industrial wastewater, or failure to prevent such discharge, may result in damage to the District sewer system, to the health and safety of its employees, or to the environment.

Section 3. This Ordinance No. 12 repeals and supersedes Ordinance No. 9 and any other District ordinance, resolution, rule or regulations inconsistent herewith.

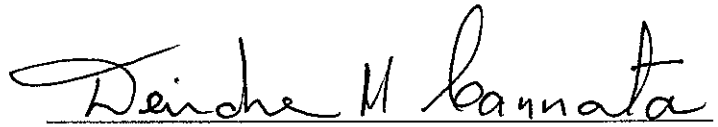
Section 4. If any chapter, article, section, subsection, subdivision, sentence, clause, phrase, or portion of this ordinance, or the application thereof to any person, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this ordinance or its application to other persons. The District Board hereby declares that it would have adopted this ordinance and each chapter, article, section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more chapters, articles, sections, subsections, subdivisions, sentences, clauses, phrases, or portions of the application thereof to any person, be declared invalid or unconstitutional. No portion of this ordinance shall supersede any local, State, or federal law, regulation, or code.

Section 5. Immediately following adoption, the Clerk shall cause this ordinance to be published one time in a newspaper of general circulation within the District. Ordinance No.12 was adopted on September 24, 2007, to become effective following its publication in a newspaper of general circulation.

AYES: Arnold, Cannata, Eidelson, Hovey, Ishkanian

NAYS: None

ABSENT: None

  
\_\_\_\_\_  
President

ATTEST:

  
\_\_\_\_\_  
Secretary







## Memorandum

*To: Diane Gabriel, P.E., General Manager  
Montecito Sanitary District*

*From: Grant Hoag, P.E.*

*Date: May 3, 2010*

*Subject: Montecito Sanitary District Updated Connection Fees*

The purpose of this memo is to document the assumptions, findings and conclusions of our update of the Montecito Sanitary District (MSD) connection fees. The existing connection fee is \$3,250 per equivalent residential unit (ERU); it was enacted in 2004. The MSD service area is nearly built out, but has existing but unused capacity for a limited number of new residences and commercial businesses.

Using the capacity available for new sewer connections, and the existing investment in system-wide facilities, we recommend that the existing connection fee be increased to \$7,320 per ERU. This new fee is calculated from the capital asset investments made by the District to develop capacity in the wastewater system for the benefit of future customers. The new fee will reimburse existing customers for their investments in the MSD facilities that has remaining capacity that is available to future customers. With this fee, which has been calculated consistent with State Government Codes, any future customer growth will “pay for itself” without being a burden on existing customers.

We also recommend that, based on the findings of this study, a schedule of new connection fees be enacted for future non-residential customers using their connected water demand levels. Finally, we recommend that the updated fee be increased periodically based on the inflationary escalations in facility construction costs.

The study findings are based on the analysis in the attached tables. The tables summarize MSD system capacities and the value of capital assets as of 6/30/09, and identify the following values:

- Connection fees defined in dollars per equivalent residential unit (ERU); and
- Connection fees based on ERUs per unit of water demand associated with sewage discharged from low, medium, and high sewage strength commercial dischargers.

## Background

MSD is required by state law to provide sewer services to all new development. In addition to future development of residential parcels and increases in services at existing commercial businesses, there are at least 350 unsewered residences within the service area on septic systems; many located adjacent to existing sewer pipelines. MSD has a policy of supporting the sewer system hook-ins for these residences, but requires that “growth pay for itself,” and that the connection fee be set at a level that can compensate existing customers for their investment in conveyance and treatment facility capacity that will be available for new customers seeking to connect to the system. This connection fee is calculated from the value of the MSD facilities that are available to serve new connections.

MSD Resolution 2004-816 provides the current connection fees. As shown below, the fees are based on a variety of customer types; typical connection fee classes are provided below:

| <u>Connection Type</u>                   | <u>Billing Unit</u>                   | <u>Charge</u>  |
|--|---------------------------------------|----------------|
| Single family residence                  | Dwelling Unit                         | \$3,250        |
| Clubs, Halls                             | Member average daily attendance (ADA) | \$200 to \$325 |
| Commercial (low to high strength sewage) | Employee ADA                          | \$200 to \$875 |
| Schools (day or resident)                | Student ADA                           | \$245 to \$875 |
| Restaurant                               | Seat                                  | \$435          |

In addition to the connection fee, MSD also charges new hookups for construction inspection and requires a performance bond deposit.

## Connection Fee Calculation Guidelines

California Government Code Sections 66000 - 66024 enacted by Assembly Bill 1600 are the primary regulations applicable to the development and recovery of connection fees. These regulations are applicable only to cities with statutory authority to regulate growth. As such, MSD is not restricted by government code for the determination of connection fees. For cities regulated by this code, the three key requirements are:

- There must be a nexus between the facility costs and the connection fees.
- The proceeds of the connection fees must be segregated from other funds.
- The revenues must be “committed” to a project within five years of receipt.

Although MSD is not legally required to comply with these connection fees codes, it is recommended that the calculation be consistent with these methods. As such, the calculations described below are based on the nexus between fee amounts and MSD capital values.

## Calculation Methodology

There are two methods available to utilities for developing connection fees that recover the cost of capacity available for new service. These are the Average Cost Buy-in and the Incremental Growth-Related Cost methods. The later method is appropriate only for utilities that have significant expansion-related capital projects. Since MSD has limited unused capacity, and because there are no planned expansion projects, calculation of connection fees using the Average Cost Buy-in Method is used herein. This method is particularly appropriate for utilities serving near built-out communities, and is based solely on the value of existing assets.

With the proposed Average Cost Buy-in Method, connection fees are based on the average existing investment per connection. In this study the investment is calculated from the replacement value of the existing fixed assets, less the depreciation. This analysis has escalated the original cost of the fixed assets by the regional index for construction cost inflation, and calculates the new replacement value of assets; the facility values identified herein are based on the replacement cost new less depreciation (RCNLD) of the fixed assets. In addition to the fixed asset value of the system facilities, MSD's cash assets are also included in the value of a new connection. Connection fees are based solely on asset values, and exclude operating costs.

The values of MSD's fixed and cash assets are divided by the system customers to determine the unit value of each connection fee. A single unit value of the fixed assets is based on the system's build-out capacity, while the unit value of MSD's cash assets is based on the number of existing customers.

Connection fees are imposed only upon new customers. Without a usage history for these new customers, MSD must base the connection fee on the anticipated burden the new customer will place on the system. An effective and popular method for estimating the burden is to calculate the total flow capacity of the system based on the maximum number of equivalent residential units (ERUs) that can be served.

Once that unit cost per residential ERU is developed, it can be extended to non-residential customers. This is done by allocating a unit of ERU load to its components of flow, sewage strength and administration facilities. The estimated sewage discharge flows are proportional to water demands using a water returned to sewer ratio, and the wastewater strength is based on customer classifications. As such, a wastewater connection fee is defined for new non-residential customers based on their class and indoor water demand levels.

## Connection Fee Schedule Development

The calculations of ERU values are presented in Tables 1 through 7, plus Appendix A. The calculations result in proposed connection fee schedules. Each table and calculation step is described below.

### Table 1 MSD Sewer Service Capacity

The purpose of Table 1 is to identify the average customer discharge capacity of the sewer system based on flows and loadings. In April 2009, instantaneous peak headwork flows exceeded 1.75 MGD, while the MSD rated plant capacity of 1.5 MGD of average annual flows. The average annual influent flows in 2009 were 0.829 MGD.

As shown in Table 1, average monthly customer discharges in 2009 were 0.782 MGD, with collection system inflow and infiltration (I/I) during the rainy season increasing average flows and suspended solids loading at the treatment plant headworks. MSD capacity, excluding the facilities' handling I/I loading, is 0.415 MGD, 3,286 pounds per day (ppd) of biochemical oxygen demand (BOD), and 3,659 ppd of total suspended solids (TSS). Based on this system capacity, divided by the average discharge from a single-family dwelling, the MSD system has an equivalent residential capacity of 7,684 ERUs.

### Table 2 MSD Fixed Asset Value

The purpose of Table 2 is to summarize MSD's existing fixed asset values. As shown, based on 445 different assets listed in Appendix A, the current replacement cost new less depreciation (RCNLD) of the fixed assets is \$56 million. The replacement cost of the entire system is \$122 million, and the accumulated depreciation is \$66 million. The subsurface pipeline value is the most significant MSD asset, with the original cost of \$20 million now exceeding a replacement value of \$98 million. Due to the 75 year life of these pipes, the RCNLD value of pipes is \$46 of the \$56 million for the entire MSD system.

### Table 3 MSD Updated Connection Fee

The connection fee is calculated by dividing MSD assets by the system capacity identified in Table 1. In addition to the net fixed asset value of \$56 million provided in Table 2, MSD also has debt principal outstanding of \$14.8 million, and appropriated but unspent bond proceeds of \$6.2 million that have been allocated to facility project construction. As such, net fixed asset value is \$47.5 million, and the unit facilities fee is \$6,185 per ERU. The total cash reserves are \$4.8 million; with current customers of 4,247 ERUs the unit cash asset fee is \$1,141 per ERU. Combined, the total asset value for future growth is \$7,326 per ERU. We recommend that this connection fee be rounded to \$7,300 per ERU for administrative convenience. In the following tables this charge is allocated among wastewater loading units to calculate a connection fee for new non-residential customers.

#### **Table 4 MSD Fixed Asset Allocations**

The purpose of Table 4 is to calculate how the net asset values are allocated among the wastewater discharge loading categories. These loading categories are wastewater flows, BOD and TSS loads, and account-based administration facilities. As shown, for each asset class (i.e. treatment, solids disposal etc) a cost-causative function is identified for the loading categories. This cost-causative process is used for facilities to recognize the relationship between the costs of a facility and the load factors causing the costs. As shown, all conveyance facilities are allocated to flows, as is 26 percent of the treatment plant. The result is that 92 percent is assigned to the flow-based loads of new customer connections, with the remaining value allocated primarily to sewage strength.

#### **Table 5 MSD Fixed Assets Allocations & Equivalent Residential Unit Values**

The purpose of Table 5 is to identify the load amount per loading category for 1.0 ERU, and the value per unit of each load. As shown, the loads of 1.0 ERU are allocated among the categories of wastewater flows, BOD and TSS loads, and administration facility. This allocation is based on the allocation of system values to categories developed in the prior table, and the MSD loading capacities developed in Table 1. As shown, 92 percent of the value per 1.0 ERU, or \$6,752, is allocated to flow. Also developed is that this flow-based value is equal to \$36 per gallon per day (GPD) of estimated 189 GPD of wastewater discharge from 1.0 ERUs. The table also provides ERU loading units (and unit connection rates) for BOD, TSS and new accounts. For example, 1.0 ERU has 0.36 pounds per day (ppd) of BOD and for TSS, with a connection fee value of \$728 per ppd for both. The value per ERU for the administration facility is \$47.

#### **Table 6 MSD Commercial Connection Fees**

The purpose of Table 6 is to tabulate the calculated wastewater connection fee ERU's based on indoor water demands of new customers by class. As shown, we recommend that a new non-residential low to high-strength customers be charged from 0.0038 to 0.0047 ERUs per gpd of indoor water demand, in addition to a flat fee of 0.0064 ERUs per connection for the administrative facilities fee. At the calculated fee of \$7,326 per ERU, these unit rates equal \$28 to \$34 gpd of indoor water demand. As provided in the following section, the non-residential unit connection fees should be periodically updated for inflationary escalations, and can be enacted as units of an ERU to simplify the adjustment process.

Also shown in the table is the unit connection fee for residential strength discharges of 0.0047 ERUs per gpd of indoor water demand, based on a 90 percent return to sewer ratio. This value is provided for charges to single-family dwelling estates on residential parcels which have anticipated loads on the system significantly in excess of typical single-family dwelling residence parcels.

Note also that in addition to the flow-based charges, all new connections must also pay a one-time administrative facilities fee for the value of the MSD administrative headquarters facility. However, the standard rate for 1.0 ERU is based on the inclusion of that administrative facility fee.

### **Table 7. Updating of Connection Fees for Inflation**

The purpose of Table 7 is to provide tabulated values for MSD Resolution No. 2010-856 Section VIII-Fees Subsection 5 Connection Fees. As shown in the table, all connection fees are listed in ERU billing “units.” This is done to simplify periodic updating of the connection fee based on inflationary escalations, without having to modify the table itself. This potential clause in the MSD resolution, as drafted by the Vallejo Sanitation & Flood Control District, is written as:

*This [resolution] shall be updated annually on or about the first day of January by an adjustment of all fees contained herein, as set forth below. Said annual adjustment shall, at a minimum, be made by multiplying each fee included in this ordinance by the ratio of the ENR construction Cost Index of [Los Angeles] of the current October, as reported by Engineering News-Record, the McGraw-Hill Construction Weekly. The result of said multiplications shall be rounded to the nearest five dollar (\$5.00) increment to become the fee amounts for the ensuing year, effective sixty (60) days after adoption of the revised fee amounts. Additional increases in the connection fees necessary to recover costs of projected capital improvements shall be at the discretion of the Board of [Directors]. Notwithstanding the foregoing, this section shall not preclude the Board of [Directors] from time-to-time changing the ordinance or adopting fees other than those as provided herein to be effective on any other date.*

Under separate cover MSD has been provided with three sample wastewater connection fee resolutions and ordinances enacted by California wastewater districts with treatment capacity, including two with provisions for inflationary escalations based on the Construction Cost Index of the Engineering News Record (ENRCCI). The text shown above is taken from one of the ordinances.

Attachments: Tables 1-7, Appendix A

Table 1  
MSD Sewer Service Capacity

| Billing Classifications                         | Dwellings                 | Accounts | Parcels | Flow (mgd)   | BOD (lbs/day) | TSS (lbs/day) | ERU          |
|---|---------------------------|----------|---------|--------------|---------------|---------------|--------------|
| <b>Residential Accounts</b>                     |                           |          |         |              |               |               |              |
| Single-family Dwelling                          | 2,290                     | 2,290    | 2,290   | 0.432        | 829           | 829           | 2,290        |
| Other (Condos etc)                              | 1,413                     | 710      | 710     | 0.128        | 246           | 246           | 678          |
| Subtotal  | 3,703                     | 3,000    | 3,000   | 0.560        | 1,075         | 1,075         | 2,968        |
| <b>Non-residential Accounts</b>                 |                           |          |         |              |               |               |              |
|   | Avg. Water Use (Hcf/year) |          |         |              |               |               |              |
| Low Strength                                    | 25,255                    | 57       | 21      | 0.039        | 47            | 47            | 199          |
| Medium Strength                                 | 107,875                   | 43       | 19      | 0.166        | 574           | 806           | 975          |
| High Strength                                   | 10,228                    | 3        | 2       | 0.016        | 118           | 92            | 98           |
| Residential SFD                                 |                           | 8        | 6       | 0.001        | 2             | 2             | 6            |
| Condo and 2nd Dwellings                         |                           | 1        | 2       | 0.000        | 0             | 0             | 0.4          |
| Subtotal  | 143,358                   | 112      | 50      | 0.222        | 741           | 947           | 1,278        |
| Non-residential Water Use Returned to Sewer     |                           |          |         | 75%          |               |               |              |
| Annual Avg Connection Discharges                |                           | 3,112    | 3,050   | 0.782        | 1,816         | 2,022         |              |
| Average Inflows                                 |                           |          |         | 0.047        |               | 1,358         |              |
| Total 2009 average flows and influent strengths |                           |          |         | 0.829        | 1,816         | 3,380         | 4,247        |
| Plant Capacity                                  |                           |          |         | 1.500        | 3,286         | 6,117         |              |
| <b>Plant Capacity Excluding Inflows</b>         |                           |          |         | <b>1.415</b> | <b>3,286</b>  | <b>3,659</b>  | <b>7,684</b> |

Source: MSD Accts and Revenues Data - 5156 Montecito Tax Roll and MSD Fees for Commercial accounts in FY 2008-09

Table 2  
MSD Fixed Asset Value

| Description                                   | Lift Stations      | Subsurface          | Treatment          | Disposal           | Admin            | Total               |
|---|--------------------|---------------------|--------------------|--------------------|------------------|---------------------|
| Number of Assets                              | 69                 | 138                 | 194                | 5                  | 39               | 445                 |
| Original Cost                                 | \$2,440,747        | \$19,618,641        | \$8,394,351        | \$532,467          | \$496,499        | \$31,482,704        |
| Depreciation                                  | \$588,791          | \$7,219,636         | \$3,629,221        | \$350,700          | \$262,586        | \$12,050,935        |
| Original Cost Less Depreciation               | \$1,851,956        | \$12,399,005        | \$4,765,129        | \$181,767          | \$233,913        | \$19,431,770        |
| Replacement Cost New                          | \$3,556,894        | \$98,026,578        | \$16,575,454       | \$3,066,321        | \$765,954        | \$121,991,201       |
| Depreciation                                  | \$1,313,508        | \$52,359,730        | \$9,796,628        | \$2,001,504        | \$430,719        | \$65,902,090        |
| <b>Replacement Cost New Less Depreciation</b> | <b>\$2,243,385</b> | <b>\$45,666,848</b> | <b>\$6,778,826</b> | <b>\$1,064,817</b> | <b>\$335,235</b> | <b>\$56,089,111</b> |

In 2004 the total asset value was \$45 million.

Values are as of 6/30/09. The fixed asset valuation calculations are included in Appendix A.



Table 3  
MSD Updated Connection Fee

| Description                                | Value               |
|--|---------------------|
| <b>System Value (RCNLD, 6/30/09)</b>       |                     |
| Admin                                      | \$335,235           |
| Collection (lift stations)                 | \$2,243,385         |
| Solids (disposal)                          | \$1,064,817         |
| Subsurface (pipelines)                     | \$45,666,848        |
| WWTP (treatment)                           | \$6,778,826         |
| Grand Total Fixed Assets                   | \$56,089,111        |
| Less Bond Principal Outstanding            | (\$14,790,000)      |
| Subtotal                                   | \$41,299,111        |
| Plus Unspent Bond Proceeds for Projects    | \$6,225,318         |
| Total Asset Value                          | \$47,524,429        |
| Build Out Customers (ERUs)                 | 7,684               |
| Facilities Fee (\$/ERU)                    | \$6,185             |
| <b>Total Cash (3/31/10)</b>                |                     |
| Reserve funds with LAIF                    | \$1,620,494         |
| Deprecation fund with SB County            | \$1,217,149         |
| Cash with SB County                        | \$2,006,633         |
| Total Cash                                 | \$4,844,276         |
| Current Customers (ERUs)                   | 4,247               |
| Cash Assets Fee (\$/ERU)                   | \$1,141             |
| <b>Net System Value (6/30/09)</b>          |                     |
|  | <b>\$52,368,705</b> |
| Facilities Fee (\$/ERU)                    | \$6,185             |
| Liquid Assets Fee (\$/ERU)                 | \$1,141             |
| <b>Updated Connection Fee (\$/ERU)</b>     | <b>\$7,326</b>      |
| <b>Recommended Connection Fee (\$/ERU)</b> | <b>\$7,300</b>      |
| Current Connection Fee                     | \$3,250             |

Table 4  
MSD Fixed Asset Allocations

| Description                         | Lift Stations | Subsurface    | Treatment     | Disposal    | Administration | Total          |
|-------------------------------------|---------------|---------------|---------------|-------------|----------------|----------------|
| Fixed Asset Value                   | \$2,243,385   | \$45,666,848  | \$6,778,826   | \$1,064,817 | \$335,235      | \$56,089,111   |
| Plus Unspent Bond Proceeds          | \$1,037,553   | \$1,037,553   | \$4,150,212   |             |                | \$6,225,318    |
| Less Bonds Outstanding              | (\$1,479,000) | (\$4,437,000) | (\$8,874,000) |             |                | (\$14,790,000) |
| Net Asset Value                     | \$1,801,938   | \$42,267,401  | \$2,055,038   | \$1,064,817 | \$335,235      | \$47,524,429   |
| Unit Value per Build-out ERU        | \$235         | \$5,501       | \$267         | \$139       | \$44           | \$6,185        |
| Plus Cash (excluding bond proceeds) |               |               |               |             |                |                |
| Reserve funds with LAIF             | \$540,165     | \$540,165     | \$540,165     |             |                | \$1,620,494    |
| Deprecation fund (SB County)        | \$405,716     | \$405,716     | \$405,716     |             |                | \$1,217,149    |
| Cash with SB County                 | \$76,084      | \$1,784,664   | \$86,770      | \$44,960    | \$14,155       | \$2,006,633    |
| Total Cash                          | \$1,021,965   | \$2,730,545   | \$1,032,651   | \$44,960    | \$14,155       | \$4,844,276    |
| Unit Value per Current ERUs         | \$241         | \$643         | \$243         | \$11        | \$3            | \$1,141        |
| Net Value                           | \$475         | \$6,144       | \$511         | \$149       | \$47           | \$7,326        |

| Allocations to Loading Categories (a) | Allocations |      |      |      |      |       |         |
|---------------------------------------|-------------|------|------|------|------|-------|---------|
| Flow                                  | 100%        | 100% | 26%  | 0%   | 0%   | 92.2% | \$6,752 |
| BOD                                   | 0%          | 0%   | 37%  | 50%  | 0%   | 3.6%  | \$264   |
| TSS                                   | 0%          | 0%   | 37%  | 50%  | 0%   | 3.6%  | \$264   |
| Accounts                              | 0%          | 0%   | 0%   | 0%   | 100% | 0.6%  | \$47    |
| Total (%)                             | 100%        | 100% | 100% | 100% | 100% | 100%  | \$7,326 |

a. Source: Table 3-2, 2008 Rate Study

Table 5  
MSD Fixed Assets Allocations & Equivalent Residential Unit Values

| <b>Loading Category</b> | <b>Net Allocated Value</b> | <b>Units</b> | <b>Unit Connection Rate</b> | <b>1.0 ERU Loading</b> | <b>1.0 ERU Value</b> |
|-------------------------|----------------------------|--------------|-----------------------------|------------------------|----------------------|
| Flow                    | \$48,265,500               | GPD WW       | \$36                        | 189                    | \$6,752              |
| BOD                     | \$1,883,747                | ppd          | \$728                       | 0.36                   | \$264                |
| TSS                     | \$1,883,747                | ppd          | \$728                       | 0.36                   | \$264                |
| Accounts                | <u>\$335,711</u>           | Account      | \$47                        | 1.00                   | <u>\$47</u>          |
| <b>Total</b>            | <b>\$52,368,705</b>        |              |                             |                        | <b>\$7,326</b>       |

ppd: Pound per day; GPD WW: gallons per day of wastewater discharge

Table 6  
MSD Commercial Connection Fees

| Non-residential Connection  | Sewage Flow (GPD) | Capacity  |           | Fee (\$ per WW GPD) | Water Use Returned to Sewer | Fee (\$ per Wtr GPD, a)   | Fee (ERU per GPD of Water Demand, a) |
|-----------------------------|-------------------|-----------|-----------|---------------------|-----------------------------|---------------------------|--------------------------------------|
|                             |                   | BOD (ppm) | TSS (ppm) |                     |                             |                           |                                      |
| Low Strength                | 1.00              | 144       | 145       | \$38                | 75%                         | \$28                      | 0.0038                               |
| Residential Strength        | 1.00              | 230       | 230       | \$39                | 90%                         | \$35                      | 0.0047                               |
| Medium Strength             | 1.00              | 415       | 583       | \$42                | 75%                         | \$31                      | 0.0043                               |
| High Strength               | 1.00              | 900       | 700       | \$45                | 75%                         | \$34                      | 0.0047                               |
|                             |                   |           |           |                     |                             | <b>ERU per Connection</b> |                                      |
| Administration Facility Fee |                   |           |           |                     |                             | \$47                      | <b>0.0064</b>                        |
|                             |                   |           |           |                     |                             |                           | <b>Fee (\$/ERU)</b>                  |
| Residential Dwelling        | 189               | 230       | 230       |                     |                             |                           | \$7,326                              |

a. Commercial connection fee is based on water demand (GPD), not wastewater discharge, using a return to sewer ratio of 75 percent.

Table 7  
MSD Wastewater Connection Fees

| <b>Customer Sewage Strength</b> | <b>Unit Connection Fee (ERU per estimated GPD of Water Demand)</b> |
|---------------------------------|--|
| Low Strength                    | <b>0.0038</b>  |
| Residential Strength            | <b>0.0047</b>  |
| Medium Strength                 | <b>0.0043</b>  |
| High Strength                   | <b>0.0047</b>  |
|                                 | <b>ERU per Connection</b>  |
| Administrative Facility Fee     | <b>0.0064</b>  |
| Residential Dwelling (1.0 ERU)  | \$7,300  |

ERU: Equivalent Residential Unit; GPD: Gallon per Day  
1.0 ERU includes the administrative facility fee, while the fee per GPD does not.

# Appendix A

## MSD Fixed Assets & Depreciation: Original and Replacement Cost Valuation

| Asset Number | Fac Desc   | Description                  | Updated Life | Yr in Service | Original Cost (OC) | FY 08-09 Depreciation | Original Cost Less Depreciation (OCLD) | Service Year ENRCCI/SF | 2009 Replacement Cost (RC) | RC Depreciation | 2009 RC/NLD |
|--------------|------------|------------------------------|--------------|---------------|--------------------|-----------------------|--|------------------------|----------------------------|-----------------|-------------|
| ADMIN004     | Admin      | bidg addition                | 50           | 1976          | \$28,851           | \$577                 | \$10,387                               | 2,920                  | \$96,443                   | \$1,929         | \$32,790    |
| ADMIN001     | Admin      | vault                        | 50           | 1976          | \$7,213            | \$144                 | \$2,596                                | 2,920                  | \$24,111                   | \$482           | \$8,198     |
| ADMIN003     | Admin      | building                     | 50           | 1984          | \$43,517           | \$870                 | \$22,628                               | 5,260                  | \$80,756                   | \$1,615         | \$40,378    |
| ADMIN002     | Admin      | bidg addition                | 50           | 1988          | \$124,651          | \$2,493               | \$74,790                               | 5,771                  | \$210,840                  | \$4,217         | \$122,287   |
| ADMIN040     | Admin      | repaving monte cristo road   | 25           | 1988          | \$13,693           | \$548                 | \$2,738                                | 5,771                  | \$23,160                   | \$926           | \$3,706     |
| ADMIN038     | Admin      | office furniture             | 24           | 1988          | \$2,267            | \$0                   | \$0                                    | 5,771                  | \$3,834                    | \$160           | \$479       |
| ADMIN036     | Admin      | office furniture             | 23           | 1989          | \$1,487            | \$0                   | \$0                                    | 5,790                  | \$2,507                    | \$109           | \$327       |
| ADMIN010     | Admin      | hp laserjet iip printer      | 22           | 1990          | \$1,335            | \$0                   | \$0                                    | 5,995                  | \$2,173                    | \$99            | \$296       |
| ADMIN007     | Admin      | hardware/software            | 15           | 1996          | \$6,185            | \$0                   | \$0                                    | 6,558                  | \$9,206                    | \$614           | \$1,227     |
| ADMIN033     | Admin      | carpet office                | 50           | 1996          | \$2,575            | \$52                  | \$1,957                                | 6,558                  | \$3,832                    | \$77            | \$2,836     |
| ADMIN039     | Admin      | office furniture             | 14           | 1996          | \$9,556            | \$0                   | \$0                                    | 6,558                  | \$14,222                   | \$1,016         | \$1,016     |
| ADMIN014     | Admin      | Software                     | 11           | 1999          | \$1,894            | \$0                   | \$0                                    | 6,826                  | \$2,709                    | \$246           | \$246       |
| ADMIN012     | Admin      | Telephone system             | 10           | 2000          | \$11,015           | \$0                   | \$0                                    | 7,068                  | \$15,211                   | \$1,521         | \$1,521     |
| ADMIN009     | Admin      | laserjet printer             | 9            | 2001          | \$1,103            | \$138                 | \$138                                  | 7,227                  | \$1,490                    | \$166           | \$166       |
| ADMIN008     | Admin      | HP designjet plotter         | 9            | 2001          | \$6,439            | \$805                 | \$804                                  | 7,227                  | \$8,697                    | \$966           | \$966       |
| ADMIN006     | Admin      | computer                     | 9            | 2001          | \$2,031            | \$0                   | \$0                                    | 7,227                  | \$2,743                    | \$305           | \$305       |
| ADMIN013     | Admin      | autocad desktop              | 9            | 2001          | \$3,598            | \$0                   | \$0                                    | 7,227                  | \$4,859                    | \$540           | \$540       |
| ADMIN045     | Admin      | Software                     | 7            | 2003          | \$19,255           | \$0                   | \$0                                    | 7,532                  | \$24,954                   | \$3,565         | \$3,565     |
| ADMIN046     | Admin      | Software                     | 7            | 2003          | \$1,366            | \$0                   | \$0                                    | 7,532                  | \$1,770                    | \$253           | \$253       |
| ADMIN047     | Admin      | MAP Guide Software           | 7            | 2003          | \$30,935           | \$0                   | \$0                                    | 7,532                  | \$40,091                   | \$5,727         | \$5,727     |
| ADMIN049     | Admin      | Table & chairs               | 10           | 2003          | \$2,116            | \$212                 | \$1,058                                | 7,532                  | \$2,742                    | \$274           | \$1,097     |
| ADMIN015     | Admin      | Operating system             | 7            | 2003          | \$3,225            | \$0                   | \$0                                    | 7,532                  | \$4,180                    | \$597           | \$597       |
| ADMIN048     | Admin      | Refrigerator                 | 10           | 2003          | \$1,017            | \$102                 | \$509                                  | 7,532                  | \$1,318                    | \$132           | \$527       |
| ADMIN050     | Admin      | Alcove enclosure             | 10           | 2003          | \$4,018            | \$402                 | \$2,009                                | 7,532                  | \$5,207                    | \$521           | \$2,083     |
| ADMIN053     | Admin      | Computer                     | 6            | 2004          | \$1,935            | \$387                 | \$0                                    | 8,192                  | \$2,306                    | \$384           | \$384       |
| ADMIN052     | Admin      | Laptop                       | 6            | 2004          | \$2,184            | \$437                 | \$0                                    | 8,192                  | \$2,602                    | \$434           | \$434       |
| ADMIN051     | Admin      | Projector                    | 6            | 2004          | \$1,769            | \$354                 | \$0                                    | 8,192                  | \$2,108                    | \$351           | \$351       |
| ADMIN056     | Admin      | ENERGY EFFICIENT LIGH        | 10           | 2005          | \$8,981            | \$898                 | \$5,389                                | 8,567                  | \$10,232                   | \$1,023         | \$6,139     |
| ADMIN054     | Admin      | BOARD ROOM REFURBISI         | 10           | 2005          | \$7,981            | \$798                 | \$4,789                                | 8,567                  | \$9,093                    | \$909           | \$5,456     |
| ADMIN055     | Admin      | COMPUTERS & SOFTWAR          | 6            | 2005          | \$4,049            | \$810                 | \$809                                  | 8,567                  | \$4,613                    | \$769           | \$1,538     |
| A-2006.2     | Admin      | BOARD ROOM FURNITUR          | 10           | 2005          | \$5,864            | \$586                 | \$4,246                                | 8,567                  | \$6,681                    | \$668           | \$4,009     |
| A-2006.1     | Admin      | SOFTWARE UPGRADE             | 3            | 2006          | \$5,335            | \$1,778               | \$1,387                                | 8,879                  | \$5,865                    | \$1,955         | \$0         |
| A-2006.3     | Admin      | GIS BROWSER ENHANCE          | 3            | 2006          | \$24,467           | \$8,156               | \$6,117                                | 8,879                  | \$26,898                   | \$8,966         | \$0         |
| A-2007 1     | Admin      | NEW DELL SERVER              | 7            | 2006          | \$8,655            | \$1,443               | \$6,010                                | 8,879                  | \$9,515                    | \$1,359         | \$5,437     |
| A-2008-3     | Admin      | GIS / SCADA                  | 6            | 2007          | \$6,701            | \$1,340               | \$5,361                                | 9,182                  | \$7,124                    | \$1,187         | \$4,749     |
| A-2008-2     | Admin      | Telephone/Software Upgrad    | 7            | 2007          | \$21,814           | \$3,116               | \$18,698                               | 9,182                  | \$23,191                   | \$3,313         | \$16,565    |
| A-2008-1     | Admin      | Computer/Software Upgrade    | 6            | 2007          | \$22,899           | \$4,580               | \$18,319                               | 9,182                  | \$24,343                   | \$4,057         | \$16,229    |
| A-2007 2     | Admin      | NEW DELL W/S - McCaleb       | 6            | 2007          | \$1,250            | \$250                 | \$979                                  | 9,182                  | \$1,329                    | \$221           | \$886       |
| CIP          | Admin      | PLANT ELECTRICAL CONT        | 40           | 2008          | \$43,274           | \$1,082               | \$42,192                               | 9,823                  | \$43,000                   | \$1,075         | \$41,925    |
| COLL035      | Collection | Pump Sta. #1                 | 75           | 1961          | \$25,500           | \$340                 | \$9,520                                | 935                    | \$266,178                  | \$3,549         | \$95,824    |
| COLL036      | Collection | Pump Sta. #2                 | 75           | 1961          | \$17,000           | \$227                 | \$6,347                                | 935                    | \$177,452                  | \$2,366         | \$63,883    |
| COLL037      | Collection | Pump Sta. #3                 | 75           | 1961          | \$16,000           | \$213                 | \$5,973                                | 935                    | \$167,014                  | \$2,227         | \$60,125    |
| COLL038      | Collection | Pump Sta. #4                 | 75           | 1961          | \$25,500           | \$340                 | \$9,520                                | 935                    | \$266,178                  | \$3,549         | \$95,824    |
| COLL042      | Collection | Rodding machine              | 32           | 1982          | \$13,390           | \$0                   | \$0                                    | 4,934                  | \$26,490                   | \$828           | \$4,139     |
| COLL008      | Collection | Car #3-dump truck -int'l     | 28           | 1985          | \$10,775           | \$431                 | \$862                                  | 5,447                  | \$19,309                   | \$690           | \$2,758     |
| COLL058      | Collection | Vehicle Hoist (one-half)     | 24           | 1988          | \$2,205            | \$0                   | \$0                                    | 5,771                  | \$3,730                    | \$155           | \$466       |
| COLL039      | Collection | Fairbanks Morse 4" Base pu   | 25           | 1988          | \$3,801            | \$152                 | \$760                                  | 5,771                  | \$6,429                    | \$257           | \$1,029     |
| COLL060      | Collection | Winch with tripod            | 22           | 1990          | \$1,655            | \$0                   | \$0                                    | 5,995                  | \$2,695                    | \$122           | \$367       |
| COLL063      | Collection | Portable generator           | 21           | 1990          | \$18,900           | \$0                   | \$0                                    | 5,995                  | \$30,775                   | \$1,465         | \$2,931     |
| COLL056      | Collection | Truck mounted hoist car #3   | 20           | 1991          | \$3,108            | \$0                   | \$0                                    | 6,090                  | \$4,982                    | \$249           | \$498       |
| COLL019      | Collection | Hydrojet w/trailer           | 20           | 1991          | \$43,957           | \$0                   | \$0                                    | 6,090                  | \$70,452                   | \$3,523         | \$7,045     |
| COLL041      | Collection | Portable pump(on trailer)1/2 | 25           | 1991          | \$4,223            | \$169                 | \$1,351                                | 6,090                  | \$6,769                    | \$271           | \$1,895     |
| COLL022      | Collection | Lift station alarm system    | 20           | 1991          | \$12,835           | \$0                   | \$0                                    | 6,090                  | \$20,571                   | \$1,029         | \$2,057     |
| COLL057      | Collection | Topo maps                    | 19           | 1992          | \$4,500            | \$0                   | \$0                                    | 6,349                  | \$6,919                    | \$364           | \$728       |
| COLL059      | Collection | Water truck #8-Yard          | 19           | 1992          | \$53,556           | \$0                   | \$0                                    | 6,349                  | \$82,343                   | \$4,334         | \$8,668     |
| COLL023      | Collection | Ls#4 force main valve vault  | 50           | 1992          | \$11,020           | \$220                 | \$7,493                                | 6,349                  | \$16,943                   | \$339           | \$11,183    |
| COLL049      | Collection | steam cleaner-plant          | 18           | 1993          | \$1,347            | \$0                   | \$0                                    | 6,478                  | \$2,030                    | \$113           | \$226       |
| COLL018      | Collection | Grimmer schmidt#125 comp     | 18           | 1993          | \$9,937            | \$0                   | \$0                                    | 6,478                  | \$14,973                   | \$832           | \$1,664     |
| COLL013      | Collection | double throw safety switch   | 18           | 1993          | \$4,611            | \$0                   | \$0                                    | 6,478                  | \$6,948                    | \$386           | \$772       |
| COLL021      | Collection | Kaye dialog plus 8 channel x | 17           | 1994          | \$1,786            | \$0                   | \$0                                    | 6,533                  | \$2,668                    | \$157           | \$314       |
| COLL055      | Collection | Trailer mounted generator    | 17           | 1994          | \$10,182           | \$0                   | \$0                                    | 6,533                  | \$15,214                   | \$895           | \$1,790     |
| COLL032      | Collection | Portable generator           | 17           | 1994          | \$29,244           | \$0                   | \$0                                    | 6,533                  | \$43,694                   | \$2,570         | \$5,140     |
| COLL007      | Collection | Car #2-1994 chevy truck      | 17           | 1994          | \$18,716           | \$1,248               | \$1,248                                | 6,533                  | \$27,963                   | \$1,645         | \$3,290     |
| COLL017      | Collection | Gas detector -yard           | 15           | 1995          | \$2,448            | \$0                   | \$0                                    | 6,526                  | \$3,661                    | \$244           | \$244       |
| COLL020      | Collection | jetstream maint software     | 17           | 1995          | \$9,698            | \$647                 | \$1,293                                | 6,526                  | \$14,504                   | \$853           | \$2,560     |
| COLL010      | Collection | cement mixer w/hitch         | 14           | 1996          | \$1,934            | \$161                 | \$0                                    | 6,558                  | \$2,879                    | \$206           | \$206       |
| COLL046      | Collection | smoke blower                 | 14           | 1996          | \$1,217            | \$0                   | \$0                                    | 6,558                  | \$1,811                    | \$129           | \$129       |
| COLL048      | Collection | standby pump - l/s #2        | 25           | 1997          | \$4,439            | \$178                 | \$2,486                                | 6,664                  | \$6,503                    | \$260           | \$3,382     |
| COLL047      | Collection | standby generator l/s #4     | 25           | 1997          | \$34,660           | \$1,386               | \$19,410                               | 6,664                  | \$50,772                   | \$2,031         | \$26,401    |
| COLL050      | Collection | storage facility covering    | 50           | 1997          | \$8,428            | \$169                 | \$6,574                                | 6,664                  | \$12,346                   | \$247           | \$9,383     |
| COLL061      | Collection | 1998 Dodge Truck             | 11           | 1999          | \$29,223           | \$0                   | \$0                                    | 6,826                  | \$41,788                   | \$3,799         | \$3,799     |
| COLL044      | Collection | Sewer mains                  | 75           | 2001          | \$56,255           | \$750                 | \$51,005                               | 7,227                  | \$75,981                   | \$1,013         | \$67,876    |
| COLL004      | Collection | ADAS for L/S                 | 11           | 2001          | \$6,513            | \$651                 | \$1,954                                | 7,227                  | \$8,797                    | \$800           | \$2,399     |

# Appendix A

## MSD Fixed Assets & Depreciation: Original and Replacement Cost Valuation

| Asset Number | Fac Desc   | Description                 | Updated Life | Yr in Service | Original Cost (OC) | FY 08-09 Depreciation | Original Cost Less Depreciation (OCLD) | Service Year ENRCCI/SF | 2009 Replacement Cost (RC) | RC Depreciation | 2009 RC/NLD  |
|--------------|------------|-----------------------------|--------------|---------------|--------------------|-----------------------|--|------------------------|----------------------------|-----------------|--------------|
| COLL026      | Collection | multiranger plus            | 11           | 2001          | \$2,126            | \$213                 | \$638                                  | 7,227                  | \$2,871                    | \$261           | \$783        |
| COLL051      | Collection | Portable pumps              | 25           | 2001          | \$4,976            | \$199                 | \$3,583                                | 7,227                  | \$6,720                    | \$269           | \$4,570      |
| COLL053      | Collection | Tools                       | 11           | 2001          | \$6,400            | \$640                 | \$1,920                                | 7,227                  | \$8,644                    | \$786           | \$2,357      |
| COLL014      | Collection | Elec upgrade L/S#4          | 25           | 2001          | \$23,421           | \$937                 | \$16,864                               | 7,227                  | \$31,634                   | \$1,265         | \$21,511     |
| COLL031      | Collection | portable crane              | 12           | 2002          | \$1,407            | \$117                 | \$703                                  | 7,403                  | \$1,855                    | \$155           | \$773        |
| COLL003      | Collection | 4 veh. Radios/antennas      | 8            | 2002          | \$2,250            | \$321                 | \$321                                  | 7,403                  | \$2,967                    | \$371           | \$371        |
| COLL065      | Collection | 2002 Dodge Dakota           | 9            | 2002          | \$14,773           | \$1,847               | \$3,694                                | 7,403                  | \$19,479                   | \$2,164         | \$4,329      |
| COLL067      | Collection | Gas detector-replace        | 10           | 2003          | \$1,867            | \$0                   | \$0                                    | 7,532                  | \$2,420                    | \$242           | \$968        |
| COLL068      | Collection | Equipment/tool replace      | 10           | 2003          | \$2,120            | \$0                   | \$0                                    | 7,532                  | \$2,747                    | \$275           | \$1,099      |
| COLL066      | Collection | Computer hardware           | 7            | 2003          | \$3,526            | \$0                   | \$0                                    | 7,532                  | \$4,570                    | \$653           | \$653        |
| COLL071      | Collection | SCBA's                      | 10           | 2003          | \$17,248           | \$0                   | \$0                                    | 7,532                  | \$22,353                   | \$2,235         | \$8,941      |
| COLL072      | Collection | Push camera                 | 10           | 2003          | \$8,997            | \$0                   | \$0                                    | 7,532                  | \$11,660                   | \$1,166         | \$4,664      |
| COLL064      | Collection | Van Inspection System       | 12           | 2003          | \$88,161           | \$7,347               | \$51,428                               | 7,532                  | \$114,255                  | \$9,521         | \$57,127     |
| COLL062      | Collection | Combo truck                 | 12           | 2003          | \$149,006          | \$11,388              | \$92,068                               | 7,532                  | \$193,108                  | \$16,092        | \$96,554     |
| COLL069      | Collection | Confined space equip        | 10           | 2003          | \$4,961            | \$0                   | \$0                                    | 7,532                  | \$6,429                    | \$643           | \$2,572      |
| COLL073      | Collection | Auto dialers-LS #3&4        | 10           | 2004          | \$4,676            | \$468                 | \$2,338                                | 8,192                  | \$5,571                    | \$557           | \$2,786      |
| COLL074      | Collection | L/S Gas detection           | 10           | 2004          | \$4,660            | \$466                 | \$2,330                                | 8,192                  | \$5,552                    | \$555           | \$2,776      |
| COLL079      | Collection | Trailer                     | 10           | 2004          | \$3,508            | \$351                 | \$1,754                                | 8,192                  | \$4,180                    | \$418           | \$2,090      |
| COLL077      | Collection | Rodder hose                 | 10           | 2004          | \$1,613            | \$161                 | \$806                                  | 8,192                  | \$1,922                    | \$192           | \$961        |
| COLL075      | Collection | Gas detector                | 10           | 2004          | \$4,847            | \$485                 | \$2,424                                | 8,192                  | \$5,775                    | \$578           | \$2,888      |
| COLL080      | Collection | Inflow infiltration study   | 25           | 2004          | \$29,582           | \$1,183               | \$23,665                               | 8,192                  | \$35,247                   | \$1,410         | \$28,198     |
| COLL076      | Collection | Office furniture            | 10           | 2004          | \$5,408            | \$541                 | \$2,704                                | 8,192                  | \$6,444                    | \$644           | \$3,222      |
| COLL078      | Collection | 3/4"nozzle                  | 10           | 2004          | \$1,034            | \$103                 | \$517                                  | 8,192                  | \$1,232                    | \$123           | \$616        |
| C-2006.1     | Collection | Pipe Trailer                | 10           | 2005          | \$2,160            | \$216                 | \$1,584                                | 8,567                  | \$2,461                    | \$246           | \$1,477      |
| C-2007 2     | Collection | Manhole Raising             | 10           | 2007          | \$16,130           | \$1,613               | \$14,383                               | 9,182                  | \$17,148                   | \$1,715         | \$13,718     |
| C-2007-1     | Collection | Sewer Extension             | 10           | 2007          | \$2,049            | \$205                 | \$1,844                                | 9,182                  | \$2,178                    | \$218           | \$1,743      |
| C-2008-2     | Collection | New CCTV Camera, Cable      | 7            | 2007          | \$47,019           | \$6,717               | \$40,302                               | 9,182                  | \$49,986                   | \$7,141         | \$35,704     |
| C-2008-1     | Collection | L/S # 3 - New Compressors   | 10           | 2007          | \$12,387           | \$1,239               | \$11,148                               | 9,182                  | \$13,168                   | \$1,317         | \$10,534     |
| C-2008-3     | Collection | Raise 4 Manholes to Grade   | 10           | 2008          | \$2,650            | \$265                 | \$2,385                                | 9,823                  | \$2,633                    | \$263           | \$2,370      |
| CIP          | Collection | LIFT STATION 4 - FORCE I    | 75           | 2008          | \$1,186,086        | \$15,814              | \$1,170,272                            | 9,823                  | \$1,178,577                | \$15,714        | \$1,162,863  |
| CIP          | Collection | LIFT STATION 4 - FORCE I    | 75           | 2008          | \$120,708          | \$1,609               | \$119,099                              | 9,823                  | \$119,944                  | \$1,599         | \$118,345    |
| CIP          | Collection | LIFT STATION 4 - FORCE I    | 75           | 2008          | \$76,690           | \$1,023               | \$75,667                               | 9,823                  | \$76,204                   | \$1,016         | \$75,188     |
| CIP          | Collection | LIFT STATION 4 - FORCE I    | 75           | 2008          | \$11,021           | \$147                 | \$10,874                               | 9,823                  | \$10,951                   | \$146           | \$10,805     |
| C-2009-1     | Collection | 20 New SmartCovers (w/Flo   | 10           | 2008          | \$74,567           | \$7,457               | \$67,110                               | 9,823                  | \$74,095                   | \$7,409         | \$66,685     |
| C-2009-2     | Collection | Raise / Repair (3) Manholes | 10           | 2009          | \$4,150            | \$415                 | \$3,735                                | 9,761                  | \$4,150                    | \$415           | \$4,150      |
| DISP004      | Solids     | outfall line                | 75           | 1961          | \$248,378          | \$3,312               | \$92,728                               | 935                    | \$2,592,662                | \$34,569        | \$933,358    |
| DISP001      | Solids     | sludge beds                 | 35           | 1978          | \$27,611           | \$0                   | \$0                                    | 3,421                  | \$78,776                   | \$2,251         | \$9,003      |
| DISP003      | Solids     | sludge drying beds          | 26           | 1985          | \$102,494          | \$0                   | \$0                                    | 5,447                  | \$183,679                  | \$7,065         | \$14,129     |
| DISP002      | Solids     | sludge beds                 | 20           | 1994          | \$58,774           | \$2,939               | \$17,632                               | 6,533                  | \$87,815                   | \$4,391         | \$21,954     |
| DISP005      | Solids     | outfall repair              | 20           | 2003          | \$95,210           | \$4,761               | \$71,407                               | 7,532                  | \$123,390                  | \$6,169         | \$86,373     |
|              | Subsurface | Manholes-1960               | 75           | 1960          | \$1,615            | \$22                  | \$581                                  | 910                    | \$17,325                   | \$231           | \$6,006      |
| PISVCP196C   | Subsurface | 137' of 8" VCP              | 75           | 1960          | \$2,699            | \$36                  | \$970                                  | 910                    | \$28,950                   | \$386           | \$10,036     |
|              | Subsurface | Manholes-1961               | 75           | 1961          | \$6,641            | \$89                  | \$2,479                                | 935                    | \$69,321                   | \$924           | \$24,956     |
| PISVCP1961   | Subsurface | 1827' of 8" VCP             | 75           | 1961          | \$36,997           | \$493                 | \$13,812                               | 935                    | \$386,188                  | \$5,149         | \$139,028    |
|              | Subsurface | Manholes-1962               | 75           | 1962          | \$19,656           | \$262                 | \$7,600                                | 963                    | \$199,299                  | \$2,657         | \$74,405     |
| PISACP1962   | Subsurface | 1847' of 18" ACP            | 75           | 1962          | \$33,005           | \$440                 | \$12,762                               | 963                    | \$334,642                  | \$4,462         | \$124,933    |
| PISCIP1962   | Subsurface | 4517' of 6" CIP             | 75           | 1962          | \$44,453           | \$593                 | \$17,188                               | 963                    | \$450,710                  | \$6,009         | \$168,265    |
| PISVCP1962   | Subsurface | 3101' of 21" VCP            | 75           | 1962          | \$134,518          | \$1,794               | \$52,014                               | 963                    | \$1,363,893                | \$18,185        | \$509,187    |
| PISVCP1962   | Subsurface | 280' of 8" VCP              | 75           | 1962          | \$5,837            | \$78                  | \$2,257                                | 963                    | \$59,186                   | \$789           | \$22,096     |
|              | Subsurface | Manholes-1963               | 75           | 1963          | \$827,420          | \$11,032              | \$330,969                              | 995                    | \$8,119,277                | \$108,257       | \$3,139,454  |
| PISCIP1963   | Subsurface | 1811' of 8" CIP             | 75           | 1963          | \$20,354           | \$271                 | \$8,142                                | 995                    | \$199,725                  | \$2,663         | \$77,227     |
| PISCIP1963   | Subsurface | 110' of 4" CIP              | 75           | 1963          | \$942              | \$13                  | \$377                                  | 995                    | \$9,243                    | \$123           | \$3,574      |
| PISCIP1963   | Subsurface | 1097' of 6" CIP             | 75           | 1963          | \$11,155           | \$149                 | \$4,462                                | 995                    | \$109,460                  | \$1,459         | \$42,324     |
| PISVCP1963   | Subsurface | 827' of 18" VCP             | 75           | 1963          | \$32,863           | \$438                 | \$13,145                               | 995                    | \$322,475                  | \$4,300         | \$124,690    |
| PISVCP1963   | Subsurface | 4775' of 6" VCP             | 75           | 1963          | \$95,192           | \$1,269               | \$38,077                               | 995                    | \$934,100                  | \$12,455        | \$361,185    |
| PISVCP1963   | Subsurface | 391' of 12" VCP             | 75           | 1963          | \$10,986           | \$146                 | \$4,394                                | 995                    | \$107,803                  | \$1,437         | \$41,684     |
| PISVCP1963   | Subsurface | 2710' of 21" VCP            | 75           | 1963          | \$121,467          | \$1,620               | \$48,586                               | 995                    | \$1,191,922                | \$15,892        | \$460,877    |
| PISVCP1963   | Subsurface | 2612' of 10" VCP            | 75           | 1963          | \$61,857           | \$825                 | \$24,743                               | 995                    | \$606,988                  | \$8,093         | \$234,702    |
| PISVCP1963   | Subsurface | 201311' of 8" VCP           | 75           | 1963          | \$4,336,467        | \$57,820              | \$1,734,587                            | 995                    | \$42,552,709               | \$567,369       | \$16,453,714 |
| PISVCP1963   | Subsurface | 1357' of 15" VCP            | 75           | 1963          | \$49,021           | \$654                 | \$19,608                               | 995                    | \$481,036                  | \$6,414         | \$186,001    |
|              | Subsurface | Manholes-1964               | 75           | 1964          | \$5,504            | \$73                  | \$2,275                                | 1,033                  | \$51,991                   | \$693           | \$20,796     |
| PISVCP1964   | Subsurface | 1384' of 8" VCP             | 75           | 1964          | \$30,971           | \$413                 | \$12,801                               | 1,033                  | \$292,547                  | \$3,901         | \$117,019    |
|              | Subsurface | Manholes-1965               | 75           | 1965          | \$18,082           | \$241                 | \$7,714                                | 1,072                  | \$164,638                  | \$2,195         | \$68,051     |
| PISVCP1965   | Subsurface | 4316' of 8" VCP             | 75           | 1965          | \$100,195          | \$1,336               | \$42,750                               | 1,072                  | \$912,307                  | \$12,164        | \$377,087    |
|              | Subsurface | Manholes-1966               | 75           | 1966          | \$13,982           | \$186                 | \$6,152                                | 1,125                  | \$121,313                  | \$1,618         | \$51,760     |
| PISCIP1966   | Subsurface | 310' of 6" CIP              | 75           | 1966          | \$3,565            | \$48                  | \$1,569                                | 1,125                  | \$30,932                   | \$412           | \$13,198     |
| PISVCP1966   | Subsurface | 3226' of 8" VCP             | 75           | 1966          | \$78,593           | \$1,048               | \$34,581                               | 1,125                  | \$681,905                  | \$9,092         | \$290,946    |
|              | Subsurface | Manholes-1967               | 75           | 1967          | \$218,942          | \$2,919               | \$99,254                               | 1,203                  | \$1,776,471                | \$23,686        | \$781,647    |
| PISCIP1967   | Subsurface | 59' of 12" CIP              | 75           | 1967          | \$1,054            | \$14                  | \$478                                  | 1,203                  | \$8,551                    | \$114           | \$3,762      |
| PISCIP1967   | Subsurface | 119' of 6" CIP              | 75           | 1967          | \$1,442            | \$19                  | \$654                                  | 1,203                  | \$11,703                   | \$156           | \$5,149      |
| PISVCP1967   | Subsurface | 9003' of 12" VCP            | 75           | 1967          | \$301,529          | \$4,020               | \$136,693                              | 1,203                  | \$2,446,568                | \$32,621        | \$1,076,490  |
| PISVCP1967   | Subsurface | 37881' of 8" VCP            | 75           | 1967          | \$972,679          | \$12,969              | \$440,948                              | 1,203                  | \$7,892,201                | \$105,229       | \$3,472,568  |
|              | Subsurface | Manholes-1968               | 75           | 1968          | \$30,564           | \$408                 | \$14,263                               | 1,275                  | \$233,987                  | \$3,120         | \$106,074    |

# Appendix A

## MSD Fixed Assets & Depreciation: Original and Replacement Cost Valuation

| Asset Number | Fac Desc   | Description      | Updated Life | Yr in Service | Original Cost (OC) | FY 08-09 Depreciation | Original Cost Less Depreciation (OCLD) | Service Year ENRCCI/SF | 2009 Replacement Cost (RC) | RC Depreciation | 2009 RC/NLD |
|--------------|------------|------------------|--------------|---------------|--------------------|-----------------------|--|------------------------|----------------------------|-----------------|-------------|
| PISVCP196E   | Subsurface | 6072' of 8" VCP  | 75           | 1968          | \$167,671          | \$2,236               | \$78,247                               | 1,275                  | \$1,283,635                | \$17,115        | \$581,915   |
|              | Subsurface | Manholes-1969    | 75           | 1969          | \$18,656           | \$249                 | \$8,954                                | 1,309                  | \$139,114                  | \$1,855         | \$64,920    |
| PISVCP196E   | Subsurface | 3371' of 8" VCP  | 75           | 1969          | \$102,274          | \$1,364               | \$49,091                               | 1,309                  | \$762,639                  | \$10,169        | \$355,898   |
|              | Subsurface | Manholes-1970    | 75           | 1970          | \$144,824          | \$1,931               | \$71,447                               | 1,482                  | \$953,862                  | \$12,718        | \$457,854   |
| PISCIP1970   | Subsurface | 174' of 8" CIP   | 75           | 1970          | \$2,997            | \$40                  | \$1,478                                | 1,482                  | \$19,742                   | \$263           | \$9,476     |
| PISVCP197C   | Subsurface | 24013' of 8" VCP | 75           | 1970          | \$792,837          | \$10,571              | \$391,133                              | 1,482                  | \$5,221,917                | \$69,626        | \$2,506,520 |
|              | Subsurface | Manholes-1972    | 75           | 1972          | \$15,463           | \$206                 | \$8,040                                | 1,966                  | \$76,771                   | \$1,024         | \$38,897    |
| PISVCP1972   | Subsurface | 1966' of 8" VCP  | 75           | 1972          | \$82,397           | \$1,099               | \$42,846                               | 1,966                  | \$409,091                  | \$5,455         | \$207,273   |
|              | Subsurface | Manholes-1973    | 75           | 1973          | \$40,860           | \$545                 | \$21,792                               | 2,100                  | \$189,919                  | \$2,532         | \$98,758    |
| PISVCP1973   | Subsurface | 3667' of 8" VCP  | 75           | 1973          | \$166,136          | \$2,215               | \$88,606                               | 2,100                  | \$772,216                  | \$10,296        | \$401,552   |
| PISVCP1973   | Subsurface | 1257' of 12" VCP | 75           | 1973          | \$74,282           | \$990                 | \$39,617                               | 2,100                  | \$345,268                  | \$4,604         | \$179,539   |
|              | Subsurface | Manholes-1975    | 75           | 1975          | \$15,176           | \$202                 | \$8,498                                | 2,586                  | \$57,283                   | \$764           | \$31,315    |
| PISPVC197E   | Subsurface | 66' of 8" PVC    | 75           | 1975          | \$2,645            | \$35                  | \$1,481                                | 2,586                  | \$9,983                    | \$133           | \$5,458     |
| PISVCP197E   | Subsurface | 173' of 6" VCP   | 75           | 1975          | \$8,467            | \$113                 | \$4,741                                | 2,586                  | \$31,960                   | \$426           | \$17,471    |
| PISVCP197E   | Subsurface | 1436' of 8" VCP  | 75           | 1975          | \$75,942           | \$1,013               | \$42,528                               | 2,586                  | \$286,648                  | \$3,822         | \$156,701   |
|              | Subsurface | Manholes-1976    | 75           | 1976          | \$2,353            | \$31                  | \$1,349                                | 2,920                  | \$7,866                    | \$105           | \$4,405     |
| PISVCP197E   | Subsurface | 246' of 8" VCP   | 75           | 1976          | \$14,121           | \$188                 | \$8,097                                | 2,920                  | \$47,204                   | \$629           | \$26,434    |
|              | Subsurface | Manholes-1977    | 75           | 1977          | \$7,574            | \$101                 | \$4,443                                | 3,162                  | \$23,381                   | \$312           | \$13,405    |
| PISVCP1977   | Subsurface | 76' of 6" VCP    | 75           | 1977          | \$4,332            | \$58                  | \$2,541                                | 3,162                  | \$13,372                   | \$178           | \$7,667     |
| PISVCP1977   | Subsurface | 498' of 8" VCP   | 75           | 1977          | \$30,670           | \$409                 | \$17,993                               | 3,162                  | \$94,679                   | \$1,262         | \$54,282    |
| PISVCP1977   | Subsurface | 220' of 18" VCP  | 75           | 1977          | \$24,994           | \$333                 | \$14,663                               | 3,162                  | \$77,157                   | \$1,029         | \$44,237    |
|              | Subsurface | Manholes-1978    | 75           | 1978          | \$19,045           | \$254                 | \$11,427                               | 3,421                  | \$54,336                   | \$724           | \$31,877    |
| PISVCP197E   | Subsurface | 1466' of 8" VCP  | 75           | 1978          | \$97,296           | \$1,297               | \$58,378                               | 3,421                  | \$277,592                  | \$3,701         | \$162,854   |
|              | Subsurface | Manholes-1980    | 75           | 1980          | \$19,035           | \$254                 | \$11,929                               | 4,102                  | \$45,291                   | \$604           | \$27,779    |
| PISPVC198C   | Subsurface | 1137' of 8" PVC  | 75           | 1980          | \$66,678           | \$889                 | \$41,785                               | 4,102                  | \$158,650                  | \$2,115         | \$97,305    |
| PISVCP198C   | Subsurface | 242' of 8" VCP   | 75           | 1980          | \$18,728           | \$250                 | \$11,736                               | 4,102                  | \$44,562                   | \$594           | \$27,331    |
|              | Subsurface | Manholes-1981    | 75           | 1981          | \$117,796          | \$1,571               | \$75,390                               | 4,531                  | \$253,766                  | \$3,384         | \$159,027   |
| PISPVC1981   | Subsurface | 2433' of 8" PVC  | 75           | 1981          | \$155,815          | \$2,078               | \$99,722                               | 4,531                  | \$335,671                  | \$4,476         | \$210,354   |
| PISVCP1981   | Subsurface | 5227' of 8" VCP  | 75           | 1981          | \$441,759          | \$5,890               | \$282,726                              | 4,531                  | \$951,677                  | \$12,689        | \$596,384   |
| PISVCP1981   | Subsurface | 296' of 6" VCP   | 75           | 1981          | \$23,152           | \$309                 | \$14,817                               | 4,531                  | \$49,876                   | \$665           | \$31,255    |
|              | Subsurface | Manholes-1982    | 75           | 1982          | \$3,749            | \$50                  | \$2,449                                | 4,934                  | \$7,416                    | \$99            | \$4,746     |
| PISVCP1982   | Subsurface | 226' of 12" VCP  | 75           | 1982          | \$26,957           | \$359                 | \$17,612                               | 4,934                  | \$53,329                   | \$711           | \$34,130    |
|              | Subsurface | Manholes-1984    | 75           | 1984          | \$20,317           | \$271                 | \$13,815                               | 5,260                  | \$37,703                   | \$503           | \$25,135    |
| PISVCP1984   | Subsurface | 1215' of 8" VCP  | 75           | 1984          | \$120,434          | \$1,606               | \$81,895                               | 5,260                  | \$223,493                  | \$2,980         | \$148,995   |
|              | Subsurface | Manholes-1985    | 75           | 1985          | \$65,783           | \$877                 | \$45,610                               | 5,447                  | \$117,890                  | \$1,572         | \$80,165    |
| PISPVC198E   | Subsurface | 909' of 8" PVC   | 75           | 1985          | \$69,083           | \$921                 | \$47,898                               | 5,447                  | \$123,804                  | \$1,651         | \$84,187    |
| PISPVC198E   | Subsurface | 613' of 6" PVC   | 75           | 1985          | \$41,241           | \$550                 | \$28,594                               | 5,447                  | \$73,909                   | \$985           | \$50,258    |
| PISVCP198E   | Subsurface | 2623' of 8" VCP  | 75           | 1985          | \$263,072          | \$3,508               | \$182,396                              | 5,447                  | \$471,450                  | \$6,286         | \$320,586   |
| PISVCP198E   | Subsurface | 243' of 6" VCP   | 75           | 1985          | \$22,555           | \$301                 | \$15,639                               | 5,447                  | \$40,421                   | \$539           | \$27,486    |
|              | Subsurface | Manholes-1986    | 75           | 1986          | \$37,885           | \$505                 | \$26,772                               | 5,452                  | \$67,825                   | \$904           | \$47,025    |
| PISPVC198E   | Subsurface | 2074' of 8" PVC  | 75           | 1986          | \$161,380          | \$2,152               | \$114,041                              | 5,452                  | \$288,916                  | \$3,852         | \$200,315   |
|              | Subsurface | Manholes-1987    | 75           | 1987          | \$142,502          | \$1,900               | \$102,602                              | 5,474                  | \$254,096                  | \$3,388         | \$179,562   |
| PISDIP1987   | Subsurface | 180' of 6" DIP   | 75           | 1987          | \$14,721           | \$196                 | \$10,600                               | 5,474                  | \$26,250                   | \$350           | \$18,550    |
| PISPVC1987   | Subsurface | 6702' of 8" PVC  | 75           | 1987          | \$534,967          | \$7,133               | \$385,176                              | 5,474                  | \$953,905                  | \$12,719        | \$674,093   |
| PISPVC1987   | Subsurface | 495' of 6" PVC   | 75           | 1987          | \$34,978           | \$466                 | \$25,184                               | 5,474                  | \$62,369                   | \$832           | \$44,074    |
| PISVCP1987   | Subsurface | 746' of 8" VCP   | 75           | 1987          | \$78,583           | \$1,048               | \$56,579                               | 5,474                  | \$140,122                  | \$1,868         | \$99,019    |
| PISVCP1987   | Subsurface | 276' of 6" VCP   | 75           | 1987          | \$26,907           | \$359                 | \$19,373                               | 5,474                  | \$47,977                   | \$640           | \$33,904    |
|              | Subsurface | Manholes-1988    | 75           | 1988          | \$106,296          | \$1,417               | \$77,950                               | 5,771                  | \$179,792                  | \$2,397         | \$129,450   |
| PISDIP1988   | Subsurface | 85' of 8" DIP    | 75           | 1988          | \$7,757            | \$103                 | \$5,689                                | 5,771                  | \$13,121                   | \$175           | \$9,447     |
| PISPVC198E   | Subsurface | 5206' of 8" PVC  | 75           | 1988          | \$426,211          | \$5,683               | \$312,554                              | 5,771                  | \$720,907                  | \$9,612         | \$519,053   |
| PISVCP198E   | Subsurface | 162' of 8" VCP   | 75           | 1988          | \$17,503           | \$233                 | \$12,835                               | 5,771                  | \$29,604                   | \$395           | \$21,315    |
|              | Subsurface | Manholes-1989    | 75           | 1989          | \$9,046            | \$121                 | \$6,755                                | 5,790                  | \$15,251                   | \$203           | \$11,184    |
| PISDIP1989   | Subsurface | 207' of 6" DIP   | 75           | 1989          | \$17,732           | \$236                 | \$13,241                               | 5,790                  | \$29,895                   | \$399           | \$21,923    |
| PISPVC198E   | Subsurface | 448' of 8" PVC   | 75           | 1989          | \$37,457           | \$499                 | \$27,968                               | 5,790                  | \$63,148                   | \$842           | \$46,309    |
|              | Subsurface | Manholes-1990    | 75           | 1990          | \$13,913           | \$186                 | \$10,574                               | 5,995                  | \$22,655                   | \$302           | \$16,916    |
| PISPVC199C   | Subsurface | 621' of 8" PVC   | 75           | 1990          | \$53,237           | \$710                 | \$40,460                               | 5,995                  | \$86,687                   | \$1,156         | \$64,726    |
|              | Subsurface | Manholes-1991    | 75           | 1991          | \$203,764          | \$2,717               | \$157,577                              | 6,090                  | \$326,584                  | \$4,354         | \$248,204   |
| PISDIP1991   | Subsurface | 1288' of 8" DIP  | 75           | 1991          | \$125,768          | \$1,677               | \$97,260                               | 6,090                  | \$201,575                  | \$2,688         | \$153,197   |
| PISPVC1991   | Subsurface | 8374' of 8" PVC  | 75           | 1991          | \$733,512          | \$9,780               | \$567,250                              | 6,090                  | \$1,175,643                | \$15,675        | \$893,489   |
| PISPVC1991   | Subsurface | 1132' of 6" PVC  | 75           | 1991          | \$87,778           | \$1,170               | \$67,881                               | 6,090                  | \$140,687                  | \$1,876         | \$106,922   |
|              | Subsurface | Manholes-1994    | 75           | 1994          | \$42,402           | \$565                 | \$34,487                               | 6,533                  | \$63,354                   | \$845           | \$50,683    |
| PISVCP1994   | Subsurface | 1815' of 8" VCP  | 75           | 1994          | \$234,670          | \$3,129               | \$190,865                              | 6,533                  | \$350,624                  | \$4,675         | \$280,499   |
| PISVCP1994   | Subsurface | 180' of 6" VCP   | 75           | 1994          | \$21,538           | \$287                 | \$17,518                               | 6,533                  | \$32,181                   | \$429           | \$25,745    |
|              | Subsurface | Manholes-1996    | 75           | 1996          | \$16,524           | \$220                 | \$13,881                               | 6,558                  | \$24,593                   | \$328           | \$20,330    |
| PISVCP199E   | Subsurface | 664' of 8" VCP   | 75           | 1996          | \$89,217           | \$1,190               | \$74,942                               | 6,558                  | \$132,783                  | \$1,770         | \$109,767   |
| PISVCP199E   | Subsurface | 638' of 4" VCP   | 75           | 1996          | \$73,478           | \$980                 | \$61,722                               | 6,558                  | \$109,358                  | \$1,458         | \$90,403    |
| PISVCP199E   | Subsurface | 59' of 6" VCP    | 75           | 1996          | \$7,337            | \$98                  | \$6,163                                | 6,558                  | \$10,920                   | \$146           | \$9,027     |
|              | Subsurface | Manholes-1998    | 75           | 1998          | \$46,417           | \$619                 | \$40,228                               | 6,852                  | \$66,123                   | \$882           | \$56,425    |
| PISPVC199E   | Subsurface | 1570' of 8" PVC  | 75           | 1998          | \$168,383          | \$2,245               | \$145,932                              | 6,852                  | \$239,872                  | \$3,198         | \$204,691   |
| PISPVC199E   | Subsurface | 142' of 12" PVC  | 75           | 1998          | \$18,975           | \$253                 | \$16,445                               | 6,852                  | \$27,030                   | \$360           | \$23,066    |
|              | Subsurface | Manholes-1999    | 75           | 1999          | \$100,968          | \$1,346               | \$88,851                               | 6,826                  | \$144,382                  | \$1,925         | \$125,131   |
| PISPVC199E   | Subsurface | 3563' of 8" PVC  | 75           | 1999          | \$391,171          | \$5,216               | \$344,230                              | 6,826                  | \$559,366                  | \$7,458         | \$484,784   |
| PISPVC199E   | Subsurface | 214' of 4" PVC   | 75           | 1999          | \$18,487           | \$246                 | \$16,269                               | 6,826                  | \$26,437                   | \$352           | \$22,912    |



# Appendix A

## MSD Fixed Assets & Depreciation: Original and Replacement Cost Valuation

| Asset Number | Fac Desc   | Description                   | Updated Life | Yr in Service | Original Cost (OC) | FY 08-09 Depreciation | Original Cost Less Depreciation (OCLD) | Service Year ENRCCI/SF | 2009 Replacement Cost (RC) | RC Depreciation | 2009 RC/NLD |
|--------------|------------|-------------------------------|--------------|---------------|--------------------|-----------------------|--|------------------------|----------------------------|-----------------|-------------|
| PISVCP199€   | Subsurface | 272' of 8" VCP                | 75           | 1999          | \$39,408           | \$525                 | \$34,679                               | 6,826                  | \$56,353                   | \$751           | \$48,839    |
|              | Subsurface | Manholes-2001                 | 75           | 2001          | \$31,078           | \$414                 | \$28,178                               | 7,227                  | \$41,976                   | \$560           | \$37,498    |
| PISPVC2001   | Subsurface | 1060' of 8" PVC               | 75           | 2001          | \$121,789          | \$1,624               | \$110,423                              | 7,227                  | \$164,494                  | \$2,193         | \$146,948   |
|              | Subsurface | Manholes-2002                 | 75           | 2002          | \$25,631           | \$342                 | \$23,581                               | 7,403                  | \$33,796                   | \$451           | \$30,642    |
| PISPVC2002   | Subsurface | 955' of 8" PVC                | 75           | 2002          | \$113,117          | \$1,508               | \$104,067                              | 7,403                  | \$149,151                  | \$1,989         | \$135,231   |
| P-2003       | Subsurface | Parra Grande Mainline ext +   | 10           | 2003          | \$145,869          | \$0                   | \$0                                    | 7,532                  | \$189,043                  | \$18,904        | \$75,617    |
|              | Subsurface | Cima Del Mundo Rd Ext + 2'    | 75           | 2004          | \$619,641          | \$8,262               | \$586,593                              | 8,192                  | \$738,307                  | \$9,844         | \$689,087   |
|              | Subsurface | Barker Pass Ext +2 manhole    | 75           | 2004          | \$36,248           | \$483                 | \$34,315                               | 8,192                  | \$43,190                   | \$576           | \$40,310    |
|              | Subsurface | Survey-Site Plan Master-20y   | 25           | 2005          | \$3,210            | \$128                 | \$2,696                                | 8,567                  | \$3,657                    | \$146           | \$3,072     |
|              | Subsurface | Sewer Main Rehab              | 50           | 2005          | \$842,365          | \$16,847              | \$774,975                              | 8,567                  | \$959,720                  | \$19,194        | \$882,943   |
|              | Subsurface | Flow Meters For I&I           | 10           | 2005          | \$35,725           | \$3,573               | \$21,435                               | 8,567                  | \$40,703                   | \$4,070         | \$24,422    |
|              | Subsurface | Orchard Ave Ext +16 lateral   | 75           | 2005          | \$490,912          | \$6,545               | \$471,276                              | 8,567                  | \$559,304                  | \$7,457         | \$529,474   |
|              | Subsurface | N. Jameson Relocation Proj    | 50           | 2005          | \$297,792          | \$5,956               | \$273,968                              | 8,567                  | \$339,279                  | \$6,786         | \$312,137   |
|              | Subsurface | M-2006.1                      | 75           | 2006          | \$41,863           | \$558                 | \$40,747                               | 8,879                  | \$46,022                   | \$614           | \$44,181    |
| P-2006.1     | Subsurface | Emergency Sewer Rehab/R       | 50           | 2006          | \$73,562           | \$1,471               | \$70,620                               | 8,879                  | \$80,870                   | \$1,617         | \$76,017    |
| P-2007-1     | Subsurface | Tabor Lane Mainline Extensi   | 50           | 2006          | \$397,263          | \$7,945               | \$384,739                              | 8,879                  | \$436,727                  | \$8,735         | \$410,523   |
| P-2006.2     | Subsurface | Influent Flow Recorder - Nev  | 50           | 2006          | \$64,880           | \$1,298               | \$61,852                               | 8,879                  | \$71,325                   | \$1,427         | \$67,046    |
| P-2008-3     | Subsurface | Olive Road Ext - Inspection   | 50           | 2007          | \$4,000            | \$80                  | \$3,920                                | 9,182                  | \$4,252                    | \$85            | \$4,082     |
| P-2007-5     | Subsurface | Flow Meters For I&I           | 10           | 2007          | \$3,838            | \$384                 | \$3,454                                | 9,182                  | \$4,080                    | \$408           | \$3,264     |
| P-2007-4     | Subsurface | Emergency Sewer Rehab/R       | 50           | 2007          | \$95,289           | \$1,906               | \$93,383                               | 9,182                  | \$101,301                  | \$2,026         | \$97,249    |
| P-2008-5     | Subsurface | Rehab 3 Manholes              | 50           | 2007          | \$9,680            | \$194                 | \$9,486                                | 9,182                  | \$10,291                   | \$206           | \$9,879     |
| P-2008-4     | Subsurface | Rehab 2 Manholes              | 50           | 2007          | \$6,150            | \$123                 | \$6,027                                | 9,182                  | \$6,538                    | \$131           | \$6,277     |
| P-2007-2     | Subsurface | Olive Road Mainline Extensi   | 50           | 2007          | \$58,625           | \$1,173               | \$57,453                               | 9,182                  | \$62,324                   | \$1,246         | \$59,831    |
| P-2009-1     | Subsurface | Emergency Mainline Repairs    | 50           | 2008          | \$16,225           | \$325                 | \$15,901                               | 9,823                  | \$16,122                   | \$322           | \$15,800    |
| P-2009-2     | Subsurface | Emergency Mainline Repairs    | 50           | 2008          | \$5,270            | \$105                 | \$5,165                                | 9,823                  | \$5,237                    | \$105           | \$5,132     |
| P-2008-6     | Subsurface | Tollis Ave Main Ext & 1 M/H   | 50           | 2008          | \$183,300          | \$3,666               | \$179,634                              | 9,823                  | \$182,140                  | \$3,643         | \$178,497   |
|              | Subsurface | Raise 4 Manhold Covers        | 50           | 2008          | \$2,650            | \$53                  | \$2,597                                | 9,823                  | \$2,633                    | \$53            | \$2,581     |
| P-2007-3     | Subsurface | Sewer Main Rehabilitation     | 50           | 2008          | \$558,565          | \$11,171              | \$547,394                              | 9,823                  | \$555,029                  | \$11,101        | \$543,928   |
| P-2008-2     | Subsurface | Sewer Main Rehabilitation     | 50           | 2008          | \$28,765           | \$575                 | \$28,190                               | 9,823                  | \$28,583                   | \$572           | \$28,011    |
| P-2008-1     | Subsurface | Emergency Sewer Rehab/R       | 50           | 2008          | \$137,057          | \$2,741               | \$134,315                              | 9,823                  | \$136,189                  | \$2,724         | \$133,465   |
| P-2009-3     | Subsurface | Emergency Mainline Repairs    | 50           | 2009          | \$5,000            | \$100                 | \$4,900                                | 9,761                  | \$5,000                    | \$100           | \$5,000     |
|              | Subsurface | Raise/Repair 3 Manhold cov    | 50           | 2009          | \$5,000            | \$100                 | \$4,900                                | 9,761                  | \$5,000                    | \$100           | \$5,000     |
| Plant050     | WWTP       | swing fuser (12)-plant        | 51           | 1962          | \$18,000           | \$0                   | \$0                                    | 963                    | \$182,504                  | \$3,579         | \$14,314    |
| Plant029     | WWTP       | drives (2)-plant              | 51           | 1962          | \$6,000            | \$0                   | \$0                                    | 963                    | \$60,835                   | \$1,193         | \$4,771     |
| Plant022     | WWTP       | Building, structure etc       | 55           | 1962          | \$464,331          | \$9,287               | \$37,147                               | 963                    | \$4,707,897                | \$85,598        | \$684,785   |
| Plant121     | WWTP       | shower room-plant             | 50           | 1968          | \$11,797           | \$236                 | \$2,360                                | 1,275                  | \$90,311                   | \$1,806         | \$16,256    |
| Plant045     | WWTP       | digester structure-plant      | 50           | 1978          | \$63,000           | \$1,260               | \$25,200                               | 3,421                  | \$179,742                  | \$3,595         | \$68,302    |
| Plant041     | WWTP       | digester guardrails-plant     | 50           | 1978          | \$4,278            | \$86                  | \$1,711                                | 3,421                  | \$12,205                   | \$244           | \$4,638     |
| Plant092     | WWTP       | paving & landscaping-yard     | 34           | 1978          | \$17,858           | \$0                   | \$0                                    | 3,421                  | \$50,950                   | \$1,499         | \$4,496     |
| Plant149     | WWTP       | was ps electrical cntrl unit  | 37           | 1978          | \$10,000           | \$0                   | \$0                                    | 3,421                  | \$28,531                   | \$771           | \$4,627     |
| Plant150     | WWTP       | influent pump-plant           | 30           | 1982          | \$60,484           | \$0                   | \$0                                    | 4,934                  | \$119,653                  | \$3,988         | \$11,965    |
| Plant066     | WWTP       | hoist-pump room-plant         | 30           | 1982          | \$20,692           | \$0                   | \$0                                    | 4,934                  | \$40,934                   | \$1,364         | \$4,093     |
| Plant065     | WWTP       | handrails-plant               | 50           | 1982          | \$48,406           | \$968                 | \$23,235                               | 4,934                  | \$95,760                   | \$1,915         | \$44,050    |
| Plant063     | WWTP       | grading & paving-plant        | 40           | 1982          | \$175,353          | \$4,384               | \$61,374                               | 4,934                  | \$346,894                  | \$8,672         | \$112,741   |
| Plant135     | WWTP       | generator-plant               | 30           | 1982          | \$138,350          | \$0                   | \$0                                    | 4,934                  | \$273,691                  | \$9,123         | \$27,369    |
| Plant052     | WWTP       | fencing-plant                 | 30           | 1982          | \$22,164           | \$0                   | \$0                                    | 4,934                  | \$43,845                   | \$1,462         | \$4,385     |
| Plant087     | WWTP       | digester modifications-plant  | 50           | 1982          | \$23,875           | \$478                 | \$11,460                               | 4,934                  | \$47,232                   | \$945           | \$21,727    |
| Plant126     | WWTP       | daf system-plant              | 30           | 1982          | \$111,336          | \$0                   | \$0                                    | 4,934                  | \$220,251                  | \$7,342         | \$22,025    |
| Plant143     | WWTP       | clarifiers-equipment-plant    | 30           | 1982          | \$218,539          | \$0                   | \$0                                    | 4,934                  | \$432,326                  | \$14,411        | \$43,233    |
| Plant030     | WWTP       | clarifiers-construction-plant | 50           | 1982          | \$404,309          | \$8,086               | \$194,069                              | 4,934                  | \$799,828                  | \$15,997        | \$367,921   |
| Plant142     | WWTP       | blowers and motors-plant      | 30           | 1982          | \$169,580          | \$0                   | \$0                                    | 4,934                  | \$335,474                  | \$11,182        | \$33,547    |
| Plant016     | WWTP       | air blower-plant              | 30           | 1982          | \$2,167            | \$0                   | \$0                                    | 4,934                  | \$4,288                    | \$143           | \$429       |
| Plant038     | WWTP       | contact chamber               | 50           | 1982          | \$15,514           | \$310                 | \$7,447                                | 4,934                  | \$30,691                   | \$614           | \$14,118    |
| Plant097     | WWTP       | rotary screen                 | 30           | 1982          | \$34,772           | \$0                   | \$0                                    | 4,934                  | \$68,788                   | \$2,293         | \$6,879     |
| Plant117     | WWTP       | grinders                      | 30           | 1982          | \$63,668           | \$0                   | \$0                                    | 4,934                  | \$125,951                  | \$4,198         | \$12,595    |
| Plant078     | WWTP       | laboratory flooring/cabinets  | 30           | 1982          | \$60,088           | \$0                   | \$0                                    | 4,934                  | \$118,869                  | \$3,962         | \$11,887    |
| Plant072     | WWTP       | interior piping               | 50           | 1982          | \$89,287           | \$1,786               | \$42,858                               | 4,934                  | \$176,633                  | \$3,533         | \$81,251    |
| Plant051     | WWTP       | exterior piping               | 50           | 1982          | \$194,958          | \$3,899               | \$93,580                               | 4,934                  | \$385,678                  | \$7,714         | \$177,412   |
| Plant133     | WWTP       | sump pumps                    | 30           | 1982          | \$11,142           | \$0                   | \$0                                    | 4,934                  | \$22,041                   | \$735           | \$2,204     |
| Plant127     | WWTP       | stairs and ramps              | 50           | 1982          | \$19,133           | \$383                 | \$9,184                                | 4,934                  | \$37,850                   | \$757           | \$17,411    |
| Plant151     | WWTP       | polymix tanks & pumps         | 30           | 1982          | \$71,626           | \$0                   | \$0                                    | 4,934                  | \$141,695                  | \$4,723         | \$14,169    |
| Plant064     | WWTP       | hoist-chlorination room       | 30           | 1982          | \$19,100           | \$0                   | \$0                                    | 4,934                  | \$37,785                   | \$1,260         | \$3,779     |
| Plant007     | WWTP       | air compressor                | 30           | 1982          | \$8,754            | \$0                   | \$0                                    | 4,934                  | \$17,318                   | \$577           | \$1,732     |
| Plant053     | WWTP       | flow measuring flume          | 50           | 1982          | \$6,378            | \$128                 | \$3,062                                | 4,934                  | \$12,617                   | \$252           | \$5,804     |
| Plant108     | WWTP       | plant water pump              | 30           | 1982          | \$3,183            | \$0                   | \$0                                    | 4,934                  | \$6,298                    | \$210           | \$630       |
| Plant122     | WWTP       | site wall-plant               | 50           | 1985          | \$49,525           | \$990                 | \$26,744                               | 5,447                  | \$88,754                   | \$1,775         | \$46,152    |
| Plant021     | WWTP       | building addition-plant       | 50           | 1985          | \$38,266           | \$765                 | \$20,663                               | 5,447                  | \$68,576                   | \$1,372         | \$35,660    |
| Plant080     | WWTP       | locker room improvements      | 50           | 1985          | \$2,152            | \$43                  | \$1,162                                | 5,447                  | \$3,857                    | \$77            | \$2,006     |
| Plant157     | WWTP       | allocation of 1985 expenses   | 40           | 1985          | \$18,052           | \$451                 | \$7,673                                | 5,447                  | \$32,352                   | \$809           | \$12,941    |
| Plant154     | WWTP       | allocation of 1985 expenses   | 28           | 1985          | \$20,027           | \$0                   | \$0                                    | 5,447                  | \$35,891                   | \$1,282         | \$5,127     |
| Plant153     | WWTP       | allocation of 1985 expenses   | 29           | 1985          | \$9,369            | \$0                   | \$0                                    | 5,447                  | \$16,791                   | \$579           | \$2,895     |
| Plant156     | WWTP       | allocation of 1985 expenses   | 28           | 1985          | \$10,357           | \$414                 | \$828                                  | 5,447                  | \$18,561                   | \$663           | \$2,652     |
| Plant155     | WWTP       | allocation of 1985 expenses   | 26           | 1985          | \$10,850           | \$0                   | \$0                                    | 5,447                  | \$19,444                   | \$748           | \$1,496     |

# Appendix A

## MSD Fixed Assets & Depreciation: Original and Replacement Cost Valuation

| Asset Number | Fac Desc | Description                  | Updated Life | Yr in Service | Original Cost (OC) | FY 08-09 Depreciation | Original Cost Less Depreciation (OCLD) | Service Year ENRCCI/SF | 2009 Replacement Cost (RC) | RC Depreciation | 2009 RC/NLD |
|--------------|----------|------------------------------|--------------|---------------|--------------------|-----------------------|--|------------------------|----------------------------|-----------------|-------------|
| Plant024     | WWTP     | car#3-dump truck             | 28           | 1985          | \$10,775           | \$431                 | \$862                                  | 5,447                  | \$19,309                   | \$690           | \$2,758     |
| Plant118     | WWTP     | sewage treatment facilities  | 50           | 1986          | \$49,988           | \$1,000               | \$27,994                               | 5,452                  | \$89,493                   | \$1,790         | \$48,326    |
| Plant132     | WWTP     | Chicago influent pumps       | 28           | 1986          | \$9,526            | \$381                 | \$1,143                                | 5,452                  | \$17,055                   | \$609           | \$3,046     |
| Plant081     | WWTP     | locker room imprvmts         | 50           | 1986          | \$23,094           | \$462                 | \$12,933                               | 5,452                  | \$41,344                   | \$827           | \$22,326    |
| Plant094     | WWTP     | pipe sections                | 50           | 1986          | \$5,000            | \$100                 | \$2,800                                | 5,452                  | \$8,951                    | \$179           | \$4,834     |
| Plant079     | WWTP     | liquid level control         | 25           | 1987          | \$1,047            | \$0                   | \$0                                    | 5,474                  | \$1,867                    | \$75            | \$224       |
| Plant147     | WWTP     | vehicle hoist-vehicle #7     | 24           | 1988          | \$2,205            | \$0                   | \$0                                    | 5,771                  | \$3,730                    | \$155           | \$466       |
| Plant098     | WWTP     | comline sanderson pump       | 25           | 1988          | \$1,770            | \$71                  | \$354                                  | 5,771                  | \$2,994                    | \$120           | \$479       |
| Plant086     | WWTP     |                              | 22           | 1989          | \$1,370            | \$68                  | \$69                                   | 5,790                  | \$2,309                    | \$105           | \$210       |
| Plant036     | WWTP     | concrete slab for dumbster-y | 50           | 1989          | \$1,606            | \$32                  | \$996                                  | 5,790                  | \$2,707                    | \$54            | \$1,624     |
| Plant106     | WWTP     | printed cicuit boards        | 23           | 1989          | \$1,115            | \$0                   | \$0                                    | 5,790                  | \$1,880                    | \$82            | \$245       |
| Plant114     | WWTP     | regulator for generator      | 23           | 1989          | \$1,785            | \$0                   | \$0                                    | 5,790                  | \$3,010                    | \$131           | \$393       |
| Plant005     | WWTP     | above ground fuel tank       | 50           | 1990          | \$15,320           | \$306                 | \$9,805                                | 5,995                  | \$24,946                   | \$499           | \$15,466    |
| Plant012     | WWTP     | aluminum awning              | 50           | 1990          | \$4,575            | \$92                  | \$2,928                                | 5,995                  | \$7,450                    | \$149           | \$4,619     |
| Plant082     | WWTP     | magentic & cable locator     | 22           | 1990          | \$2,035            | \$0                   | \$0                                    | 5,995                  | \$3,313                    | \$151           | \$452       |
| Plant138     | WWTP     | tractor-john deer            | 20           | 1991          | \$27,619           | \$0                   | \$0                                    | 6,090                  | \$44,267                   | \$2,213         | \$4,427     |
| Plant109     | WWTP     | pump(rotary screen)          | 25           | 1991          | \$3,701            | \$148                 | \$1,184                                | 6,090                  | \$5,933                    | \$237           | \$1,661     |
| Plant110     | WWTP     | portable pump(on trailer)    | 25           | 1991          | \$4,223            | \$169                 | \$1,351                                | 6,090                  | \$6,769                    | \$271           | \$1,895     |
| Plant104     | WWTP     | pump(daf recycle)            | 25           | 1991          | \$3,022            | \$121                 | \$967                                  | 6,090                  | \$4,843                    | \$194           | \$1,356     |
| Plant088     | WWTP     | new ras control              | 20           | 1991          | \$3,428            | \$0                   | \$0                                    | 6,090                  | \$5,495                    | \$275           | \$549       |
| Plant090     | WWTP     | open channel meter           | 20           | 1991          | \$2,980            | \$0                   | \$0                                    | 6,090                  | \$4,776                    | \$239           | \$478       |
| Plant101     | WWTP     | pump for rotary screen       | 25           | 1992          | \$2,905            | \$116                 | \$1,046                                | 6,349                  | \$4,467                    | \$179           | \$1,429     |
| Plant095     | WWTP     | pump-sludge process          | 25           | 1992          | \$1,745            | \$70                  | \$628                                  | 6,349                  | \$2,683                    | \$107           | \$858       |
| Plant123     | WWTP     | sludge bed modification      | 22           | 1992          | \$33,562           | \$1,678               | \$6,713                                | 6,349                  | \$51,602                   | \$2,346         | \$11,728    |
| Plant047     | WWTP     | disinfection alternatives    | 22           | 1992          | \$14,044           | \$702                 | \$2,809                                | 6,349                  | \$21,593                   | \$982           | \$4,908     |
| Plant002     | WWTP     | 4" toe boards alum(6)        | 20           | 1993          | \$3,724            | \$186                 | \$931                                  | 6,478                  | \$5,612                    | \$281           | \$1,122     |
| Plant146     | WWTP     | storage cabinets             | 18           | 1993          | \$1,757            | \$0                   | \$0                                    | 6,478                  | \$2,648                    | \$147           | \$294       |
| Plant055     | WWTP     | forklift                     | 18           | 1993          | \$9,472            | \$0                   | \$0                                    | 6,478                  | \$14,273                   | \$793           | \$1,586     |
| Plant128     | WWTP     | steam cleaner                | 18           | 1993          | \$1,347            | \$0                   | \$0                                    | 6,478                  | \$2,030                    | \$113           | \$226       |
| Plant060     | WWTP     | furnance .14 cuft 120v       | 17           | 1994          | \$1,377            | \$0                   | \$0                                    | 6,533                  | \$2,057                    | \$121           | \$242       |
| Plant054     | WWTP     | flow proportional controller | 17           | 1994          | \$1,767            | \$0                   | \$0                                    | 6,533                  | \$2,640                    | \$155           | \$311       |
| Plant058     | WWTP     | two goulds sump pumps        | 25           | 1994          | \$1,083            | \$43                  | \$476                                  | 6,533                  | \$1,618                    | \$65            | \$647       |
| Plant091     | WWTP     | overhaul compressors         | 17           | 1994          | \$5,146            | \$0                   | \$0                                    | 6,533                  | \$7,689                    | \$452           | \$905       |
| Plant048     | WWTP     | dissolved oxygen meter       | 17           | 1994          | \$1,179            | \$0                   | \$0                                    | 6,533                  | \$1,762                    | \$104           | \$207       |
| Plant139     | WWTP     | trailer mounted generator    | 17           | 1994          | \$10,182           | \$0                   | \$0                                    | 6,533                  | \$15,214                   | \$895           | \$1,790     |
| Plant025     | WWTP     | car #2 1994 chevy truck      | 17           | 1994          | \$18,715           | \$1,248               | \$1,248                                | 6,533                  | \$27,963                   | \$1,645         | \$3,290     |
| Plant113     | WWTP     | rebuild positive displacemen | 20           | 1994          | \$12,562           | \$628                 | \$3,768                                | 6,533                  | \$18,768                   | \$938           | \$4,692     |
| Plant160     | WWTP     | 1995 Jeep                    | 15           | 1995          | \$18,655           | \$0                   | \$0                                    | 6,526                  | \$27,901                   | \$1,860         | \$1,860     |
| Plant158     | WWTP     | Forklift                     | 15           | 1995          | \$8,750            | \$0                   | \$0                                    | 6,526                  | \$13,087                   | \$872           | \$872       |
| Plant031     | WWTP     | air diffuser manifolds       | 20           | 1995          | \$8,938            | \$447                 | \$3,128                                | 6,526                  | \$13,369                   | \$668           | \$4,011     |
| Plant069     | WWTP     | influent pump control        | 15           | 1995          | \$8,782            | \$0                   | \$0                                    | 6,526                  | \$13,135                   | \$876           | \$876       |
| Plant096     | WWTP     | clarifier sprockets          | 14           | 1996          | \$24,000           | \$0                   | \$0                                    | 6,558                  | \$35,719                   | \$2,551         | \$2,551     |
| Plant115     | WWTP     | rerofing                     | 50           | 1996          | \$11,512           | \$230                 | \$8,749                                | 6,558                  | \$17,133                   | \$343           | \$12,678    |
| Plant043     | WWTP     | digester piping              | 50           | 1996          | \$102,270          | \$2,045               | \$77,725                               | 6,558                  | \$152,210                  | \$3,044         | \$112,635   |
| Plant017     | WWTP     | blower building              | 50           | 1996          | \$78,366           | \$1,567               | \$59,558                               | 6,558                  | \$116,633                  | \$2,333         | \$86,308    |
| Plant013     | WWTP     | asphalt paving               | 25           | 1996          | \$40,432           | \$1,617               | \$21,024                               | 6,558                  | \$60,175                   | \$2,407         | \$28,884    |
| Plant124     | WWTP     | sludge storage bins          | 50           | 1996          | \$45,874           | \$917                 | \$34,864                               | 6,558                  | \$68,275                   | \$1,365         | \$50,523    |
| Plant035     | WWTP     | composite sampler            | 14           | 1996          | \$3,523            | \$0                   | \$0                                    | 6,558                  | \$5,244                    | \$375           | \$375       |
| Plant018     | WWTP     | blowers & controls           | 20           | 1996          | \$171,887          | \$8,594               | \$68,754                               | 6,558                  | \$255,821                  | \$12,791        | \$89,537    |
| Plant049     | WWTP     | doppler flow meter           | 14           | 1996          | \$2,759            | \$0                   | \$0                                    | 6,558                  | \$4,106                    | \$293           | \$293       |
| Plant011     | WWTP     | alarm monitor                | 14           | 1996          | \$1,919            | \$0                   | \$0                                    | 6,558                  | \$2,855                    | \$204           | \$204       |
| Plant070     | WWTP     | ras disinfection pump        | 14           | 1996          | \$1,673            | \$0                   | \$0                                    | 6,558                  | \$2,490                    | \$178           | \$178       |
| Plant112     | WWTP     | hydrojet pump                | 25           | 1996          | \$7,575            | \$303                 | \$3,939                                | 6,558                  | \$11,274                   | \$451           | \$5,411     |
| Plant044     | WWTP     | digester/DAFT structure      | 50           | 1996          | \$370,449          | \$7,409               | \$281,541                              | 6,558                  | \$551,343                  | \$11,027        | \$407,994   |
| Plant057     | WWTP     | French drain                 | 50           | 1997          | \$1,699            | \$34                  | \$1,325                                | 6,664                  | \$2,489                    | \$50            | \$1,892     |
| Plant077     | WWTP     | lab scale                    | 13           | 1997          | \$2,847            | \$0                   | \$0                                    | 6,664                  | \$4,171                    | \$321           | \$321       |
| Plant034     | WWTP     | Muffin Monsters              | 20           | 1997          | \$2,229            | \$111                 | \$1,003                                | 6,664                  | \$3,266                    | \$163           | \$1,306     |
| Plant010     | WWTP     | Air supply line              | 20           | 1997          | \$22,498           | \$1,125               | \$10,124                               | 6,664                  | \$32,955                   | \$1,648         | \$13,182    |
| Plant130     | WWTP     | Storage facility covering    | 50           | 1997          | \$8,456            | \$169                 | \$6,595                                | 6,664                  | \$12,386                   | \$248           | \$9,413     |
| Plant019     | WWTP     | Plant compressor             | 20           | 1997          | \$2,891            | \$145                 | \$1,301                                | 6,664                  | \$4,236                    | \$212           | \$1,694     |
| Plant105     | WWTP     | ras pump replacement         | 25           | 1998          | \$3,085            | \$123                 | \$1,851                                | 6,852                  | \$4,395                    | \$176           | \$2,461     |
| Plant033     | WWTP     | Muffin Monsters              | 20           | 1998          | \$1,491            | \$75                  | \$746                                  | 6,852                  | \$2,124                    | \$106           | \$956       |
| Plant075     | WWTP     | Irrg sys & plantings         | 25           | 1998          | \$9,917            | \$397                 | \$5,950                                | 6,852                  | \$14,127                   | \$565           | \$7,911     |
| Plant099     | WWTP     | Waste sludge pump            | 25           | 1998          | \$1,908            | \$76                  | \$1,144                                | 6,852                  | \$2,718                    | \$109           | \$1,522     |
| Plant068     | WWTP     | Froth spray pump             | 25           | 1998          | \$1,524            | \$61                  | \$914                                  | 6,852                  | \$2,171                    | \$87            | \$1,216     |
| Plant136     | WWTP     | ras pump replacement         | 25           | 1999          | \$19,127           | \$765                 | \$12,241                               | 6,826                  | \$27,352                   | \$1,094         | \$16,411    |
| Plant144     | WWTP     | Belt press                   | 20           | 1999          | \$930,955          | \$46,548              | \$512,025                              | 6,826                  | \$1,331,247                | \$66,562        | \$665,623   |
| Plant046     | WWTP     | Disinfection system          | 20           | 2000          | \$13,302           | \$665                 | \$7,981                                | 7,068                  | \$18,370                   | \$919           | \$10,104    |
| Plant148     | WWTP     | WAS flow meter               | 11           | 2000          | \$3,912            | \$391                 | \$783                                  | 7,068                  | \$5,403                    | \$491           | \$982       |
| Plant141     | WWTP     | Turbidity Meter              | 11           | 2000          | \$1,874            | \$187                 | \$375                                  | 7,068                  | \$2,588                    | \$235           | \$470       |
| Plant111     | WWTP     | RAS flow meter               | 11           | 2000          | \$4,464            | \$446                 | \$893                                  | 7,068                  | \$6,165                    | \$560           | \$1,121     |
| Plant061     | WWTP     | Gas Detector                 | 11           | 2000          | \$1,265            | \$127                 | \$253                                  | 7,068                  | \$1,748                    | \$159           | \$318       |
| Plant145     | WWTP     | upper spindle rack           | 11           | 2001          | \$1,230            | \$123                 | \$369                                  | 7,227                  | \$1,662                    | \$151           | \$453       |

# Appendix A

## MSD Fixed Assets & Depreciation: Original and Replacement Cost Valuation

| Asset Number | Fac Desc | Description                   | Updated Life | Yr in Service | Original Cost (OC) | FY 08-09 Depreciation | Original Cost Less Depreciation (OCLD) | Service Year ENRCCI/SF | 2009 Replacement Cost (RC) | RC Depreciation | 2009 RC/NLD |
|--------------|----------|-------------------------------|--------------|---------------|--------------------|-----------------------|--|------------------------|----------------------------|-----------------|-------------|
| Plant107     | WWTP     | piston pump upgrade           | 25           | 2001          | \$3,152            | \$126                 | \$2,270                                | 7,227                  | \$4,257                    | \$170           | \$2,895     |
| Plant059     | WWTP     | fumehead purchase             | 11           | 2001          | \$9,253            | \$925                 | \$2,775                                | 7,227                  | \$12,498                   | \$1,136         | \$3,408     |
| Plant039     | WWTP     | plant diffusers               | 9            | 2001          | \$9,885            | \$0                   | \$0                                    | 7,227                  | \$13,351                   | \$1,483         | \$1,483     |
| Plant042     | WWTP     | clarifier wiers               | 20           | 2001          | \$12,000           | \$600                 | \$7,800                                | 7,227                  | \$16,208                   | \$810           | \$9,725     |
| Plant067     | WWTP     | Chains & Sprockets            | 11           | 2001          | \$21,621           | \$2,162               | \$6,487                                | 7,227                  | \$29,202                   | \$2,655         | \$7,964     |
| Plant084     | WWTP     | milltronics multiranger       | 11           | 2001          | \$2,126            | \$213                 | \$638                                  | 7,227                  | \$2,871                    | \$261           | \$783       |
| Plant027     | WWTP     | CED/CES/GRAINGER              | 20           | 2001          | \$3,907            | \$195                 | \$2,539                                | 7,227                  | \$5,277                    | \$264           | \$3,166     |
| Plant056     | WWTP     | freestanding dishwasher       | 11           | 2001          | \$5,593            | \$559                 | \$1,678                                | 7,227                  | \$7,554                    | \$687           | \$2,060     |
| Plant134     | WWTP     | Portable Pumps                | 25           | 2001          | \$11,754           | \$470                 | \$8,463                                | 7,227                  | \$15,876                   | \$635           | \$10,796    |
| Plant085     | WWTP     | moisture balance              | 11           | 2001          | \$3,126            | \$313                 | \$938                                  | 7,227                  | \$4,222                    | \$384           | \$1,151     |
| Plant020     | WWTP     | box scraper & fork set        | 11           | 2001          | \$3,060            | \$306                 | \$918                                  | 7,227                  | \$4,133                    | \$376           | \$1,127     |
| Plant125     | WWTP     | spectrophotometer             | 11           | 2001          | \$2,911            | \$291                 | \$873                                  | 7,227                  | \$3,932                    | \$357           | \$1,072     |
| Plant004     | WWTP     | 8" gate valves                | 50           | 2001          | \$1,587            | \$32                  | \$1,364                                | 7,227                  | \$2,143                    | \$43            | \$1,800     |
| Plant003     | WWTP     | 8" check valves               | 50           | 2001          | \$3,820            | \$76                  | \$3,286                                | 7,227                  | \$5,160                    | \$103           | \$4,334     |
| Plant074     | WWTP     | internet wiring               | 8            | 2002          | \$1,566            | \$0                   | \$0                                    | 7,403                  | \$2,065                    | \$258           | \$258       |
| Plant100     | WWTP     | plug & check valve remov      | 50           | 2002          | \$8,820            | \$176                 | \$7,761                                | 7,403                  | \$11,630                   | \$233           | \$10,002    |
| Plant062     | WWTP     | U.S. filter envirex product   | 20           | 2002          | \$18,162           | \$908                 | \$12,714                               | 7,403                  | \$23,948                   | \$1,197         | \$15,566    |
| Plant028     | WWTP     | U.S. filter envirex product   | 20           | 2002          | \$5,243            | \$262                 | \$3,670                                | 7,403                  | \$6,913                    | \$346           | \$4,494     |
| Plant008     | WWTP     | U.S. filter envirex product   | 20           | 2002          | \$1,293            | \$65                  | \$905                                  | 7,403                  | \$1,705                    | \$85            | \$1,108     |
| Plant164     | WWTP     | Clarifier inlet gates-replace | 10           | 2003          | \$36,221           | \$3,622               | \$18,111                               | 7,532                  | \$46,942                   | \$4,694         | \$18,777    |
| Plant167     | WWTP     | Hypochlorite tank             | 10           | 2003          | \$16,853           | \$1,685               | \$8,426                                | 7,532                  | \$21,841                   | \$2,184         | \$8,736     |
| Plant116     | WWTP     | Residual Recorder             | 10           | 2003          | \$9,310            | \$931                 | \$6,190                                | 7,532                  | \$12,066                   | \$1,207         | \$4,826     |
| Plant162     | WWTP     | Lab equipment                 | 10           | 2003          | \$7,377            | \$738                 | \$3,689                                | 7,532                  | \$9,560                    | \$956           | \$3,824     |
| Plant161     | WWTP     | Equip tool replacement        | 10           | 2003          | \$5,099            | \$510                 | \$2,549                                | 7,532                  | \$6,608                    | \$661           | \$2,643     |
| Plant165     | WWTP     | Back channel grating          | 10           | 2003          | \$21,621           | \$2,162               | \$10,811                               | 7,532                  | \$28,020                   | \$2,802         | \$11,208    |
| Plant103     | WWTP     | Portable Hoist                | 12           | 2003          | \$3,193            | \$266                 | \$1,863                                | 7,532                  | \$4,138                    | \$345           | \$2,069     |
| Plant168     | WWTP     | Plant security                | 10           | 2003          | \$2,455            | \$246                 | \$1,227                                | 7,532                  | \$3,182                    | \$318           | \$1,273     |
| Plant071     | WWTP     | Influent Sampler              | 10           | 2003          | \$4,027            | \$403                 | \$2,014                                | 7,532                  | \$5,219                    | \$522           | \$2,088     |
| Plant166     | WWTP     | 2 workstations                | 7            | 2003          | \$3,149            | \$630                 | \$0                                    | 7,532                  | \$4,081                    | \$583           | \$583       |
| Plant159     | WWTP     | Portable generator            | 12           | 2003          | \$29,456           | \$2,455               | \$17,267                               | 7,532                  | \$38,174                   | \$3,181         | \$19,087    |
| Plant178     | WWTP     | Rebuild Muffin Monster #2     | 10           | 2004          | \$8,225            | \$823                 | \$4,112                                | 8,192                  | \$9,800                    | \$980           | \$4,900     |
| Plant177     | WWTP     | Sodium Bisulfite Tank         | 10           | 2004          | \$14,881           | \$1,488               | \$7,441                                | 8,192                  | \$17,731                   | \$1,773         | \$8,865     |
| Plant181     | WWTP     | Muffin Controllers            | 20           | 2004          | \$3,587            | \$179                 | \$2,690                                | 8,192                  | \$4,274                    | \$214           | \$3,205     |
| Plant171     | WWTP     | Pipe Threading Machine        | 10           | 2004          | \$5,171            | \$517                 | \$2,586                                | 8,192                  | \$6,161                    | \$616           | \$3,081     |
| Plant170     | WWTP     | Trailer                       | 10           | 2004          | \$3,508            | \$351                 | \$1,754                                | 8,192                  | \$4,180                    | \$418           | \$2,090     |
| Plant179     | WWTP     | Replace Valves & RAS pum      | 10           | 2004          | \$3,220            | \$322                 | \$1,610                                | 8,192                  | \$3,837                    | \$384           | \$1,918     |
| Plant169     | WWTP     | Cleaner                       | 10           | 2004          | \$1,991            | \$199                 | \$996                                  | 8,192                  | \$2,372                    | \$237           | \$1,186     |
| Plant180     | WWTP     | Install drain lines           | 25           | 2004          | \$12,310           | \$492                 | \$9,848                                | 8,192                  | \$14,667                   | \$587           | \$11,734    |
| Plant173     | WWTP     | Rplmt Speed Reducer DAF-      | 10           | 2004          | \$2,829            | \$283                 | \$1,414                                | 8,192                  | \$3,371                    | \$337           | \$1,685     |
| Plant172     | WWTP     | Incubator                     | 10           | 2004          | \$2,748            | \$275                 | \$1,374                                | 8,192                  | \$3,274                    | \$327           | \$1,637     |
| Plant174     | WWTP     | Diesel Drive Pump             | 10           | 2004          | \$29,531           | \$2,953               | \$14,766                               | 8,192                  | \$35,186                   | \$3,519         | \$17,593    |
| Plant175     | WWTP     | By Pass Pump                  | 10           | 2004          | \$1,667            | \$167                 | \$834                                  | 8,192                  | \$1,986                    | \$199           | \$993       |
| Plant176     | WWTP     | Chlorine Analyzer             | 10           | 2004          | \$8,851            | \$885                 | \$4,426                                | 8,192                  | \$10,546                   | \$1,055         | \$5,273     |
| 13           | WWTP     | SODIUM BISULFITE TANK         | 20           | 2005          | \$30,214           | \$1,511               | \$24,172                               | 8,567                  | \$34,424                   | \$1,721         | \$27,539    |
| 8            | WWTP     | SLUICE GATE-INSTALLATI        | 10           | 2005          | \$5,890            | \$589                 | \$3,534                                | 8,567                  | \$6,711                    | \$671           | \$4,026     |
| 7            | WWTP     | SLIDE GATES-CONTACT C         | 10           | 2005          | \$17,517           | \$1,752               | \$10,511                               | 8,567                  | \$19,957                   | \$1,996         | \$11,974    |
| 6            | WWTP     | LIGHTING REPLACEMENT          | 10           | 2005          | \$13,923           | \$1,392               | \$8,353                                | 8,567                  | \$15,863                   | \$1,586         | \$9,518     |
| 5            | WWTP     | EQUIPMENT / TOOLS             | 10           | 2005          | \$7,321            | \$732                 | \$4,393                                | 8,567                  | \$8,341                    | \$834           | \$5,005     |
| 4            | WWTP     | EMERGENCY REPLACEME           | 10           | 2005          | \$19,341           | \$1,934               | \$11,605                               | 8,567                  | \$22,036                   | \$2,204         | \$13,221    |
| 3            | WWTP     | EFFLUENT MULTI-METER          | 10           | 2005          | \$11,653           | \$1,165               | \$5,826                                | 8,567                  | \$13,276                   | \$1,328         | \$7,966     |
| 2            | WWTP     | CONDUIT BENDER REPLA          | 10           | 2005          | \$5,226            | \$523                 | \$2,613                                | 8,567                  | \$5,954                    | \$595           | \$3,572     |
| 1            | WWTP     | AERIAL LIFT                   | 10           | 2005          | \$14,160           | \$1,416               | \$7,080                                | 8,567                  | \$16,133                   | \$1,613         | \$9,680     |
| 10           | WWTP     | Slice gate replace            | 10           | 2005          | \$6,826            | \$683                 | \$4,096                                | 8,567                  | \$7,777                    | \$778           | \$4,666     |
| 9            | WWTP     | WORKSTATION MODIFICA          | 10           | 2005          | \$4,859            | \$486                 | \$2,915                                | 8,567                  | \$5,536                    | \$554           | \$3,322     |
| T-2006.2     | WWTP     | MUFFIN MONSTER-REBUI          | 6            | 2005          | \$6,875            | \$1,375               | \$3,896                                | 8,567                  | \$7,833                    | \$1,305         | \$2,611     |
| 11           | WWTP     | IIPP Plan Creation            | 10           | 2005          | \$1,200            | \$120                 | \$720                                  | 8,567                  | \$1,367                    | \$137           | \$820       |
| 12           | WWTP     | Site Plan Survey-Master Pla   | 20           | 2005          | \$3,210            | \$161                 | \$2,568                                | 8,567                  | \$3,657                    | \$183           | \$2,926     |
| T-2007.3     | WWTP     | MUFFIN MONSTER REBUI          | 6            | 2006          | \$10,072           | \$2,014               | \$6,715                                | 8,879                  | \$11,073                   | \$1,845         | \$5,536     |
| T-2006.3     | WWTP     | INFLUENT PUMP STATION         | 20           | 2006          | \$509,996          | \$25,500              | \$456,871                              | 8,879                  | \$560,659                  | \$28,033        | \$476,560   |
| T-2006.1     | WWTP     | EMERGENCY REPLACEME           | 10           | 2006          | \$18,652           | \$1,865               | \$14,922                               | 8,879                  | \$20,505                   | \$2,050         | \$14,353    |
| T-2008-6     | WWTP     | Maintenance / Shop Bldg -Al   | 35           | 2007          | \$3,716            | \$106                 | \$3,610                                | 9,182                  | \$3,950                    | \$113           | \$3,725     |
|              | WWTP     | Misc. Phone System Upgrac     | 6            | 2007          | \$21,814           | \$4,363               | \$13,452                               | 9,182                  | \$23,191                   | \$3,865         | \$15,461    |
|              | WWTP     | Misc. Computer/SCADA Upg      | 3            | 2007          | \$29,600           | \$9,867               | \$9,733                                | 9,182                  | \$31,467                   | \$10,489        | \$10,489    |
| T-2008-12    | WWTP     | Disinfection Project          | 20           | 2007          | \$10,588           | \$529                 | \$10,059                               | 9,182                  | \$11,256                   | \$563           | \$10,130    |
| T-2008-2     | WWTP     | Clarifier Drives - Replaceme  | 15           | 2007          | \$11,598           | \$773                 | \$10,825                               | 9,182                  | \$12,330                   | \$822           | \$10,686    |
| T-2008-4     | WWTP     | Aeration Header - Replacem    | 20           | 2007          | \$218,933          | \$10,947              | \$207,986                              | 9,182                  | \$232,746                  | \$11,637        | \$209,472   |
| T-2008-8     | WWTP     | Wet Well Gas Detection        | 10           | 2007          | \$5,830            | \$583                 | \$5,247                                | 9,182                  | \$6,198                    | \$620           | \$4,958     |
| T-2007.1     | WWTP     | Maintenance / Shop Bldg - N   | 35           | 2007          | \$1,703,738        | \$48,678              | \$1,642,890                            | 9,182                  | \$1,811,238                | \$51,750        | \$1,707,738 |
| T-2008-1     | WWTP     | Elec Cart for Plant - New     | 10           | 2007          | \$8,171            | \$817                 | \$7,354                                | 9,182                  | \$8,687                    | \$869           | \$6,949     |
| T-2008-11    | WWTP     | Site and Building Master Pla  | 35           | 2007          | \$24,076           | \$688                 | \$23,388                               | 9,182                  | \$25,595                   | \$731           | \$24,133    |
| T-2008-10    | WWTP     | Hypo Pumps-Control Unit       | 10           | 2007          | \$3,254            | \$325                 | \$2,929                                | 9,182                  | \$3,459                    | \$346           | \$2,767     |
| T-2007.2     | WWTP     | Emergency Replacements        | 10           | 2007          | \$3,992            | \$399                 | \$3,593                                | 9,182                  | \$4,244                    | \$424           | \$3,395     |
| T-2008-9     | WWTP     | Blower Control System         | 20           | 2007          | \$76,965           | \$3,848               | \$73,117                               | 9,182                  | \$81,821                   | \$4,091         | \$73,639    |

# Appendix A

## MSD Fixed Assets & Depreciation: Original and Replacement Cost Valuation

| <i>Asset Number</i> | <i>Fac Desc</i> | <i>Description</i>           | <i>Updated Life</i> | <i>Yr in Service</i> | <i>Original Cost (OC)</i> | <i>FY 08-09 Depreciation</i> | <i>Original Cost Less Depreciation (OCLD)</i> | <i>Service Year ENRCCI SF</i> | <i>2009 Replacement Cost (RC)</i> | <i>RC Depreciation</i> | <i>2009 RCNLD</i>   |
|---------------------|-----------------|------------------------------|---------------------|----------------------|---------------------------|------------------------------|---|-------------------------------|-----------------------------------|------------------------|---------------------|
| T-2008-7            | WWTP            | Biosolids Reuse              | 7                   | 2007                 | \$2,194                   | \$313                        | \$1,881                                       | 9,182                         | \$2,332                           | \$333                  | \$1,666             |
| T-2009-1            | WWTP            | 2009 Ford Escape Hybrid Ve   | 10                  | 2008                 | \$30,985                  | \$3,099                      | \$27,887                                      | 9,823                         | \$30,789                          | \$3,079                | \$27,710            |
|                     | WWTP            | CCTV Camera, Cable & Sle     | 8                   | 2008                 | \$47,019                  | \$5,877                      | \$41,142                                      | 9,823                         | \$46,721                          | \$5,840                | \$40,881            |
| T-2008-5            | WWTP            | Turbidity Meter - Replaceme  | 7                   | 2008                 | \$3,103                   | \$443                        | \$2,660                                       | 9,823                         | \$3,083                           | \$440                  | \$2,643             |
| T-2009-2            | WWTP            | New WAS pump                 | 20                  | 2008                 | \$11,392                  | \$570                        | \$10,822                                      | 9,823                         | \$11,320                          | \$566                  | \$10,754            |
|                     | WWTP            | Muffin Monster Replacemen    | 15                  | 2009                 | \$93,698                  | \$6,247                      | \$87,451                                      | 9,761                         | \$93,698                          | \$6,247                | \$93,698            |
| T-2009-4            | WWTP            | 2008 Whisperwatt, trailer mc | 12                  | 2009                 | \$45,078                  | \$3,757                      | \$41,322                                      | 9,761                         | \$45,078                          | \$3,757                | \$45,078            |
| <b>Total</b>        |                 |                              |                     |                      | <b>\$31,482,704</b>       | <b>\$688,308</b>             | <b>\$19,431,770</b>                           |                               | <b>\$121,991,201</b>              | <b>\$2,114,301</b>     | <b>\$56,089,111</b> |

**RESOLUTION NO. 2017-906**

**RESOLUTION OF THE GOVERNING BOARD  
OF THE MONTECITO SANITARY DISTRICT  
AMENDING SECTION VIII OF RESOLUTION 2010-861 AND  
REPEALING ALL PRIOR BOARD ACTION RELATED  
TO ESTABLISHING FEE SCHEDULES**

**WHEREAS** the Governing Board of the Montecito Sanitary District adopted Resolution No. 1961-44 on May 29, 1961, titled “Standard Requirements for the Design and Processing of Private Contract Sewer Plans” (hereafter “the Standard Requirements”); and

**WHEREAS** the Standard Requirements include Section VIII (Fees); and

**WHEREAS** Section VIII (Fees) of the Standard Requirements has been revised by Board action in resolutions numbered 1982-610, 1985-642, 1990-675, 2004-816, and 2010-861 and other action as may be reflected in Board Minutes; and

**WHEREAS** the Governing Board desires to amend Section VIII (Fees) of Resolution No. 2010-861 and to repeal all prior Board action related to establishing fee schedules; and

**WHEREAS** information establishing the basis for increasing residential and non-residential sewer connection fees has been available to the public for at least ten days before the Governing Board’s October 9, 2017 meeting;

**WHEREAS** the Governing Board has heard and considered all objections and comments related to the information establishing the basis for increasing said fees;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That all of the recitals contained in the preamble to this Resolution are true;
2. That the fee increases allowed and established by this Resolution are exempt from the California Environmental Quality Act, because they comply with subdivision (b)(8) of section 21080 of the Public Resources Code;
3. That as required by sections 50076 and 66016 of the Government Code, the Governing Board has determined that each fee prescribed in this Resolution does not exceed the estimated reasonable cost to provide the service for which the fee is charged and that no fee is levied for general revenue purposes; and
4. That Section VIII of Resolution No. 2010-861 is amended to read as hereinafter stated:

**SECTION VIII – FEES**

1. **Sewer Main Extension – Design Review and Plan Checking Fees** – Montecito Sanitary District (District) costs for design review, plan check, and site investigation shall be reimbursed by an applicant requiring a sewer extension permit. An applicant requiring these services shall make a deposit with the District in the following amount, based on the total lineal feet (L.F.) of the extension proposed for construction:

|                          |         |
|--------------------------|---------|
| Less than 1,000 L.F.     | \$1,725 |
| 1,000 L.F. to 3,000 L.F. | \$2,875 |
| 3,001 L.F. to 5,000 L.F. | \$4,025 |
| Greater than 5,000 L.F.  | \$5,175 |

Any unused amount of the deposit will be refunded to the applicant. A “per-hour rate” shall be charged against the deposit based on the District’s current hourly rate for staff member(s) assigned to the work. If total charges for actual District costs exceed the deposit, the applicant will be required to pay the additional costs before the permit is issued.

2. **Administrative Review Fees** – An applicant seeking review of a property or properties for a District “Sewer Availability” or “Letter of Certification” required by the County of Santa Barbara Planning and Development Department will pay these administrative fees:

|   |       |
|---|-------|
| Administrative Review – No MSD permit(s) required | \$ 85 |
| Administrative Review – MSD permit(s) required    | \$175 |

3. **Engineering Review Fees** – Engineering Review Fees must be paid by any applicant requiring an Engineering Review. Engineering Reviews may be required by the District or of the District by the County of Santa Barbara for a project, including, but not limited to, a lot line adjustment, condo conversion, subdivision, development of commercial property, and review of encroachment into a District easement. These review fees are:

|  |       |
|--|-------|
| Engineering Review – No MSD permit(s) required | \$175 |
| Engineering Review – MSD permit(s) required    | \$345 |

4. **Construction Inspection Fees** – Before granting a permit for the construction of a main line sewer and appurtenances, the District shall collect a deposit from an applicant to cover the actual cost to provide field inspection of the proposed construction. The amount of the deposit will be based on the estimated number of days of construction multiplied by the daily cost to the District to provide full time inspection.

Any unused amount of the deposit will be refunded to the applicant. If the deposit is exceeded by actual District costs, the applicant will be required to pay the additional costs before the permit is issued.

5. **Sewer Easement Processing Fee** – A privately constructed sewer main to be dedicated to the District must be located within an easement dedicated to the District. Said dedication requires payment of a sewer easement processing fee of \$2,300 for the first parcel and \$1,150 for each additional parcel.

6. **Reimbursement Project / Reimbursement Agreement Processing Fee** – When private construction of a sewer main to be dedicated to the District includes a request for a reimbursement agreement, said agreement is subject to an administrative processing fee deposit of \$865 and a deposit of adequate funds to reimburse the District the cost of a reimbursement analysis that is performed by an independent engineering firm.
7. **Agreement Processing Fees** – The District incurs costs to process customer agreements. These administrative fees apply to processing agreements between the District and a property owner:

|   |         |
|---|---------|
| Dedication Agreement for Sewer Facilities ( <i>for the construction of sewer mains</i> )  | \$2,300 |
| License Agreement ( <i>for encroachment into a District easement</i> )  | \$5,750 |
| Agreement for the Construction of Private Building Sewer  | \$1,150 |
| Crossing Two Adjacent Properties<br>Agreement for Service to Condominiums   | \$1,150 |
| Residential Sewer Service Agreement for Private Pumping<br>Station and Pressure Line Building Sewer                               | \$1,150 |
| Residential Sewer Service Agreement<br>( <i>For existing and new auxiliary structures/buildings</i> )                             | \$230   |
| Accessory Dwelling Unit (ADU) Sewer Service Agreement   | \$230   |
| Termination of Residential Sewer Service Agreement<br>( <i>For existing auxiliary structures that are converted into an ADU</i> ) | \$115   |

8. **Connection Fees** – An owner seeking a connection of a parcel, building, or facility to the District’s sanitary sewer system (“System”) shall pay to the District a one-time connection fee based on the specifics of the connection, as defined in this section. The fee calculations are divided between new sewer connections and property improvements on connected parcels.

8.1 **New Sewer Connections** – Payments for new connections are required when a new connection to the System is established. The payment is based on the connecting customer type, and is divided between residential and non-residential customer classes. All connection fees are based on equivalent residential units (ERUs). **The charge per 1.0 ERU is set at \$8,400 as calculated for calendar year 2018.**

8.1.1 **Residential Sewer Connections** – A connection fee of 1.0 ERU is charged per residential dwelling unit of any type. A residential dwelling unit is defined as an independent living quarter with sleeping, bathroom, and cooking facilities, without regard for the number of bedrooms.

Auxiliary structures are buildings on single family dwelling parcels with indoor plumbing facilities, but without the capability of providing cooking facilities. An auxiliary structure is typically a guest house, pool cabana, art studio, workshop, gym, office, or similar use. Auxiliary structures connected to the System shall pay a connection fee of 0.31 ERU.

Residential dwellings include multi-family dwellings, such as apartments and condominium units. A single parcel may have residential and non-residential uses.

Connection fees for a parcel complex with multi-family dwellings and common areas are calculated as a combination of separate residential dwelling units, with each charged 1.0 ERU, plus non-residential common areas charged as described below.

**8.1.2 Non-Residential Sewer Connections** – The connection fee for all non-residential connections is calculated using a pro-rata 1.0 ERU, as specified herein and in accompanying tables.

The Montecito Water District (“MWD”) assigns a water base allotment to each parcel in the District’s service area. The calculation of the District connection fee shall be based on MWD’s Base Allotment<sup>1</sup> and the sewage strength classification associated with the customer class specified in Table 1 of this section, plus an administrative facility fee for the non-residential connection.

The connection fee for a non-residential sewer connection equals the calculated ERU for the parcel multiplied by the charge in dollars per ERU (\$8,400 per ERU in calendar year 2018).

The calculated ERU is determined by using MWD’s Water Base Allotment in HCF per month or gallons per day multiplied by the appropriate figure from Table 2 for the customer’s sewage strength provided in Table 1.

---

<sup>1</sup> The Base Allotment defines the basic water supply allocation to each MWD account.



**TABLE 1**  
Categorical Sewage Discharge Strengths

| Billing Classification                            | Strength Class (a) |
|---|--------------------|
| Residential Dwelling Unit (1.0 ERU)               |                    |
| <b>Non-Residential</b>                            |                    |
| Church  | Low                |
| Clubs   | Low                |
| Offices   | Low                |
| Laboratory or Doctor's Office                     | Med                |
| Food Market                                       | High               |
| Barber and Beauty Shop                            | Low                |
| Fire Station                                      | Med                |
| Other Commercial / Governmental                   | Low                |
| Meeting / Convention Hall                         | Low                |
| Hotel / Motel without Laundry                     | Low                |
| Hotel / Motel with Laundry                        | Med                |
| Park  | Low                |
| Food Serving Facility (restaurant, etc.)          | High               |
| School and Colleges without Residential Living    | Low                |
| Resident School Attendance (w/ living facilities) | Med                |
| Auxiliary Structures                              | Varies             |
| Service Station/Garage                            | Low                |
| Water Treatment Process Wastewater                | High               |

Med: Medium; Res: Residential; ERU: Equivalent Residential Unit

(a): The sewage strength assignments are based on California SWRCB guidelines

The District Engineer shall determine the sewage strength class for any parcel not provided in this Table.

**TABLE 2**  
Wastewater Connection Fees per Unit of Water Demand

| Customer Sewage Strength                             | ERU per GPD of Water Allocation | ERU per HCF/month of Water Allocation |
|--|---------------------------------|---------------------------------------|
| Low Strength   | 0.0038                          | 0.0941                                |
| Residential Strength                                 | 0.0047                          | 0.1160                                |
| Medium Strength                                      | 0.0043                          | 0.1049                                |
| High Strength  | 0.0047                          | 0.1140                                |
| Administrative Facility Fee*<br>(ERU per connection) |                                 | 0.0064                                |

ERU: Equivalent Residential Unit; GPD: Gallon Per Day; HCF: Hundred Cubic Feet.

Fees are based on a water use return to sewer ratio typical of the commercial and multi-family dwelling sewer connections.

There are 24.5 GPD to 1.0 HCF per month.

\*\$8400 per ERU multiplied by 0.0064 ERU per connection equals \$53.76 in 2018.

8.2 **Connection Fees for Property Improvements on Connected Parcels** – Any connected parcel with a building or facility remodel, improvement, tear-down and rebuild, construction, expansion or new facility, or change in customer classification is deemed to be and defined as a property improvement. Whereas the District’s service capacity is determined by the land uses within its service area and the use of the District’s facilities may be affected by changes in existing customer property improvements, adjustments to the connection fee may be required when there is a property improvement to a connected parcel.

On any parcel connected to the System, any property improvement that results in (1) at least one additional plumbing “fixture unit”<sup>2</sup>, and/or (2) an increase in bedrooms, and/or (3) an increase in the building area of more than 350 square feet shall first obtain a District connection permit and pay the connection fee to the District required by this section.

All building improvements requiring a connection permit shall pay a pro-rata connection fee equal to the fee for a new connection to the System of all existing and planned buildings and facilities on the parcel, less a credit for the amount in dollars of the sum of all previous connection fees paid to the District, based on District records.

8.3. **No Refund of Connection Fees** – If the District revokes a connection permit for failure to comply with permit conditions or requirements, the permit holder is not entitled to a refund or reimbursement of fees paid. No credit or refund will be made for any reduction in the number or type of connected buildings or facilities on any parcel. No credit or refund will be made for any reduction in the strength of the discharged sewage.

9. **Inflationary Adjustments to Section VIII - Fees** – Unit fees specified in Section VIII – Fees (excluding annual sewer service charges) shall be adjusted for inflation, from time to time.

The adjustment shall be made by multiplying each fee by a ratio of the Construction Cost Indexes applicable to the City of Los Angeles, as reported by *Engineering News-Record*, a McGraw-Hill periodical. The ratio of Indexes shall be determined by the percentage increase in the ratio between the year of the enactment of the existing fee and the current year. The product shall be rounded to the nearest five dollar increment.

Other adjustments of fees to recover District costs shall be made at the discretion of the Governing Board.

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<sup>2</sup> “Fixture unit” is as defined by the Uniform Plumbing Code (UPC) for Drainage Fixture Unit Values (DFU).

10. **Inspection Fees** – A connection of any category requires payment of an inspection fee specified herein:

|  |       |
|--|-------|
| New/Replacement of Property Line Clean Out to Existing Lateral | \$175 |
| Capping off (for demolition projects)                          | \$175 |
| Reconnecting to Existing Lateral (for reconstruction projects) | \$175 |
| Replacement of Existing Lateral within private property        | \$345 |
| Replacement of Existing Lateral up to the District main        | \$575 |
| New Lateral Connection/Construction to District Mainline       | \$635 |

11. **Refundable Performance Deposits** – Work on a private lateral from the property line clean-out to the District’s mainline for any length lateral requires payment of a refundable performance deposit specified herein:

|  |         |
|--|---------|
| Replacement of only an existing property line clean out  | No Cost |
| Repair to existing lateral and/or cap-off and reconnection of existing lateral within private property | \$1,150 |
| Replacement and/or cap-off and reconnection of existing lateral within roadway                         | \$2,300 |
| New lateral construction   | \$3,450 |

12. **Annual Sewer Service Charges** – Annual sewer service charges are pro-rated and based on current approved annual service charge amounts from July 1 to date of issuance of a District connection permit or as appropriate for the type of connection. District Resolution No. 2016-897 (Sewer Service Charge), as amended, specifies applicable sewer service charges.

The District shall start collecting annual sewer service charges under Resolution 2016-897, as amended, when project construction is underway and staff has made the tie-in inspection of the lateral connection to the District mainline.

13. **Illegal/Non-Permitted Connections to District System** – The owner of a property with private facilities connected to the System without a District connection permit shall pay all applicable fees at a rate of one and a half times the current connection fee and two times the current inspection fee, which charges include the regular fee rates plus a penalty.

- 14. **Finalization of Connection Permits** – An applicant failing to finalize a connection permit as required by District rules and regulations is subject to these fees:

|   |       |
|---|-------|
| Final Inspection Not Performed<br><i>(District was not called out for final inspection)</i> | \$175 |
| No Inspections Performed<br><i>(Work completed without inspection by District staff)</i>    | \$575 |


If a permit is three or more years old and has not been finalized because of “no-response” from the property owner or contractor and if the construction is completed, the owner shall forfeit the entire amount of the Refundable Performance Deposit. If the lateral tie-in does not comply with District’s Standard Specifications, the District shall hire a contractor to complete and/or repair the work. If the deposit is exceeded by actual District cost, the owner shall pay the additional cost.

- 15. **Extension/Cancellation of Connection Permits** – District connection permits are valid for one year from date of issuance. The Permit will remain open during the time of the construction project. If no work has begun on a property after one year, the property owner may submit a written request to extend or cancel the connection permit and pay these fees from the Refundable Performance Deposit to process the request:

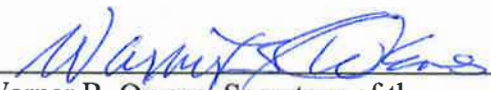
|  |       |
|--|-------|
| First request for a one-year extension of a connection permit            | \$115 |
| Second and Final Request for a one-year extension of a connection permit | \$230 |
| Request for cancellation of connection permit                            | \$575 |

**PASSED AND ADOPTED** by the Governing Board of the Montecito Sanitary District this 9<sup>th</sup> day of October 2017, to become effective January 1, 2018, by the following vote:

- AYES:
- NAYS:
- ABSTAIN:
- ABSENT:

  
 \_\_\_\_\_  
 Robert Williams, President of the  
 Governing Board of the  
 Montecito Sanitary District

ATTEST:

  
 \_\_\_\_\_  
 Warner B. Owens, Secretary of the  
 Governing Board of the  
 Montecito Sanitary District





# 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)

## MONTECITO SANITARY DISTRICT STAFF REPORT

**DATE:** August 12, 2021  
**TO:** Board of Directors  
**FROM:** Brad Rahrer, General Manager  
**PREPARED BY:** Betsy Byrne, District Administrator  
**SUBJECT:** JPIA Board Appointee  
**SUMMARY:** MSD Board is asked to appoint a representative to the JPIA Board

### **RECOMMENDATION – THEREFORE, STAFF RECOMMENDS THAT**

1. The Board appoint a Director to represent MSD on the JPIA Board.

As a member of the JPIA, the Montecito Sanitary District is required to assign a board member as a representative to the JPIA, per the District's JPIA Agreement. Please see JPIA Agreement excerpt below, Article 7. For the full agreement, follow the link provided. JPIA has requested that at the District's next board meeting, the MSD Directors please assign a JPIA Director and notify JPIA.

### **Article 7 — Board Of Directors**

*(a) The Authority shall be governed by the Board of Directors which is hereby established and which shall be composed of one representative from each Member, who shall be a Member director selected by the governing board of that Member. Each Member, in addition to appointing its member of the Board, shall appoint at least one alternate who shall be an officer, member of the governing board, or employee of that Member. The alternate appointed by a Member shall have the authority to attend and participate in any meeting of the Board when the regular member for whom he or she is an alternate is absent from said meeting. (b) Each Director or alternate of the Board shall serve until a successor is appointed. Each Director or alternate shall serve at the pleasure of the Member by which he or she has been appointed. (c) Each Director representing a Member, or his or her alternate, shall have one vote.*

JPIA Agreement: <https://www.acwajpia.com/wp-content/uploads/2018/10/agreement.pdf>

**Fiscal Impact – None**

**Public Notice – No notice required**

**Previous Related Action – Previous Boards appointed a Director to JPIA Board.**



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## **AGENDA**

For the Special Meeting of  
The Finance Committee on:

**Tuesday, August 3, 2021**

The special meeting of the Finance Committee will begin at 2:00 p.m. on August 3, 2021.

Due to COVID-19 Pandemic, the meeting will be held via Zoom per the [Virtual Meeting Protocols](#).

The public may attend and comment by calling 1-669-900-6833 Meeting ID: **833 8693 0089**

Or by visiting: <https://us02web.zoom.us/j/83386930089>

1. **CALL TO ORDER/ROLL CALL**

2. **PUBLIC COMMENT**

Public comment is **limited to 3 minutes** and is at the discretion of the Committee Chair. For further instructions, please see [Instructions for Public Comment](#) on the District's website.

3. **OLD BUSINESS**

4. **NEW BUSINESS**

A. **Enhanced Recycled Water Feasibility Study**

- i. Cost Sharing
- ii. Revised CIP Budget

See Page 11

B. **Unaudited Quarterly Financial Statements for period end June 30, 2021**

- i. O&M Budget status vs Actual Expenditures
- ii. CIP Status Report
- iii. Quarterly Investment Activity
- iv. Quarterly Investment Certification

5. **ITEMS FOR THE NEXT COMMITTEE AGENDA**

The next regular Finance Committee meeting will be on October 19, 2021 at 2:00 pm.

6. **ADJOURNMENT**



# Montecito Sanitary District

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## MONTECITO SANITARY DISTRICT STAFF REPORT

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**DATE:** Tuesday, August 3, 2021  
**TO:** Finance Committee  
**FROM:** Bradley Rahrer, General Manager  
**SUBJECT:** Enhanced Recycled Water Feasibility Study

**RECOMMENDATION:**

That Finance Committee:

1. Make a recommendation to the Board of Directors to adjust the Enhanced Recycled Water Feasibility Study line item in the approved Fiscal Year 2021-2022 CIP Budget to fund a contract with Carollo Engineers.

**DISCUSSION:**

**Background** – The Montecito Water District (MWD) is working towards further evaluating Montecito’s alternatives for the use of recycled water within the community. The currently proposed Enhanced Recycled Water Feasibility Study (Study) scope of work will further refine the analysis of MWD’s 2018 Recycled Water Feasibility Plan and expand on potential potable reuse projects, including possible regional partnerships with the City of Santa Barbara or Carpinteria Valley Water District. In order to better understand the wastewater quality and facilities needed to support a reliable recycled water project, the Study includes an evaluation of Montecito Sanitary District treatment facilities.

District staff has worked with MWD staff and Carollo Engineers over the past few months to refine the proposed scope of work and cost estimate. The schedule for the proposed scope of work is estimated to take 9 to 12 months to complete.

**Fiscal Impact** – The District’s approved Fiscal Year 2021-2022 CIP budget includes \$75,000 for funding the Study. The proposed cost for the Study’s full scope of work is \$439,861 which includes an optional task for Carollo to provide technical support for the Recycled Water Pilot Plant should the District begin

operating the pilot plant again. Note that the total cost to the District would decrease significantly if any alternatives were determined to be infeasible in the early stages of the project.

With a total cost of \$439,861 and a 50% cost share with MWD, the District's portion of the contract would be \$219,930. To fund the Study, staff recommends the Finance Committee recommend to the Board, increasing the FY21-22 CIP budget allocation for recycled water from \$75,000 to \$219,930. Currently, the District's Recycled Water Fund has a balance of \$1,095,337.

MWD and MSD are working collaboratively to apply for grant funding from the State Water Resources Control Board to offset the cost of this Study. MSD staff have participated in conversations with state representatives recently about the possibility of funding for the proposed enhanced recycled water feasibility study and it is likely the additional scope, or at least a portion of it, would be considered for additional grant funding by the State's Water Recycling Funding Program. The state planning grants now match up to 50% of a \$300,000 study, or up to \$150,000.

**Previous Related Action** – At the July 15, 2021 Strategic Planning Committee Carollo Engineers presented the Enhanced Recycled Water Feasibility Study scope of work. On July 21, 2021, the MWD/MSD Joint Strategic Planning Committee discussed the proposed scope of services and cost sharing between the two districts. The Committee members were supportive of moving forward with a contract with Carollo Engineers and equal cost sharing between MSD and MWD for all elements of the scope of work, including the optional recycled water pilot system support task.

At the regularly scheduled MWD Board Meeting on July 27, 2021, the MWD Board of Directors authorized MWD Staff to prepare and execute a contract with Carollo Engineers and sharing the cost of the Study 50/50 with MSD.

**OTHER STAKEHOLDERS INVOLVED:** Montecito Water District

**ATTACHMENTS:**

- Enhanced Recycled Water Feasibility Study Cost Breakdown,
- Revised proposed FY2021-22 CIP Budget for Enhanced Recycled Water Feasibility Study





# APPROVED FY 2021-2022 Capital Improvement Project Budget

Update to Recycled Water Estimated FY21-22 Cost for Aug 3, 2021 Finance Committee Mtg

| Annual Projects |  |                        |                        |
|-----------------|--|------------------------|------------------------|
| No.             | Description  | Estimated Project Cost | Estimated FY21-22 Cost |
| <b>1</b>        | <b>Scheduled and Emergency Replacements</b>                              | \$ -                   | \$ 100,000             |
| <b>2</b>        | <b>Manhole Raising/ Repair/ Replacement</b>                              | \$ -                   | \$ 400,000             |
|                 | A. Highway 192 Lower and Raise 60 Manholes- Caltrans                     | \$ 150,000             | ←                      |
|                 | A1. Highway 192 Lower and Raise 60 Manholes- Caltrans: Inspection        | \$ 30,000              | ←                      |
|                 | B. N. Jameson Raise 14 Manholes- County                                  | \$ 25,200              | ←                      |
|                 | C. Fernald Point Lower and Raise 2 Manholes- County                      | \$ 5,000               | ←                      |
|                 | D. Private road manhole raising/repair/replace                           | \$ 30,000              | ←                      |
| <b>3</b>        | <b>Sewer Main Repair / Replacement/ Lining</b>                           | \$ -                   | \$ 175,000             |
|                 | A. Trunk mainline, Manholes, and sewer lining rehab project- design only | \$ 50,000              | ←                      |
|                 | B. Brooktree Road Sewer Main Replacement                                 | \$ 28,000              | ←                      |
|                 |  | <b>\$ 318,200</b>      | <b>\$ 675,000</b>      |

| New Projects FY2021-22 |  |                        |                        |
|------------------------|--|------------------------|------------------------|
| No.                    | Description  | Estimated Project Cost | Estimated FY21-22 Cost |
|                        | Electrical Rehabilitation Project (including: AB blower project, VFD's)              | \$ 840,000             | \$ 840,000             |
|                        | Skimmer troughs need to be replaced  | \$ 90,000              | \$ 55,000              |
|                        | Digester Blowers replacement   | \$ 33,000              | \$ 33,000              |
|                        | Roof for Admin, Operations, and Board room building                                  | \$ 65,000              | \$ 65,000              |
|                        | Maintenance Gate controller with new keypads   | \$ 13,500              | \$ 13,500              |
|                        | Main Gate replacement with motorized gate and keypads                                | \$ 24,000              | \$ 24,000              |
|                        | HVAC system for admin, board room, and maintenance building                          | \$ 40,000              | \$ 40,000              |
|                        | Forklift purchase  | \$ 35,000              | \$ 35,000              |
|                        | Channel Drive Lift Station - wet well access hatch and force main replacement design | \$ 50,000              | \$ 50,000              |
|                        |  | <b>\$ 1,190,500</b>    | <b>\$ 1,155,500</b>    |

| Sewer Main Extension Projects* |   |                        |                        |
|--------------------------------|---|------------------------|------------------------|
| No.                            | Description   | Estimated Project Cost | Estimated FY21-22 Cost |
| 9                              | Caltrans HOV- Posilipo gravity main and force main relocation- design       | \$ 177,900             | \$ 177,900             |
| 9                              | Caltrans HOV- Posilipo gravity main and force main relocation- construction | \$ 1,000,000           | \$ 500,000             |
| 9                              | *Lilac and Oak Grove Sewer Main Extension Construction                      | \$ 2,323,137           | \$ 2,323,137           |
| 9                              | *Ashley Road Pump Station Design  | \$ 150,000             | \$ 150,000             |
| 9                              | *Ashley Road & E. Mountain Pipeline Design Costs                            | \$ 100,000             | \$ 100,000             |
| 9                              | *Ashley Road and E. Mountain Extension Construction                         | \$ 2,500,000           | \$ 1,250,000           |
|                                |   | <b>\$ 6,251,037</b>    | <b>\$ 4,501,037</b>    |

*\*These projects are not yet Board-approved, and are expected to recoup construction costs from homeowners.*

| Recycled Water Fund |   |                |                        |
|---------------------|---|----------------|------------------------|
| No.                 | Description   | Dedicated Fund | Estimated FY21-22 Cost |
|                     | Enhanced Recycled Water Feasibility Study (assume 50-50 share with MWD) | \$ 1,096,679   | <b>\$ 219,931</b>      |

*Net RW Fund Balance after proposed FY21-22 expenditure: \$ 1,096,678.77 \$ 876,748.27*

**Total for FY 2021-2022 \$ 6,551,468**



# 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)

## MANAGER'S REPORT

For the Regular Board Meeting of

**August 12, 2021**

### **8. DISTRICT OPERATIONS AND MAINTENANCE**

#### **A. Information Items**

General Manager Brad Rahrer, P.E. will provide informational, nonactionable, updates regarding matters before the District.

#### **B. Agreements to be Signed**

1510 East Mountain Drive Dedication Agreement

#### **C. Operations and Maintenance Reports**

For the period of July 12, 2021 through August 1, 2021

### **WASTEWATER TREATMENT PLANT STATISTICS FOR DURATION: 35 DAYS**

|                            |             |                        |
|----------------------------|-------------|------------------------|
| Flows                      | 10.939 MG   | 0.520 MGD avg.         |
| Hypochlorite used          | 3,059 Gal   | 145 Gallons day, avg.  |
| Bisulfite used             | 1,209 Gal   | 57 Gallons day, avg.   |
| Effluent T.S.S.            |             | 4.7 mg/L avg.          |
| Effluent CBOD <sub>5</sub> |             | 4.4 mg/L avg.          |
| BAC-T                      |             | < 2.0 MPN/100mL median |
| Rainfall                   | 0.00 inches |                        |

### **SLUDGE DISPOSAL - LOAD AND DISPOSAL BY ENGEL & GRAY**

| <u>Load Date</u>      | <u>Total Haul in pounds</u> | <u>Total haul in Tons</u> |
|-----------------------|-----------------------------|---------------------------|
| 7/12/2021             | 37,340                      | 18.6                      |
| 7/19/2021             | 38,400                      | 19.2                      |
| 7/29/2021             | 36,361                      | 18.18                     |
| <b><u>Totals:</u></b> | <b><u>112,101</u></b>       | <b><u>56.05 Tons</u></b>  |

### **PLANT OPERATIONS**

- No violation of the NPDES permit during this reporting period.
- Operated the belt press for a total of 18 hours.
- No after-hours call-outs this period.

## **PLANT MAINTENANCE**

- Performed routine inspections and maintenance of District Buildings and Equipment.
- Temporary repair to feed belts on belt press
- Inspected and troubleshot malfunctioning influent pump station grinder

## **COLLECTIONS**

- No public sewer system overflows this reporting period.
- No private sewer system overflows this reporting period.
- Linear Feet Cleaned: 13,824 ft, 2.61 Miles
- Linear Feet Inspected: 6,438 ft, 1.21 Miles
- No after-hours call-outs this period.

## **LABORATORY**

During this 21-day period the Laboratory Manager and Operators assigned to the Laboratory performed the following activities:

- Collected 126 samples
- Ran 187 tests plus 52 duplicate tests for NPDES permit compliance and process control
- Performed 33 calibrations on laboratory equipment and 480 quality control checks
- Sent 3 samples to our contract lab for NPDES-required monthly testing (Oil & Grease, Ammonia and Total Organic Carbon)