



# Montecito Sanitary District

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*A Public Service Agency*

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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