



Regular Board of Directors Meeting

Thursday, June 9, 2022, at 3:00 p.m.

2435 Wallace Avenue, Summerland CA 93067

NOTES

This meeting will be held at the District's office at 2435 Wallace Avenue in Summerland. The public may listen to the meeting telephonically by calling +1 669 900 6833 (San Jose) Meeting Code ID: 983 226 8568 or through the internet at <https://us02web.zoom.us/j/9832268568>. The public may attend the meeting, which follows social distancing protocols. Should you wish to participate by offering comments on either non-agenda or agenda-related items, please follow the instructions set forth in Item IV of the agenda.

Materials related to an item on this agenda, which are part of the agenda packet, are available for public inspection on the District's website at www.summerlandsd.org, or during normal business hours (8:00 a.m. - 4:00 p.m. weekdays) in the District's office.

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Clerk of the Board at (805) 969-4344. Notification 24-hours prior to the meeting will help the Clerk make reasonable arrangements to ensure accessibility to this meeting.

AGENDA

- I. **CALL TO ORDER/ROLL CALL**
- II. **PLEDGE OF ALLEGIANCE**
- III. **APPROVAL OF THE AGENDA**
The Board President will ask the Board, public, staff, and legal counsel if there are any additions or modifications to the Agenda.
- IV. **PUBLIC COMMENT** [Non-Agenda Items]
Those wishing to offer public comment must submit a speaker slip to the Clerk of the Board. Public comment is limited to three minutes per speaker.

If the public is participating remotely, please email comments to info@summerlandsd.org at least 30 minutes before the meeting begins or give a telephone number to (805) 969-4344 for the Clerk of the Board to call during the meeting and provide an opportunity for comment.
- V. **APPROVAL OF THE MINUTES FOR THE SPECIAL BOARD MEETING OF MAY 9, 2022, AND THE REGULAR BOARD MEETING OF MAY 12, 2022** [Action Item]
- VI. **APPROVAL OF THE MONTHLY EXPENSES FOR MAY 2022, INCLUDING PAYROLL AND PETTY CASH** [Action Item]

SUMMERLAND SANITARY DISTRICT
Regular Board of Directors Meeting
AGENDA

VII. COMMITTEE REPORTS UPDATES

- A. Finance Committee Report
- B. Administrative, Operations Personnel Committee Report

VIII. CLOSED SESSION ITEM

Conference with Legal Counsel – Existing Litigation – Government Code, § 54956.9(d)(1) *Lucinda Malott, etc. versus Summerland Sanitary District*, Santa Barbara Superior Court No. 18CV01923

IX. OLD BUSINESS ITEMS

- A. Emergency Repair Report for the Replacement of Treatment Plant's Blowers as Authorized by Resolution 2021-08 [Non-Action Item]**

Description: The Board will review the submitted staff report.

- B. Emergency Repair Report for the Maintenance on the District's Outfall Pipeline as Authorized by Resolution 2021-09 [Non-Action Item]**

Description: The Board will review the submitted staff report.

X. NEW BUSINESS ITEMS

- A. Request for Approval for the Service Proposal received from Trinity Alternative Power Solutions, Inc. for the Replacement of the District's Automatic Transfer Switch with a new ASCO ATS 400/AMP 480**

Description: The Board of the Summerland Sanitary District is requested to approve the received proposal total cost of \$6,500 to replace the District's Automatic Transfer Switch (ATS) with a new ASCO ATS 400/AMP 480. The Board is requested to approve the proposal and to authorize the Operations Manager to sign for approval.

Staff Recommendation: To approve the proposal as presented.

- B. Rate Study FY 2022-23**

Description: The Board of the Summerland Sanitary District will discuss initiating a Rate Study during the fiscal year 2022-23.

- C. Letter of Engagement for Audit of the Financial Statements ending June 2022 Bartlett, Pringle & Wolf, LLP**

Description: The Board of the Summerland Sanitary District received a letter of engagement from Bartlett Pringle & Wolf, LLP for audit services with a total cost of \$16,200. The Board is requested to approve the letter of engagement.

Staff Recommendation: To approve the letter of engagement as presented.

- D. Budget Review & Resolution No. 2022-03: Adopting of Operations Budget Fund 5215, Capital Facilities Budget Fund 5216, and Capital Replacement and Repair Budget Fund 5217 for FY2022/23**

Description: The Board received a Proposed FY2022/23 Annual Budget and will receive input from the Finance Committee who discussed the proposed budget during the May 26th Finance Committee Meeting. The Board of Directors will be asked to consider approving the proposed budget FY2022-23 by adopting Resolution 2022-03.

SUMMERLAND SANITARY DISTRICT
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AGENDA

E. Resolution No. 2022-04 Setting the Date for a Hearing and Giving Notice Thereof of Election to Collect Sewer Service Charges on the County Tax Roll

Description: The Board will review and consider adopting Resolution No. 2022-04 for collecting sewer service charges on the County tax roll for the Fiscal year 2022-23.

Staff Recommendation: Staff recommends that the Board adopt Resolution No. 2022-04.

F. Resolution No. 2022-05 Agreeing that the Alternate Method of Distribution of Property Tax Levies & Assessments is Applicable to Tax Levies Made by the County of Santa Barbara, State of California.

Description: The Board will review and consider adopting Resolution No. 2022-05 for agreeing that the alternate method of distribution of property tax levies & assessments is applicable to tax levies made by the County of Santa Barbara.

Staff Recommendation: Staff recommends that the Board adopt Resolution No. 2022-05.

XI. FINANCIAL STATUS REPORT MAY 2022 [Action Item]

The Board will receive Financial Status and Cash Balances Reports for Funds 5215, 5216, and 5217 and may request staff for explanations. The Board will be asked to accept the reports as presented.

XII. OPERATIONS MANAGER REPORT

The Operations Manager will provide a written report on operations, facility, and collection system maintenance and affairs and will provide explanations as requested.

XIII. ADMINISTRATIVE MANAGER REPORT

The Administrative Manager will provide a written report on the District's administrative affairs and will provide explanations as requested.

XIV. BOARD COMMUNICATIONS

- A. Board Communications
- B. Items for future Board meetings
- C. Next Board meeting date

XV. ADJOURNMENT



V

Minutes of the Special Board of Directors Meeting

Monday, May 9, 2022, at 2:00 p.m.

These are the minutes of the special board meeting of the Governing Board of the Summerland Sanitary District. The Governing Board of the Summerland Sanitary District held a special meeting at the District's office, located at 2435 Wallace Avenue, Summerland CA.

Public was able to listen to the meeting telephonically by calling +1 669 900 6833 (San Jose) 983 226 8568 or through the internet at <https://us02web.zoom.us/j/9832268568>. Public was also permitted at the meeting.

The agenda notice for this meeting, including instructions for the public to provide comments and/or participate in the electronic meeting, was posted on the district's website, bulletin board, and at the post office at least 24-hours in advance of the meeting.

PRESIDENT D. NOVIS CALLED THE REGULAR BOARD MEETING TO ORDER AT 2:01 P.M.

I. ROLL CALL

DIRECTORS PRESENT

JOLENE COLOMY
DAVID NOVIS
JOHN FRANKLIN
MARTIN TUCKER
JAMES WITMER

(via telephone)

OTHERS PRESENT

NOE AGUILAR VEGA
MARJON (Mar) SOUZA
JANET MCGINNIS

Operations Manager
Administrative Manager
Legal Counsel

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF THE AGENDA

President D. Novis asked if there were any modifications and/or changes to the agenda. Hearing none, the agenda was approved as submitted.

IV. PUBLIC COMMENT

No public comments were submitted, and no public was present via telephone, Zoom, or at the meeting location.

V. CLOSED SESSION ITEM

Conference with Legal Counsel – Existing Litigation – Government Code, § 54956.9(d)(1)
Lucinda Malott, etc. versus Summerland Sanitary District, Santa Barbara Superior Court No. 18CV01923.

At 2:03 p.m., Board President D. Novis announced the commencement of the closed session.

Summerland Sanitary District
Minutes Special Board Meeting 5/9/2022

At 2:40 p.m., Board President D. Novis announced that the Board reconvened into open session and that the following reportable action was taken during the closed session:

The Board of Directors authorized Legal Counsel to convey to the mediator and Ms. Malott's counsel that it accepted the terms of the proposal for settlement and to work with counsel and the mediator to prepare a written settlement agreement. The Board further authorized Board president D. Novis to sign any settlement agreement approved as to form by District Counsel.

VI. ADJOURNMENT

A motion was made by Director J. Witmer to adjourn the Special Board Meeting at 2:43 p.m. The motion was seconded by Director J. Franklin and passed with five ayes.

Respectfully submitted:

Jim Witmer
Board Secretary

June 9, 2022

Minutes prepared by M. Souza



IV

Minutes of the Regular Board of Directors Meeting

Thursday, May 12, 2022, at 3:00 p.m.

These are the minutes of the regular meeting of the Governing Board of the Summerland Sanitary District held at the District's Office at 2435 Wallace Avenue, Summerland, California.

The public was able to listen to the meeting telephonically by calling +1 669 900 6833 (San Jose), code 983 226 8568, or through the internet at <https://us02web.zoom.us/j/9832268568>. The public was also allowed to attend the meeting with social distancing protocols.

The agenda notice for this meeting, including instructions for the public to provide comments and/or participate in the electronic meeting, was posted on the district's website and bulletin board and at the Post Office at least 72-hours in advance of the meeting.

PRESIDENT D. NOVIS CALLED THE REGULAR BOARD MEETING TO ORDER AT 3:00 p.m.

I. CALL TO ORDER/ROLL CALL

DIRECTORS PRESENT

JOLENE COLOMY

DAVID NOVIS

JOHN FRANKLIN

JAMES WITMER

ABSENT

MARTIN TUCKER

OTHERS PRESENT

NOE AGUILAR VEGA

Operations Manager

MARJON (MAR) SOUZA

Administrative Manager

II. PLEDGE OF ALLEGIANCE

III. APPROVAL OF THE AGENDA

President D. Novis asked if there were any modifications and/or changes. Hearing no objections, the agenda was approved as submitted.

IV. PUBLIC COMMENT [NON-AGENDA ITEMS]

No public comments were submitted, and no member of the public was present via telephone or Zoom.

V. APPROVAL OF THE MINUTES FOR THE REGULAR BOARD MEETING OF APRIL 14, 2022 [Action Item]

A motion was made by Director J. Franklin to approve the minutes of the Regular Board Meeting of April 14, 2022. The motion was seconded by Director J. Colomy, and was carried by the following roll call vote:

AYES:	4	J. Colomy, J. Franklin, D. Novis, J. Witmer
NOES:	0	None
ABSENT:	1	M. Tucker
ABSTAIN:	0	None

VI. APPROVAL OF THE MONTHLY EXPENSES FOR APRIL 2022, INCLUDING PAYROLL AND PETTY CASH
[Action Item]

District Management answered the Board's questions and clarified information about the payout of bills. A motion was made by Director J. Colomy to approve the monthly expenses, including payroll and petty cash totaling \$85,194 for Fund 5215 and \$80,766 for Fund 5217. The motion was seconded by Director J. Franklin, and was carried by the following roll call vote:

AYES:	4	J. Colomy, J. Franklin, D. Novis, J. Witmer
NOES:	0	None
ABSENT:	1	M. Tucker
ABSTAIN:	0	None

VII. COMMITTEE REPORTS

A. Finance Committee Report

The Finance Committee did not meet.

B. Administration, Operations & Personnel (AOP) Committee

The AOP- Committee did not meet.

VIII. OLD BUSINESS ITEMS

A. Emergency Repair Report for the Replacement of Treatment Plant's Blowers as Authorized by Resolution 2021-08 [Non-Action Item]

The Board reviewed the submitted staff report. Operations Manager N. Aguilar Vega said the installation of the Blowers is still expected to take place in July of this year. Until the completion of the installation, the emergency condition, as described in Resolution 2021-08, still exists.

B. Emergency Repair Report for the Maintenance on the District's Outfall Pipeline as Authorized by Resolution 2021-09 [Non-Action Item]

The Board reviewed the submitted staff report. Operations Manager N. Aguilar Vega said that the first phase of the Ocean Outfall Pipeline Maintenance is still scheduled on or around June 15, 2022. A meeting with Steve from MPM took place on Monday the 9th of May to go over the plans. Mr. Aguilar Vega mentioned that MPM contacted TAFT Electric to push a rodder through the outfall pipeline that will be used to guide all the cleaning and inspection equipment. This will take place on May 24, 2022. The emergency condition, as described in Resolution 2021-09, still exists.

X. FINANCIAL STATUS REPORT – APRIL 2022

The Board received Financial Status and Cash Balances Reports for Funds 5215, 5216, and 5217, and staff provided explanations as requested.

A motion was made by Director J. Colomy to accept the Financial Status Report of April 2022.

The motion was seconded by Director J. Witmer, and was carried by the following roll call vote:

AYES:	4	J. Colomy, J. Franklin, D. Novis, J. Witmer
NOES:	0	None
ABSENT:	1	M. Tucker
ABSTAIN:	0	None

VIII. OPERATIONS MANAGER REPORT

Operations Manager N. Aguilar Vega provided a written report and answered Board questions.

- The old John Deer Backhoe was picked up and is scheduled to be actioned off on June 15, 2022, by Ken Porter Auction House.
- A small residential lateral sewer spill was discovered by staff at 2547 Whitney Ave. The property owner was contacted immediately, and the spill was reported to the County Health Department. The property owner hired a certified plumbing company. The plumber performed the lateral sewer repair. Part of the sewer lateral was exposed and the property owner was required to bury the lateral according to District standards.

IX. ADMINISTRATIVE MANAGER REPORT

Administrative Manager M. Souza provided a written report and answered Board questions.

XI. BOARD COMMUNICATIONS

- A. Board communications: District Board, legal counsel, and staff will be invited for a luncheon at Noon on either July 6th, or July 13th at the District to celebrate the 20-year work anniversary of the Administrative Manager.
- B. Items for future Board meetings: Rate Study 2022/23
- C. The next Regular Board Meeting date is Thursday, June 9, 2022, at 3:00 p.m.

XII. ADJOURNMENT

A motion was made by Director J. Witmer to adjourn the Regular Board Meeting at 3:44 p.m. and was seconded by Director J. Franklin and carried by four ayes and one absent vote.

Respectfully submitted:

Jim Witmer
Board Secretary

Date: June 9, 2022

Minutes prepared by M. Souza

Expenditure Transactions

For the Month of May 2022

From 5/1/2022 to 5/31/2022

Selection Criteria: Fund = 5215, 5216, 5217

Layout Options: Summarized By = Fund; Page Break At = Fund; Columns = Vendor

Fund 5215 -- SummerInd San Dist Running Exp

Document	Post On	Dept	LIAcct	Description	Amount	Vendor	Vendor Name
JE - 0233419	5/2/2022		6475	HRA Administrative Fee - APR 2022	9.00		
CLM - 0682045	5/6/2022		7460	Reimb. Prop. Own. 2435 Whitney Sewer Cleaning Chrg	1,050.00	790180	Summerland Sanitary District
CLM - 0682168	5/9/2022		7510	Removal of Biosolids 2 truckloads 46.88 tons total	3,169.04	003949	LIBERTY COMPOSTING
CLM - 0682169	5/9/2022		7731	Gasoline April 2022	112.29	522736	McCormix Corporation
CLM - 0682172	5/9/2022		7516	Dig alert ticket cost April 2022	11.55	828128	UNDERGROUND SERVICE ALERT
CLM - 0682173	5/9/2022		7510	Call Center Service - April 2022	50.23	106048	CENTRAL COMMUNICATIONS
CLM - 0682175	5/9/2022		6600	Medical Benefits June 2022	6,308.75	002073	SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
CLM - 0682176	5/9/2022		7363	Screw, 10-24 x 1/8 long pan head seal	17.45	103872	ARIES INDUSTRIES INC
CLM - 0682218	5/9/2022		6600	Dental, Vision and Life Ins. April 2022- Outstand.	413.90	002073	SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
CLM - 0682166	5/10/2022		7121	785 Gallons of Sodium Hypochlorite	2,350.97	214614	UNIVAR SOLUTIONS USA INC
CLM - 0682300	5/10/2022		7404	Annual NPDES Bio-assays testing ABC-Lab	4,010.00	037980	Aquatic Bioassay & Counseling Lab Inc
CLM - 0682890	5/12/2022		7731	Diesel Fuel 193 gallons & delivery fee	1,224.01	522736	McCormix Corporation
CLM - 0682898	5/12/2022		7053	Phone Wireless April 2022	199.32	297454	VERIZON WIRELESS
CLM - 0682906	5/12/2022		7764	Trash Service April 2022	342.28	509950	MARBORG INDUSTRIES
CLM - 0682915	5/12/2022		6600	Dental, Vision and Life Ins. June 2022	413.90	002073	SPECIAL DISTRICT RISK MANAGEMENT AUTHORITY
CLM - 0682919	5/12/2022		7110	Compensation Special Board Meeting 05/09/2022	175.00	009934	JOLENE M COLOMY
CLM - 0682922	5/12/2022		7110	Compensation Special Board Meeting 05/09/2022	175.00	091927	JAMES WITMER
CLM - 0682928	5/12/2022		7110	Compensation Special Board Meeting 05/09/2022	175.00	765907	John Franklin
CLM - 0682933	5/12/2022		7110	Compensation Special Board Meeting 05/09/2022	175.00	026964	DAVID NOVIS
CLM - 0682936	5/12/2022		7110	Compensation Special Board Meeting 05/09/2022	175.00	009758	MARTIN TUCKER
CLM - 0682939	5/12/2022		7110	Comp. Mediation Meeting 05/04/2022	175.00	026964	DAVID NOVIS
CLM - 0682940	5/12/2022		7110	Comp. Mediation Meeting 05/04/2022	175.00	009934	JOLENE M COLOMY
CLM - 0682942	5/12/2022		7363	Hydraulic Hose for 310G Backhoe	237.69	493284	Coastline Equipment
CLM - 0682953	5/12/2022		7430	CWEA Membership Fee EN	192.00	790180	Summerland Sanitary District
CLM - 0682953	5/12/2022		7450	Property Tax Roll Addresses Fee	30.00	790180	Summerland Sanitary District
CLM - 0682953	5/12/2022		7450	Household supplies	232.20	790180	Summerland Sanitary District
CLM - 0682953	5/12/2022		7450	New Silverware, TP Holder, mailing	122.11	790180	Summerland Sanitary District
CLM - 0682953	5/12/2022		7450	Monthly Subscription Zoom & Office 365	23.24	790180	Summerland Sanitary District

credit
card
exp.

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Expenditure Transactions

From 5/1/2022 to 5/31/2022

Selection Criteria: Fund = 5215, 5216, 5217

Layout Options: Summarized By = Fund; Page Break At = Fund; Columns = Vendor

Fund 5215 -- SummerInd San Dist Running Exp

Document	Post On	Dept	LI Acct	Description	Amount	Vendor	Vendor Name	
CLM - 0682953	5/12/2022		7363	3 New Flags (2 US & 1 CA)	116.00	790180	Summerland Sanitary District	credit
CLM - 0682953	5/12/2022		7459	SSD Domain Renewal Fee 2-ysr	42.34	790180	Summerland Sanitary District	card
CLM - 0682953	5/12/2022		7630	Dewalt Cordless Drill, Dremel Rotary Tool Kit	209.00	790180	Summerland Sanitary District	exp.
CLM - 0682953	5/12/2022		7730	Lunch for Mediation Team 4/27/22	58.71	790180	Summerland Sanitary District	
JE - 0233959	5/15/2022		6400	Retirement Contr. Payroll 05-15-2022	7,521.67			
JE - 0233959	5/15/2022		6475	Retirement Healthcare Contr. retirees 05-15-2022	241.67			
CLM - 0683346	5/16/2022		6100	Regular Salaries May 1-15, 2022	16,319.69	790178	Summerland Sanitary District	
CLM - 0683346	5/16/2022		6270	Standby May 1-15, 2022	808.23	790178	Summerland Sanitary District	
CLM - 0683346	5/16/2022		6500	Medicare and Fica May 1-15, 2022	1,383.29	790178	Summerland Sanitary District	
CLM - 0683789	5/19/2022		7110	Compensation Regular Board Meeting 05-12-2022	175.00	009934	JOLENE M COLOMY	
CLM - 0683790	5/19/2022		7110	Compensation Regular Board Meeting 05-12-2022	175.00	091927	JAMES WITMER	
CLM - 0683792	5/19/2022		7110	Compensation Regular Board Meeting 05-12-2022	175.00	765907	John Franklin	
CLM - 0683793	5/19/2022		7110	Compensation Regular Board Meeting 05-12-2022	175.00	026964	DAVID NOVIS	
DJE - 0153945	5/23/2022		6600	Dental Dividend SDRMA	-243.44			
DJE - 0153947	5/23/2022		7404	Extra pickup charge refund FGL Lab	-29.00			
CLM - 0684697	5/26/2022		7763	Water April 2022	146.10	556712	MONTECITO WATER DISTRICT	
CLM - 0684698	5/26/2022		7761	Electric Bill April 4 through May 3, 2022	3,900.31	767200	SOUTHERN CALIFORNIA EDISON	
CLM - 0684699	5/26/2022		7516	Dig alert ticket cost March 2022- outstanding	8.25	828128	UNDERGROUND SERVICE ALERT	
CLM - 0684700	5/26/2022		7362	4 Aerated spray heads- for eyewash stations	112.03	094089	GRAINGER	
CLM - 0684726	5/26/2022		7362	Painting Supplies	28.49	350975	HARBOR FREIGHT TOOLS	
CLM - 0684727	5/26/2022		7053	Monthly Charge LS Alarm Phones 05/13-06/12	185.95	075391	FRONTIER	
CLM - 0684876	5/31/2022		6100	Regular Salaries May 16-31, 2022	17,544.83	790178	Summerland Sanitary District	
CLM - 0684876	5/31/2022		6270	Standby May 16-31, 2022	829.16	790178	Summerland Sanitary District	
CLM - 0684876	5/31/2022		6300	Overtime May 16-31, 2022	233.44	790178	Summerland Sanitary District	
CLM - 0684876	5/31/2022		6500	Medicare and Fica May 16-31, 2022	1,501.91	790178	Summerland Sanitary District	
JE - 0234338	5/31/2022		6400	Retirement Contr. Payroll 05-31-2022	8,087.21			
JE - 0234338	5/31/2022		6475	Retirement Healthcare Contr. retirees 05-31-2022	241.67			
Total SummerInd San Dist Running Exp					81,692.44			

Expenditure Transactions

From 5/1/2022 to 5/31/2022

Selection Criteria: Fund = 5215, 5216, 5217

Layout Options: Summarized By = Fund; Page Break At = Fund; Columns = Vendor

Fund 5217 -- SummerInd San Dist-Capital Rep

Document	Post On	Dept	LIAcct	Description	Amount	Vendor	Vendor Name
CLM - 0682895	5/12/2022		8400	Banner Ave Mainline Offset Repair April 2022	11,375.00	813262	TIERRA CONTRACTING INC
CLM - 0684736	5/26/2022		8400	Outfall Pipeline Rehab Project Inv. #1	54,076.73	131815	MARINE PROJECT MANAGEMENT INC
Total SummerInd San Dist-Capital Rep					65,451.73		



IX
A

Board of Directors Meeting STAFF REPORT

TO : Board of Directors

FROM : Operations Manager, Noe Aguilar Vega

DATE : June 9, 2022

RE : **EMERGENCY REPLACEMENT OF THE TREATMENT PLANTS BLOWERS**

INFORMATION: On November 10, 2021, the Board declared an emergency for the replacement of two of the district's faulty blowers, per my request.

On January 14, 2022, the Board was informed that Cushman Contracting was unable to provide the district with the same discount that was applied for two blower replacements for the third blower replacement. Cushman Contracting was authorized to replace only two blowers.

The order for the two new blowers has been placed. Originally Cushman Contracting was expecting to receive the blowers in April of 2022. Due to a delay in parts production, Cushman Contracting is now expecting to receive the blowers by July 2022 and plans to start the blower replacement within that month or the following month of August 2022.

RECOMMENDATION: Keep emergency as described in Resolution 2021-08.



IX
B

Board of Directors Meeting STAFF REPORT

TO : Board of Directors
FROM : Operations Manager, Noe Aguilar Vega
DATE : June 9, 2022
RE : **EMERGENCY OUTFALL MAINTENANCE**

INFORMATION: On November 16, 2021, the Board declared an emergency requiring maintenance to be performed on the district's ocean outfall due to heavy internal corrosion that restricts the effluent from flowing through the pipeline.

On January 14, 2022, the Board was informed that the outfall maintenance was deferred from January 2022 to June 15, 2022. The maintenance was deferred per MPM's recommendation that winter and spring are not good seasons to perform marine work in the designated area due to oceanic conditions that can negatively impact the outfall maintenance operation. This was recommended due to the following possible conditions: poor underwater visibility, sand erosion/diffuser burial, storms/sea state. The outfall maintenance will commence on or around June 15, 2022, when a better oceanic state has been observed to exist by MPM for a better project outcome.

On Tuesday, May 24, 2022, Summerland Sanitary District staff (SSD), Marine Project Management (MPM) engineer, and Taft Electric electrician met at the treatment plant for the beginning of phase 2 of the outfall maintenance operation. The operation consisted of pushing a fiber glass rodder from the outfall inlet to the outfall outlet. The operation lasted the full work shift due to the obstacle of sand inside the outfall pipe that prevented the rodder from going in. The rodder had to be pushed in and pulled out several times along with flushing the outfall with effluent. Overall, the rodder made it to the end of the outfall based on the footage of the rodder that went into the pipe.

On Wednesday, June 1, 2022, SSD staff met with Steve Simpson from MPM, Rain for Rent representative, and OST Truck & Cranes representative at the treatment plant. The meeting was held to plan the layout of the placement of two water storage tanks and a crane. The tanks are scheduled to be delivered at the treatment plant on Thursday, June 9, 2022, and the crane to be delivered on Wednesday, June 8, 2022.

The outfall offshore maintenance operation is scheduled to commence on Tuesday, June 6, 2022, and is expected to be complete by Friday, June 17, 2022. The onshore demobilization is expected to be complete by the following week of Monday, June 20, 2022.

Attachments: Rodder Information Sheet
Crane Information Sheet
Storage Tanks Information Sheet

RECOMMENDATION: Keep the emergency condition as described in Resolution 2021-09.

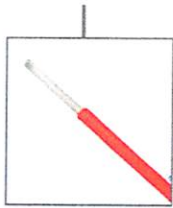
BIG BUDDY® DUCT RODDER

1/2" Diameter Flexible Rod



NON-CONDUCTIVE FIBERGLASS ROD

fiberglass core constructed with a orange polymer low-friction jacket



TAILER HANDLE

with wide wheel base for easy transport

ACCESSORY KIT

attaches to rodder frame for easy access

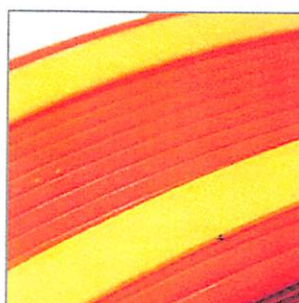


DRAG BRAKE

controls pay out for handling rod



MOST COMPREHENSIVE FIBERGLASS FISH TAPES SINCE 1980



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IC-40-D **Industrial Crane**

The IC-40 is a very popular compact pick and carry deck crane. Operator fatigue is minimized with easy to operate fully hydraulic controls that deliver smooth, precise operation. Four-wheel drive powers through tough applications.

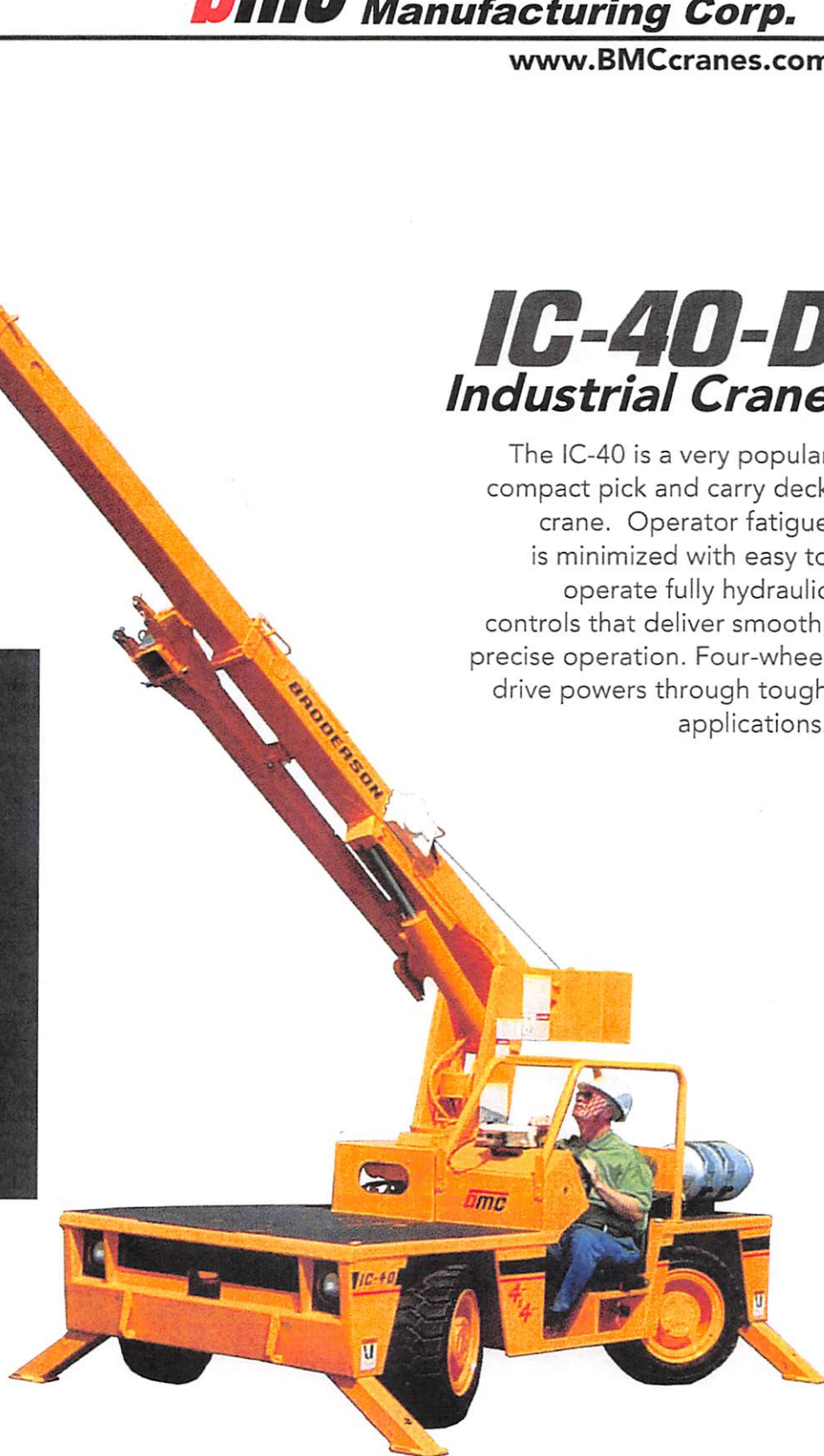
Capacity
9,000 lbs. (4,080 kg)

Sheave Height
33' 6" (10.21 m)
(with boom extension)

Horizontal Reach
27' (8.28 m)
(with boom extension)

Height
6' 8" (2.06 m)

Width
5' 4" (1.63 m)



Steel Tank

Flip Top

Overview:

Store liquids with confidence with Rain for Rent's 18,100 gallon Steel Flip Top Tank. The flip lids allow for visual inspection of liquid levels, addition of chemicals or flocculants, and keeping unwanted elements out of the tank. The Steel Flip Top Tank provides OSHA safe stairways and walkways to make sure your employees are safe when checking water levels or working on the tank. The standard "V" shaped floor allows for easy of draining all stored liquids completely through a 4" butterfly valve with Buna-N seals standard. Optional Epoxy coating offers chemical resistance and additional cleanliness for sensitive environmental applications.

Features:

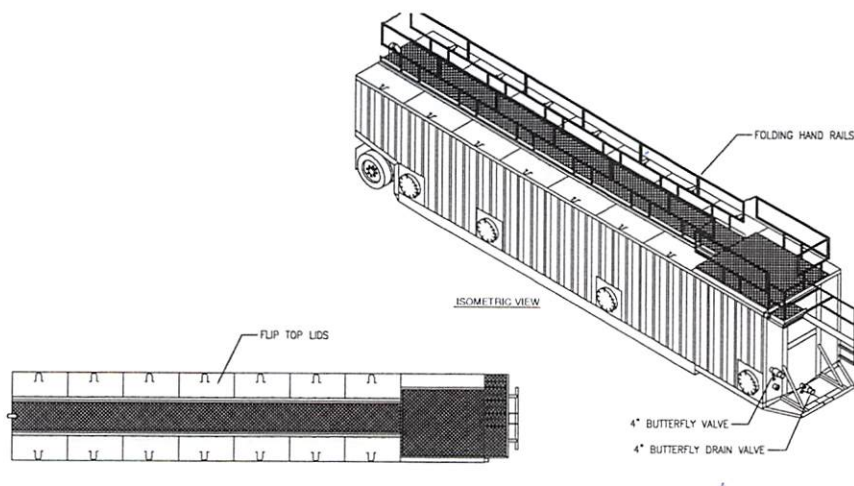
- V-drain floor with front and rear 4" 150-lb flanges with valves
- OSHA Compliant Stairway
- 1.5" Steel SCH80 level gauge port
- Rear 4" SCH40 fill line
- Front of tank has (1) 4" Steel SCH40 150-lb flange, and (1) 4" Steel SCH40 threaded connection
- Hatch gaskets and valve seats are Buna-N material
- Individual flip lids are safely opened manually from walkway
- Optional: Internal epoxy coating

Specs:

Material	1/4" A36 Steel, Epoxy Coated (Option)
Capacity	18,100-gallons
Manways	Three (3) 22" hatches
Dry weight	27,000-lbs
Footprint (LxWxH)	516" x 96" x 126"

Accessories:

- E-CONTAIN® Spillguard
- SolidGround® Traction Mats
- Radar Level Gauges
- Mechanical Level Gauge
- PipeStax®
- HoseTrax®
- Suction and Discharge Hose



PUMPS • TANKS • FILTRATION • PIPE • SPILLGUARDS

Rain for Rent is a registered trademark of Western Oilfields Supply Company. Features and specifications are subject to change without notice.

Liquid Ingenuity®

800-742-7246
rainforrent.com

Capital Replacement Project

PROJECT TITLE: TREATMENT PLANT AUTOMATIC TRANSFER SWITCH REPLACEMENT

DESCRIPTION: Replacement of the treatment plants faulty automatic transfer switch

BUDGET COST: \$6,500

FUND SOURCE: Capital Replacement and Repair Fund 5217 - Line item 8300 Equipment

JUSTIFICATION: The district has a total of four automatic transfer switches (ATS); three located at each lift station and one at the treatment plant. The treatment plant and lift stations depend highly on the ATS to be in optimal working condition whenever there is a power outage. The ATS automatically transfers emergency generator power to the facility whenever the main source of power is not available.

Recently the treatment plant's ATS failed during its weekly engine exercise that occurs every Wednesday at 1:45 pm. The transfer switch failed to transfer back to Edison power after the emergency power test was complete. The failure was caused by the transfer switch getting stuck in the middle position between normal and emergency position, hence no power was being supplied to the treatment plant. Staff immediately turned off the main breaker to the facility and the main breaker to the emergency generator to manually unjam the transfer switch. The following week the transfer switch failed again during its weekly exercise.

The ATS is more than 25 years old. It has exceeded its life expectancy of 20 years at which parts are no longer made by the manufacture for ATS's that are older than 20 years. Due to the ATS being obsolete and failing, the replacement of the unit is necessary since the ATS is a critical component of the treatment plants electrical system.

Existing ATS (Door Closed)



Existing ATS (Door Open)





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

X
C

June 1, 2022

Marjon Souza
Summerland Sanitary District
PO Box 417
Summerland, CA 93067

Dear Marjon:

The Objective and Scope of the Audit of the Financial Statements

You have requested that Bartlett, Pringle & Wolf, LLP ("BPW"), audit Summerland Sanitary District's (the District) statements of net position as of June 30, 2022, and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements as of and for the year ending June 30, 2022, which collectively comprise the basic financial statements. We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter ("Arrangement Letter").

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

The Responsibilities of the Auditor

We will conduct our audit in accordance with (GAAS). Those standards require that we comply with applicable ethical requirements. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS.

We will communicate to the Board of Directors (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

We will maintain our independence in accordance with the standards of the American Institute of Certified Public Accountants.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Management is responsible for:

1. Identifying and ensuring that the District complies with the laws and regulations applicable to its activities, and for informing us about all known violations of such laws or regulations, other than those that are clearly inconsequential;

2. The design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements; and
3. Informing us of its knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, analysts, regulators, short sellers, vendors, customers or others.

Management is responsible for the preparation of the required supplementary information (RSI) which accounting principles generally accepted in the United States of America (U.S. GAAP) require to be presented to supplement the basic financial statements. Management is also responsible for the preparation of the supplementary information presented in relation to the financial statements as a whole in accordance with U.S. GAAP. Management agrees to include the auditor's report on the supplementary information in any document that contains the supplementary information and indicates that the auditor has reported on such supplementary information. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

The Board of Directors is responsible for informing us of its views about the risks of fraud within the District, and its knowledge of any fraud or suspected fraud affecting the District.

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance acknowledge and understand that they have responsibility:

1. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP);
2. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not conclude on subsequent events earlier than the date of the management representation letter referred to below;
3. For the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; and

4. To provide us with:
 - a. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements including information relevant to disclosures;
 - b. Draft financial statements, including information relevant to their preparation and fair presentation, when needed, to allow for the completion of the audit in accordance with the proposed timeline;
 - c. Additional information that we may request from management for the purpose of the audit; and
 - d. Unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and, when appropriate, those charged with governance] written confirmation concerning representations made to us in connection with the audit, including among other items:

1. That management has fulfilled its responsibilities as set out in the terms of this Arrangement Letter; and
2. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Our Report

We will issue a written report upon completion of our audit of the District's financial statements. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, or add an emphasis-of-matter paragraph or other-matter paragraph to our auditor's report.

If circumstances arise relating to the condition of the District's records, the availability of appropriate audit evidence or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting or misappropriation of assets which, in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including, but not limited to, declining to express an opinion or issue a report, or withdrawing from the engagement.

Records and Assistance

During the course of our engagement, we may accumulate records containing data that should be reflected in the District's books and records. The District will determine that all such data, if necessary, will be so reflected. Accordingly, the District will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by District personnel, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with Marjon Souza, District Administrative Manager. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

Accounting Services

In connection with our audit, you have requested us to perform the following accounting services:

1. Maintaining book depreciation schedules
2. Proposing year end journal entries relating to accrued paid time off, pension benefits and other post employment benefits
3. Drafting the financial statements

Marjon Souza, District Administrative Manager, will oversee the services, make all significant judgments that are the proper responsibility of management, evaluate the adequacy of the services, make an informed judgment about the results of the services, and accept responsibility for them. You also agree to establish and maintain internal control over these services, including ongoing monitoring activities. At the conclusion of our audit, we will ask you to provide written representations to that effect.

Parties' Understandings Concerning Situation Around COVID-19

BPW and the District acknowledge that, at the time of the execution of this Arrangement Letter, federal, state and local governments, both domestic and foreign, have imposed certain restrictions on travel and/or the movement of their citizens due to the ongoing and evolving situation around COVID-19. In addition, like many organizations and companies in the United States and around the globe, BPW has restricted its employees from certain travel and onsite work, whether at a client facility or BPW facility, to protect the health of both BPW's and its clients' employees. Accordingly, to the extent that any of the services described in this Arrangement Letter requires or relies on BPW or District personnel to travel and/or perform work onsite, either at the District's or BPW's facilities, including, but not limited to, maintaining business operations and/or IT infrastructure, BPW and the District acknowledge and agree that the performance of such work may be delayed, significantly or indefinitely, and thus certain services described herein may need to be

rescheduled and/or suspended at either BPW's or the District's sole discretion. BPW and the District agree to provide the other with prompt written notice (email will be sufficient) in the event any of the services described herein will need to be rescheduled and/or suspended. BPW and the District also acknowledge and agree that any delays or workarounds due to the situation surrounding COVID-19 may increase the cost of the services described herein. Costs also may increase if services provided include matters such as consideration of going concern, impairment analysis, debt forgiveness or lease concessions, not already considered within the stated fees. BPW will obtain the District's prior written approval (email will be sufficient) for any increase in the cost of BPW services that may result from the situation surrounding COVID-19.

Fees and Costs

Our fees for these services will be based on the actual time spent at our standard hourly rates, plus travel and other out-of-pocket costs, such as report production, typing, and postage. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Billings become delinquent if not paid within 30 days of the invoice date. If billings are past due in excess of 90 days, at our election, we may stop all work until your account is brought current, or withdraw from this engagement. The District acknowledges and agrees that we are not required to continue work in the event of the District's failure to pay on a timely basis for services rendered as required by this engagement letter. The District further acknowledges and agrees that in the event we stop work or withdraw from this engagement as a result of the District's failure to pay on a timely basis for services rendered as required by this engagement letter, we shall not be liable for any damages that occur as a result of our ceasing to render services. Our fees for this audit will be approximately \$16,200. That estimate is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. Accounting consulting will be billed at our hourly rates. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Use of Subcontractors and Third-Party Products

From time to time and depending upon the circumstances, we may, in our sole discretion, use affiliates of ours or qualified third-party service providers, located within or outside the United States, to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose Personal Information or Confidential Information (as both terms are defined below) to them. You hereby consent to us sharing your information, including Confidential Information and Personal Information, with these third-party service providers on the same basis as we would be permitted to share information with one of our employees; provided that such recipients are bound by written obligations of confidentiality that are as protective of your Confidential Information as the confidentiality terms set forth herein. You acknowledge and agree that our use of a third-

party service providers may involve the processing, input, disclosure, movement, transfer, and storage of your information and data outside of our technology infrastructure.

We also may provide services to you using certain third-party hardware, software, software services, managed services (including, but not limited to, web hosting, data security, data back-up, email security, or similar services subject to direct end-user or subscription agreements), applications, and equipment (collectively, "Third-Party Products"). You acknowledge that your or our use of a Third-Party Product may involve the processing, input, disclosure, movement, transfer, and storage of information provided by you to us, including Personal Information and Confidential Information, within the Third-Party Product's infrastructure and not ours, and that the terms of use and service set forth in the end-user license, subscription, or other agreement with the licensor of such Third-Party Product, including, but not limited to, applicable laws, will govern all obligations of such licensor relating to data privacy, storage, recovery, security, and processing within such Third-Party Product's infrastructure, as well as, the service levels associated with such Third-Party Product. You hereby consent to the disclosure of your information, including your Confidential Information and Personal Information, to the licensors of such Third-Party Products for the purpose described herein.

You acknowledge that your or our use of Third-Party Products may be subject to limitations, delays, interruptions, errors, and other problems which are beyond our control, including, without limitation, internet outage or lack of availability related to updates, upgrades, patches, fixes, maintenance, or other issues. We will not be liable for any delays, delivery failures, or other losses or damages resulting from such issues. Nor will we be held responsible or liable for any loss, or unauthorized use or disclosure, of any information or data provided by you, including, without limitation, Personal Information provided by you, resulting from your or our use of a Third-Party Product.

Use and Ownership; Access to Audit Documentation

The Audit Documentation for this engagement is the property of BPW. For the purposes of this Arrangement Letter, the term "Audit Documentation" shall mean the confidential and proprietary records of BPW's audit procedures performed, relevant audit evidence obtained, other audit-related workpapers, and conclusions reached. Audit Documentation shall not include custom-developed documents, data, reports, analyses, recommendations, and deliverables authored or prepared by BPW for the District under this Arrangement Letter, or any documents belonging to the District or furnished to BPW by the District.

Review of Audit Documentation by a successor auditor or as part of due diligence is subject to applicable BPW policies, and will be agreed to, accounted for and billed separately. Any such access to our Audit Documentation is subject to a successor auditor signing an Access & Release Letter substantially in BPW's form. BPW reserves the right to decline a successor auditor's request to review our workpapers.

In the event we are required by government regulation, subpoena or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for the District, the District will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

You acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the Audit Documentation upon their request and that we shall maintain the Audit Documentation for a period of at least three years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to the requested Audit Documentation will be provided under the supervision of BPW audit personnel and at a location designated by our firm.

Indemnification, Limitation of Liability, and Claim Resolution

Because BPW will rely on the District and its management and Board of Directors to discharge the foregoing responsibilities, the District agrees to indemnify, hold harmless and release BPW and its partners, principals, officers, directors, employees, affiliates, subsidiaries, contractors, Subcontractors, agents, representatives, successors, or assigns from all claims, liabilities, losses and costs arising in circumstances where there has been a knowing misrepresentation by a member of the District's management.

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its applicable rules for resolving professional accounting and related services disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the applicable rules for resolving professional accounting and related services disputes of the American Arbitration Association, except that under all circumstances the arbitrator must follow the laws of California. Such arbitration shall be binding and final. **IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT, IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.** The prevailing party shall be entitled to an award of reasonable attorneys' fees and costs incurred in connection with the arbitration of the dispute in an amount to be determined by the arbitrator.

THE DISTRICT AND BPW AGREE THAT NO CLAIM ARISING OUT, FROM, OR RELATING TO THE SERVICES RENDERED PURSUANT TO THIS ARRANGEMENT LETTER SHALL BE FILED MORE THAN TWO YEARS AFTER THE DATE OF THE AUDIT REPORT ISSUED BY BPW OR THE DATE OF THIS ARRANGEMENT LETTER IF NO REPORT HAS BEEN ISSUED. IN NO EVENT SHALL BPW OR THE DISTRICT, OR ANY OF THEIR RESPECTIVE PARTNERS, PRINCIPALS, OFFICERS, DIRECTORS, EMPLOYEES, AFFILIATES, SUBSIDIARIES, CONTRACTORS, SUBCONTRACTORS, AGENTS, REPRESENTATIVES, SUCCESSORS, OR ASSIGNS (COLLECTIVELY, THE "COVERED PARTIES" AND EACH INDIVIDUALLY, A "COVERED PARTY"), BE LIABLE FOR THE INTERRUPTION OR LOSS OF BUSINESS, ANY LOST PROFITS, SAVINGS, REVENUE, GOODWILL, SOFTWARE, HARDWARE, OR DATA, OR THE LOSS OF USE THEREOF (REGARDLESS OF WHETHER SUCH LOSSES ARE DEEMED DIRECT DAMAGES), OR INCIDENTAL, INDIRECT, PUNITIVE, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR SIMILAR SUCH DAMAGES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. TO THE FULLEST EXTENT PERMITTED BY LAW, THE TOTAL AGGREGATE LIABILITY OF THE COVERED PARTIES ARISING OUT OF, FROM, OR RELATING TO THIS ARRANGEMENT LETTER, OR THE REPORT ISSUED OR SERVICES PROVIDED HEREUNDER, REGARDLESS OF THE CIRCUMSTANCES OR NATURE OR TYPE OF CLAIM, INCLUDING, WITHOUT LIMITATION, CLAIMS ARISING FROM A COVERED PARTY'S NEGLIGENCE OR BREACH OF CONTRACT OR WARRANTY, OR RELATING TO OR ARISING FROM A GOVERNMENT, REGULATORY OR ENFORCEMENT ACTION, INVESTIGATION, PROCEEDING, OR FINE, WILL NOT EXCEED THE TOTAL AMOUNT OF THE FEES PAID BY THE DISTRICT TO BPW UNDER THIS ARRANGEMENT LETTER. NOTWITHSTANDING THE FOREGOING, NOTHING IN THIS LIMITATION OF LIABILITY PROVISION SHALL, OR SHALL BE INTERPRETED OR CONSTRUED TO, RELIEVE THE DISTRICT OF ITS PAYMENT OBLIGATIONS TO BPW UNDER THIS ARRANGEMENT LETTER.

Confidentiality

BPW and the District may, from time to time, disclose Confidential Information (as defined below) to one another. Accordingly, BPW and the District agree as the recipient of such Confidential Information (the "Receiving Party") to keep strictly confidential all Confidential Information provided to it by the disclosing party (the "Disclosing Party") and use, modify, store, and copy such Confidential Information only as necessary to perform its obligations and exercise its rights under this Arrangement Letter and for no other purpose or use. Except as otherwise set forth herein, the Receiving Party may only disclose the Confidential Information of the Disclosing Party to its personnel, agents, and representatives who are subject to obligations of confidentiality at least as restrictive as

those set forth herein and only for the purpose of exercising its rights and fulfilling its obligations hereunder. To avoid any doubt, BPW is permitted to disclose the District's Confidential Information to BPW's personnel, agents, and representatives for the purpose of maintaining compliance with applicable laws and professional, regulatory, and/or ethical standards.

As used herein, "Confidential Information" means, information in any form, oral, graphic, written, electronic, machine-readable or hard copy consisting of: (i) any nonpublic information provided by the Disclosing Party, including, but not limited to, all of its inventions, designs, data, source and object code, programs, program interfaces, know-how, trade secrets, techniques, ideas, discoveries, marketing and business plans, pricing, profit margins and/or similar information; (ii) any information that the Disclosing Party identifies as confidential; or (iii) any information that, by its very nature, a person in the same or similar circumstances would understand should be treated as confidential, including, but not limited to, this Arrangement Letter.

As used herein, the term "Confidential Information" will not include information that: (i) is publicly available at the time of disclosure by the Disclosing Party; (ii) becomes publicly available by publication or otherwise after disclosure by the Disclosing Party, other than by breach of the confidentiality obligations set forth herein by the Receiving Party; (iii) was lawfully in the Receiving Party's possession, without restriction as to confidentiality or use, at the time of disclosure by the Disclosing Party; (iv) is provided to the Receiving Party without restriction as to confidentiality or use by a third party without violation of any obligation to the Disclosing Party; or (v) is independently developed by employees or agents of the Receiving Party who did not access or use the Confidential Information.

The Receiving Party will treat the Disclosing Party's Confidential Information with the same degree of care as the Receiving Party treats its own confidential and proprietary information, but in no event will such standard of care be less than a reasonable standard of care. The Receiving Party will promptly notify the Disclosing Party if it becomes aware that any of the Confidential Information of the Disclosing Party has been used or disclosed in violation of this Arrangement Letter.

Notwithstanding the foregoing, in the event that the Receiving Party becomes legally compelled to disclose any of the Confidential Information of the Disclosing Party, or as may be required by applicable regulations or professional standards, the Receiving Party will use commercially reasonable efforts to provide the Disclosing Party with notice prior to disclosure, to the extent permitted by law.

Preexisting Nondisclosure Agreements

In the event that the parties have executed a separate nondisclosure agreement and such agreement does not automatically terminate or expire upon execution of this Arrangement Letter, such agreement shall be terminated as of the effective date of this Arrangement Letter.

Information Security

BPW is committed to the safe and confidential treatment of the District's proprietary information. BPW is required to maintain the confidential treatment of client information in accordance with relevant industry professional standards which govern the provision of services described herein. The District agrees that it will not provide BPW with any unencrypted electronic confidential or proprietary information, and the parties agree to utilize commercially reasonable measures to maintain the confidentiality of the District's information, including the use of collaborate sites to ensure the safe transfer of data between the parties.

In connection with this engagement, we may communicate with you or others via email transmission. We take reasonable measures to secure your confidential information in our email transmissions, including password protecting confidential documents. However, as email can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom it is directed and only to such parties, we cannot guarantee or warrant that email from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure or communication of email transmissions, or for the unauthorized use or failed delivery of email transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

From time to time and depending upon the circumstances, we may use third-party service providers to assist us in providing professional services to you. In such circumstances, it may be necessary for us to disclose confidential client information to them. We enter into confidentiality agreements with all third-party service providers and we are satisfied that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others.

Personal Information

As used herein, the term “Personal Information” means any personal information that directly or indirectly identifies a natural person as may be defined by applicable privacy, data protection or cybersecurity laws, and includes, but is not limited to, nonpublic, personally identifiable information such as Social Security numbers, Social Insurance numbers, driver’s license numbers or state- or province-issued identification card numbers, credit or debit card numbers with or without any required security code, number or passwords, health information, and other personal information as defined by applicable laws, whether of the District or the District’s customers or other third parties.

Each party agrees that it will not transmit to the other, in any manner, (i) Personal Information that is not needed to render the services hereunder, and (ii) Personal Information that has not been encrypted. In the event you transmit to us Personal Information in an unencrypted format or via unencrypted means, you agree that we have no obligation to notify you of the foregoing.

You represent and warrant that you have provided all notices and obtained all consents required under applicable data protection laws prior to your collection, use and disclosure to us or our Subcontractors of such Personal Information and shall take reasonable steps to ensure that such Personal Information does not include irrelevant or unnecessary information about individuals.

In the event the services provided hereunder involve Personal Information collected in Canada, you acknowledge that we or our Subcontractors performing services hereunder on our behalf may store, transfer, and/or process such Personal Information in locations and on servers located outside of Canada, including jurisdictions such as the United States whose data protection laws differ from those of Canada. As a result, such Personal Information may be subject to access requests from governments, courts, or law enforcement in those jurisdictions, including the United States, according to the laws in those jurisdictions. Subject to applicable laws in such other jurisdictions, we will use reasonable efforts to require that appropriate protections are in place to require our Subcontractors maintain protections on Personal Information collected in Canada that are equivalent to those that apply in Canada.

Upon your written request, we will enter into a mutually agreed upon agreement relating to the lawful cross-border transfer and processing of Personal Information.

We will use all such District-provided Personal Information, if at all, only for the purposes described in this Arrangement Letter. The parties agree that as part of the performance of the services as described in this Arrangement Letter, and as part of the direct business relationship between the parties, we may, at our election, use the Personal Information to improve the services and for other similar internal and business purposes. We agree to maintain appropriate security measures to protect such Personal Information in accordance with applicable laws.

If we become aware of an unauthorized acquisition or use of District-provided Personal Information, we will promptly inform you of such unauthorized acquisition or use as required by applicable laws and, upon your written request, reasonably cooperate with you at your sole cost in support of any breach notification requirements as imposed upon you by applicable laws.

Retention of Records

It is our policy to keep records related to this engagement for seven years. However, BPW does not keep any original client records, so we will return those to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for possible future use, including potential examination by any government or regulatory agencies.

By your signature below, you acknowledge and agree that upon the expiration of the seven-year period BPW shall be free to destroy our records related to this engagement.

Termination

Your failure to make full payment of any and all undisputed amounts invoiced in a timely manner constitutes a material breach for which we may refuse to provide deliverables and/or, upon written notice, suspend or terminate our services under this Arrangement Letter. We will not be liable to you for any resulting loss, damage or expense connected with the suspension or termination of our services due to your failure to make full payment of undisputed amounts invoiced in a timely manner.

In the event you terminate this engagement, you will pay us for all services rendered (including deliverables and products delivered), expenses incurred, and noncancelable commitments made by us on your behalf through the effective date of termination.

We will not be responsible for any delay or failure in our performance resulting from acts beyond our reasonable control or unforeseen or unexpected circumstances, such as, but not limited to, acts of God, government or war, riots or strikes, disasters, fires, floods, epidemics, pandemics or outbreaks of communicable disease, cyberattacks, and internet or other system or network outages. At your option, you may terminate this Arrangement Letter where our services are delayed more than 120 days; however, you are not excused from paying us for all amounts owed for services rendered and deliverables provided prior to the termination of this Arrangement Letter.

When an engagement has been suspended at the request of management or those charged with governance and work on that engagement has not recommenced within 120 days of the request to suspend our work, BPW may, at its sole discretion, terminate this arrangement letter without further obligation to CLIENT. Resumption of review work following termination may be subject to our client acceptance procedures and, if resumed,

will necessitate additional procedures not contemplated in this arrangement letter. Accordingly, the scope, timing and fee arrangement discussed in this arrangement letter will no longer apply. In order for BPW to recommence work, a new arrangement letter would need to be mutually agreed upon and executed.

We may terminate this Arrangement Letter upon written notice if: (i) we determine that our continued performance would result in a violation of law, regulatory requirements, applicable professional or ethical standards, or our client acceptance or retention standards; or (ii) you are placed on a verified sanctioned entity list or if any director or executive of, or other person closely associated with, you or any of your affiliates is placed on a verified sanctioned person list, in each case, including, but not limited to, lists promulgated by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, the United Nations Security Council, the European Union, or any other relevant sanctioning authority.

The parties agree that those provisions of this Arrangement Letter which, by their context, are intended to survive, including, but not limited to, payment, limitations on liability, claim resolution, use and ownership, and confidentiality obligations, shall survive the termination of this Arrangement Letter.

Miscellaneous

The District agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, the District agrees to contact us before it includes our reports, or otherwise makes reference to us, in any public or private securities offering. Our association with an official statement is a matter for which separate arrangements may be necessary. The District agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing, and with a copy of the final reproduced material for our approval before it is distributed.

We agree that our association with any proposed offering is not necessary, providing the District agrees to clearly indicate that we are not associated with the contents of any such official statement or memorandum. The District agrees that the following disclosure will be prominently displayed in any such official statement or memorandum:

Bartlett, Pringle & Wolf, LLP, our independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Bartlett, Pringle & Wolf, LLP also has not performed any procedures relating to this official statement.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, you agrees to compensate us for any additional costs incurred as a result of you employment of one of our partners, principals or employees.

Entire Agreement

This Arrangement Letter constitutes the complete and exclusive statement of agreement between BPW and the District, and supersedes all prior agreements, understandings, and proposals, whether oral or written, relating to the subject matter of this Arrangement Letter.

If any term or provision of this Arrangement Letter is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

This Arrangement Letter may be amended or modified only by a written instrument executed by both parties.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this agreement or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (i) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (ii) an electronic copy of a traditional signature affixed to a document, (iii) a signature incorporated into a document utilizing touchscreen capabilities or (iv) a digital signature. This agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Summerland Sanitary District
June 1, 2022
Page 16

Please sign and return a copy of this Arrangement Letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit, including our respective responsibilities.

Acknowledgement and Acceptance

Each party acknowledges that it has read and agrees to all of the terms and conditions contained herein. Each party and its signatory below represents that said signatory is a duly authorized representative of such party and has the requisite power and authority to bind such party to the undertakings and obligations contained herein.

Very truly yours,

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

A handwritten signature in black ink that reads "Tracey Solomon". The signature is written in a cursive, flowing style.

Tracey Solomon
Partner

TAS/jf
Enclosures

Approved:

Signature



Summerland Sanitary District

PROPOSED FISCAL YEAR 2022-23 BUDGET



Board of Directors

David Novis – President
Jolene Colomy – Vice-President
James Witmer – Secretary
John Franklin – Director
Martin Tucker – Director

District Staff

Marjon Souza – Administrative Manager
Noe Aguilar Vega – Operations Manager

XD



Board of Directors

June 9, 2022

President:

David Novis

Governing Board of Directors

Summerland Sanitary District

Vice- President:

Jolene Colomy

Secretary:

James Witmer

Subject: Letter of Transmittal – Proposed FY2022-23 Annual Budget

Director:

John Franklin

Submitted for your review is the proposed FY2022-23 Annual Budget for the Summerland Sanitary District. The financial guideline projects the administrative, operating & maintenance, and capital improvement funding requirements for the upcoming fiscal year. Based upon projected revenues and beginning fund balances, adequate resources are available to fund the proposed appropriations and maintain fund balances at or near policy levels. Inflationary effects have been taken into consideration, as have projected staffing and resource levels necessary to carry out the District's budgetary goals and objectives.

Director:

Martin Tucker

During FY2017-18 the District conducted a Wastewater Rates & Fees Study. The study included a comprehensive review of the District's financial plan, user classifications, and rate structure. The study also reviewed the District's revenue requirements to determine the appropriate level of revenue adjustment to maintain financial sufficiency and rate stability. Based on the findings, the District's Board of Directors authorized a series of 3.5 % annual rate increases beginning in FY2018/19 and continuing for the following four fiscal years with a total of five rate increases. This is the fifth and final year of the 3.5% serial rate increase.

For FY2022-23, the sewer service charge for a single-family residential unit will increase from \$1,177 to \$1,219. Non-residential rates will increase proportionally.

Operations Fund 5215 Revenue Projection

Overall, in FY2022-23 we expect revenues to increase to \$1,346,338 which is an increase of \$24,317 or 2% from the prior year. Revenues in excess of the projected operating and capital expenditures for FY2022-23 with a projected \$209,605 will continue to fund the Capital Replacement and Repair fund 5217 as set by Resolution 2017-06.

Operations Fund 5215 Operating Expenses

Overall Operating expenses for fund 5215 are projected to modestly increase to \$1,136,77 which is an increase of \$15,794 or 1% from the prior year. For the upcoming fiscal year, a wastewater rates & fee study is included in the budget.

Non-Operating Expenses

Proposed Capital Improvement Projects for FY2022-23 is \$928,300 covering the cost for the two Blower Units replacement with a projected \$128,300, and \$800,000 for the Emergency Outfall Pipeline Rehabilitation Project.

Long-Term Loan Principal and Interest Payment

In March 2022 the Board entered into an agreement with CSDA financing to purchase a loan for \$500,000, with a 10-year term and a 3.1% interest rate. The principal and interest payments for this fiscal year are budgeted at \$58,915.

Cash Positions

The Cash position on July 1, 2021, was \$2,309,877.

The Cash position for July 1, 2022, is estimated as follows:

Fund 5215 \$ 757,822 (8 months of operating expenses)

Fund 5216 \$ 227,096

Fund 5217 \$1,836,598 (includes a \$500,000 long term loan)

Total Projected Cash Position per July 1, 2022: \$2,821,516

For FY2022-23 staff will continue to control costs and strive to stay within the budget, make appropriate investments in maintenance and equipment to ensure the community of Summerland has a reliable collection system and wastewater treatment facility.

On behalf of the Summerland Sanitary District

N. Aguilar Vega, Operations Manager

M. Souza, Administrative Manager

Attachments:

Resolution No. 2022-03

Exhibit A- Budget Snapshot

Detailed Explanation Budget FY2022-23

RESOLUTION NO. 2022-03

**A RESOLUTION OF THE GOVERNING BOARD OF
SUMMERLAND SANITARY DISTRICT ADOPTING OPERATIONS BUDGET FUND 5215,
CAPITAL FACILITIES BUDGET FUND 5216,
AND CAPITAL REPLACEMENT AND REPAIR BUDGET FUND 5217**

WHEREAS, the Board of Directors of Summerland Sanitary District has reviewed the proposed budget for the Fiscal Year 2022-23.

NOW, THEREFORE, the Board of Directors of the Summerland Sanitary District hereby resolves as follows:

1. That the Budget that is on file with the Clerk of the Board, a summary of which is attached hereto as Exhibit A – Budget Snapshot, is adopted as the final Operations Budget Fund 5215, Capital Facilities Budget Fund 5216, and Capital Replacement and Repair Budget Fund 5217.
2. That the amount designated in the Fiscal Year 2022-23 Operations budget is hereby appropriated and may be expended for which they are designated, and such appropriation shall neither increase, nor decrease, except as provided herein.
3. The following controls are hereby in place on the use and transfer of budgeted funds:
 - a) The Administrative Manager is responsible for keeping expenditures within budget allocations for salaries, benefits, and administrative expenses and the Operations Manager is responsible for keeping expenditures within budget allocations for operating expenses and capital acquisitions. No expenditure of funds shall be authorized unless sufficient funds have been appropriated by the Board.
 - b) The Administrative Manager and Operations Manager may exercise discretion in the administration of the budget to respond to changed circumstances, provided any modification of more than \$10,000 shall require approval of the Board.
 - c) The Board must approve any increase in the overall operations budget, capital budget, and salary budget above the level identified in the final operating and capital budgets.
 - d) Authorization is made for any carryover, or continuing appropriation from Operations Fund 5215 to the Capital Replacement and Repair Fund 5217

PASSED AND ADOPTED at the regular board meeting of the Board of Directors of the Summerland Sanitary District held June 9, 2022, carried by the following roll call vote:

AYES : _____

NAYS : _____

ABSENT : _____

ABSTENTIONS : _____

(SEAL)

DAVID NOVIS, President
Board of Directors

ATTEST:

JAMES WITMER, Secretary
Board of Directors

EXHIBIT A
Budget Snapshot

Fund 5215 -- Operations Fund Budget FY2022-23 Revenues

Revenues		Adopted FY 2020/21	Actuals 30-Jun 2021	% < >	Adopted FY 2021/22	Actuals 11-May 2022	% < > 82%	Proposed FY 2022/23	% < >
Property Tax Allocations									
3010	Property Tax-Current Secured*	230,000	244,798	106%	240,000	255,333	106%	260,000	108%
3011	Property Tax-Unitary		3,611			1,857			
3015	PT PY Corr/Escapes Secured		1,218			-22			
3020	Property Tax-Current Unsecd	9,500	5,581	59%	9,500	9,046	95%	10,000	105%
3023	Property Tax- PY Corr		109			221			
3040	Property Tax-Prior Secured		-30			-77			
3050	Property Tax-Prior Unsecured		187			137			
3054	Supplemental Pty Tax-Current	3,500	4,804	137%	3,500	3,127	89%		0%
3056	Supplemental Pty Tax-Prior		-1			-104			
3057	Property Tax-506 Int. 480 CLOS		11			3			
4160	State Aid for Disaster								
4220	Homeowners Prop. Tax Relief	1,000	1,069	107%	1,000	923	92%	1,000	100%
Total Property Tax Allocations		244,000	261,359	107%	254,000	270,444	106%	271,000	107%
Interest									
3380	Interest Income	15,000	4,899	33%	7,500	1,883	25%	2,000	27%
3381	Unrealized Gain/Loss Inv.	2,000	694	35%	1,000	-17,753	-1775%	0	0%
Total Interest Revenues		17,000	5,593	33%	8,500	-15,870	-187%	2,000	24%
District Administrative Fees									
5091	Plan Check Fee	1,200	3,372	281%	2,800	314	11%	1,960	70%
5433	Inspection Fees	2,700	5,371	199%	4,800	780	16%	3,360	70%
5746	Administrative Rev	2,700	4,928	183%	4,200	1,160	28%	2,940	70%
Total District Admin Fees		6,600	13,671	207%	11,800	2,254	19%	8,260	70%
Annual Sewer Service Charges									
5430	Sewer Service Charges	1,006,726	1,012,298	101%	1,047,721	1,006,823	96%	1,065,078	102%
Total Sewer Service Charges		1,006,726	1,012,298	101%	1,047,721	1,006,823	96%	1,065,078	102%
Total Revenues		1,274,326	1,292,921	101.5%	1,322,021	1,263,651	95.6%	1,346,338	102%

Fund 5215 -- Operations Fund Budget FY2022-23 Expenses

Expenses		Adopted Budget 2020/21	Actuals 30-Jun 2021	% < >	Adopted Budget 2021/22	Actuals 31-Mar 2022	% < > 75%	Proposed Budget 2022/23	% < >
Salaries and Employee Benefits								3.5% COLA	
6100	Regular Salaries	409,214	397,633	97%	423,718	314,735	74%	441,950	104%
6200	Extra Help/Labor	0	2,704		0			0	
6270	Standby	12,500	9,594	77%	12,500	8,345	67%	19,000	152%
6300	Overtime	4,200	3,425	82%	4,200	2,727	65%	4,500	107%
6400	Retirement	145,889	142,260	98%	161,254	119,768	74%	160,358	99%
6475	Retirement Healthcare Contr.	9,800	5,978	61%	6,000	4,512	75%	6,000	100%
6500	District Contr. (Fica & Med)	31,305	31,154	100%	33,371	24,902	75%	35,263	106%
6600	Health & Dental, LI. Contrib	72,812	71,878	99%	80,095	63,706	80%	82,563	103%
6900	Workers' Comp.	16,866	16,051	95%	17,304	12,662	73%	16,264	94%
Total Salaries & Empl. Benefits		702,586	680,677	97%	738,442	551,357	75%	765,898	103.7%
Services and Supplies									
7030	Uniforms/ Boots	2,100	2,141	102%	2,100	2,218	106%	2,550	121%
7053	Telephone/Internet	9,000	8,973	100%	8,440	7,035	83%	8,420	100%
7090	Liability Insurance	36,800	37,502	102%	42,554	42,481	100%	54,000	127%
7110	Directors Fees	15,000	15,925	106%	15,000	14,875	99%	15,000	100%
7121	Operating Supplies	26,700	30,393	114%	32,800	24,513	75%	35,400	108%
7324	Audit & Acct's	25,000	22,569	90%	24,000	20,978	87%	25,200	105%
7362	Maint. Buildings & Grounds	8,000	4,722	59%	8,000	6,044	76%	8,000	100%
7363	Maintenance Equipment	14,000	10,252	73%	30,000	14,501	48%	15,500	52%
7404	Lab Services	23,200	21,205	91%	24,200	15,092	62%	24,370	101%
7430	Memberships	8,490	7,711	91%	8,530	7,258	85%	8,675	102%
7450	Office Expense	4,000	5,082	127%	4,000	2,926	73%	3,800	95%
7454	Books & Subscrip.	290	48	17%	213	246	115%	530	249%
7459	IT Prof. Serv./Hardware	4,000	3,420	86%	4,000	885	22%	4,000	100%
7460	Prof. & Special Service	12,350	10,313	84%	44,400	26,997	61%	44,005	99%
7508	Legal Fees	45,000	57,363	127%	45,000	24,507	54%	35,000	78%
7510	Contract Services	12,940	5,712	44%	8,240	1,347	16%	9,475	115%
7516	Permitting Services	9,600	9,694	101%	9,560	10,076	105%	9,740	102%
7530	Publications & Legal Notices	300	206	69%	600	268	45%	600	100%
7546	Administration Expense	3,600	2,766	77%	3,600	0	0%	3,600	100%
7630	Small Tools & Instruments	500	374	75%	500	242	48%	500	100%
7653	Training Fees & Supplies	7,175	2,827	39%	6,300	789	13%	7,700	122%
7671	Special Projects	11,900	13,073	110%	8,800	8,800	100%	400	5%
7730	Transportation & Travel	1,000	403	40%	1,000	389	39%	1,000	100%
7731	Gas-Oil-Fuel	2,400	2,994	125%	2,900	1,547	53%	3,500	121%
7761	Electricity	34,500	41,105	119%	41,000	33,742	82%	43,000	105%
7763	Water	2,000	1,853	93%	2,560	1,739	68%	2,620	102%
7764	Trash/Marborg Disposal	4,000	3,370	84%	4,200	3,072	73%	4,250	101%
Total Services & Supplies		323,845	321,993	99%	382,497	272,567	71%	370,835	97%
Total Expenses		1,026,431	1,002,670	98%	1,120,939	823,924	74%	1,136,733	101%

Projected Revenues FY 2022-23
 Projected Expenses FY 2022-23
Projected allocation to Fund 5217

\$1,346,338
 \$1,136,733
\$209,605

Fund 5216 -- Capital Facilities Fund Budget FY2022-23

Revenues		Adopted FY 2021/22	Actuals 27-Apr 2022	% < > 83%	Proposed FY 2022/23	% < >
3380	Interest Income	6,300	1,107	18%	1,500	24%
3381	Unrealized Gain/Loss Inv.	2,013	0	0%	0	
Charges for services						
5432	Connection Fees	12,385	4,170	34%	12,385	100%
Total Revenues		20,698	5,277	25.5%	13,885	67.1%

Expenses		Adopted Budget 2021/22	Actuals 31-Mar 2022	% < > 75%	Proposed Budget 2022/23	% < >
Capital Assets						
8200	Structures & Improvements	10,000	3,500	35%	0	0%
8300	Equipment	20,000	20,275	101%	25,000	125%
8400	Infrastructure	0	0		0	
Total Capital Assets		30,000	23,775	79%	25,000	83%
Total Expenses		30,000	23,775	79%	25,000	83%

Fund 5217 -- Capital Replacement and Repair Budget FY2022-23

Revenues		Adopted FY 2021-22	Actuals 20-May 2022	% < > 83	Proposed FY 2022-23	% < >
3380	INTEREST INCOME	8,500	3,663	43%	3,000	35%
3381	UNREALIZED GAIN/LOSS INV	6,529	-34,571		0	
	Total Revenues	15,029	-30,908		3,000	
Other Financing Sources						
5921	Long Term Debt Bond/Notes	0	500,000			

Expenses		Actual Budget 2021/22	Actuals 31-Mar 2022	% < > 75%	Proposed Budget 2022/23	% < >
Capital Assets						
8200	Structures & Improvements	10,000	9,598	96%	0	0%
8300	Equipment	120,000	89,731	75%	128,300	107%
8400	Infrastructure	15,000	79,795	532%	800,000	5333%
5921	Long Term Debt Bond/Notes-Principal				43,415	
5920	Interest Payment				15,500	
	Total Expenses	145,000	179,125	124%	928,300	640%

Detailed Explanation of FY2022-23 Budget

Index

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BUDGET MESSAGE

This section provides the Board of Directors with a comprehensive overview of the District's proposed annual budget for the 2022-23 fiscal year. The budget has been developed to uphold the main tenet of providing the users of the wastewater system with the most environmentally sound and cost-effective method of collecting and treating wastewater, regardless of the demands placed upon the system. The budget has been prepared with a continued focus on achieving the desired outcomes stated in its mission, goals, and objectives as outlined below.

Summerland Sanitary District Mission

"We provide a community service committed to protect public health and safety; we are committed to preserving the natural environment through responsible collection, treatment, and disposal of wastewater in the most cost-effective way possible."

Revenues:

Fund 5215 —Summerland Sanitary District Operations Fund Budget FY 2022/23

Revenues		Adopted FY 2020/21	Actuals 30-Jun 2021	Adopted FY 2021/22	Actuals 11-May 2022	% < > 82%	Proposed FY 2022/23	%
Property Tax Allocations							3.5% Sewer Service Charge	
3010	Property Tax-Current Secured*	230,000	244,798	240,000	255,333	106%	260,000	108%
3011	Property Tax-Unitary		3,611		1,857			
3015	PT PY Corr/Escapes Secured		1,218		-22			
3020	Property Tax-Current Unsecd	9,500	5,581	9,500	9,046	95%	10,000	105%
3023	Property Tax- PY Corr		109		221			
3040	Property Tax-Prior Secured		-30		-77			
3050	Property Tax-Prior Unsecured		187		137			
3054	Supplemental Pty Tax-Current	3,500	4,804	3,500	3,127	89%		0%
3056	Supplemental Pty Tax-Prior		-1		-104			
3057	Property Tax-506 Int. 480 CLOS		11		3			
4160	State Aid for Disaster							
4220	Homeowners Prop. Tax Relief	1,000	1,069	1,000	923	92%	1,000	100%
Total Property Tax Allocations		244,000	261,359	254,000	270,444	106%	271,000	107%
Interest								
3380	Interest Income	15,000	4,899	7,500	1,883	25%	2,000	27%
3381	Unrealized Gain/Loss Inv.	2,000	694	1,000	-17,753	-1775%	0	0%
Total Interest Revenues		17,000	5,593	8,500	-15,870	-187%	2,000	24%
District Administrative Fees								
5091	Plan Check Fee	1,200	3,372	2,800	314	11%	1,960	70%
5433	Inspection Fees	2,700	5,371	4,800	780	16%	3,360	70%
5746	Administrative Rev	2,700	4,928	4,200	1,160	28%	2,940	70%
Total District Admin Fees		6,600	13,671	11,800	2,254	19%	8,260	70%
Annual Sewer Service Charges								
5430	Sewer Service Charges	1,006,726	1,012,298	1,047,721	1,006,823	96%	1,065,078	102%
Total Sewer Service Charges		1,006,726	1,012,298	1,047,721	1,006,823	96%	1,065,078	102%
Total Revenues		1,274,326	1,292,921	1,322,021	1,263,651	95.6%	1,346,338	102%

Total Property Tax Allocations

The 5% increase has been proposed due to the previous year revenues and the rise in property values and sales during the last fiscal year.

Total Interest Revenues

A decrease of 76% is projected due to the FY2021-22 actual revenue information.

Total District Administration Fees

A decrease of 30% for Plan Check Fee, Inspection Fees, and Administrative Fees revenue have come in lower than anticipated. Therefore, an adjustment in projected revenues in this category has been made.

Total Sewer Service Charges

An increase of 2% is projected. A 3.5% sewer fee rate increase has been implemented for the annual sewer service charges. New classifications, credit, and sewer connections are included in the calculation.

Cost of Living Adjustment (COLA) information

CONSUMER PRICE INDEX COST OF LIVING ADJUSTMENT FY 2022-23

The Board of Directors shall consider cost-of-living pay adjustments on an annual basis.

The award of any pay adjustment is at the discretion of the Board, considering such pertinent factors as the District's financial status and the rise in the Consumer Price Index.

The Consumer Price Index is calculated from the following resource:

- Bureau of Labor Statistics: All Urban Wage Earners and Clerical Workers
- Los Angeles-Long Beach-Anaheim, CA
- From April of the previous year to April of the current year.

The following Consumer Price Index information reflects the status of the CPI from the Bureau of Labor Statistics [BLS.gov](https://www.bls.gov)

<u>April 2021</u>	<u>April 2022</u>
277.126	299.436

The formula for Calculating the Percent Change

Index Point Change

- | | |
|----------------------------------|----------------|
| • CPI April 2022 | 299.436 |
| • Less previous Index April 2021 | <u>277.126</u> |
| • Equals Index point change | 22.31 |

Percent Change

- | | |
|--|-------------|
| • Index point change | 22.31 |
| • Divided by Previous Index April 2021 | 277.126 |
| • Times 100 = equals percent change | 8.05 (8.1%) |

COLA proposals surrounding Sanitary Districts

	<u>FY21/22</u>	<u>Proposed FY22/23</u>
Carp Sanitary	1.7%	4.3% (BLS info calendar year 2021)
Goleta Sanitary	1.3%	5.5% (Adopted)
Goleta West Sanitary	2.2%	8.5%
Montecito Sanitary	1.6%	3.5%
Ojai Sanitary District	3.8%	3.5%

The Finance Committee met on May 26, 2022, and reviewed the COLA calculation and other pertinent information. The Finance Committee proposed to include a 3.5% COLA in the FY 2022-23 budget for the Board's consideration.

Personnel Expenses

5215 - SSD EMPLOYEE SALARY AND BENEFITS COST PROJECTION FY2022-23 - Including 3.5% COLA										
Salaries and Benefits	LI 6100	LI 6270	LI 6300		LI 6400	LI 6475	LI 6500	LI 6900	LI 6600	
	Base Pay	Standby	O.T	Salary plus Stand-by	Retirement Contr.	Current Retirees OBEP	FICA	Work. Comp.	Medical, Dental, Vision, LK	Total
Job Title										
Administrative Manager	113,747				46,955		8,702	432	23,384	193,219
Operations Manager	113,747				36,934		8,702	5,487	11,887	176,756
Lead Collections/Operations II	75,107	10,000	1,500	85,107	24,387		6,511	3,623	11,887	133,015
Treatment Plant Operator II	64,394	9,000	1,500	73,394	20,909		5,615	3,106	11,901	116,425
Treatment Plant Sr. Operator I	74,955		1,500		31,174		5,734	3,616	23,504	140,483
Total	441,950	19,000	4,500		160,358	6,000	35,263	16,264	82,563	765,898

Personnel Expenses make up 67.3% of the Operating Budget Fund 5215. This budget account funds all the department wages, benefits, overtime, and standby duty cost, plus the retired employee's health insurance contribution cost (OPEB). Overall Personnel Cost FY2022-23 is estimated at \$765,898 an increase of 3.6% compared to the previous year's budgeted personnel cost of \$738,442.

The following District Staff will receive a salary increase on July 1, 2022:

Lead Collections/Treatment Plant Operator II will receive a 2.6% Salary Scale Step increase and a 3.5% COLA: from \$70,797 to \$75,107 (6.1% increase).

Treatment Plant Operator II will receive a 2.6% Salary Scale Step increase and a 3.5% COLA: from \$60,699 to \$64,699 (6.1% increase).

Treatment Plant Sr. Operator I will receive a 3.5% COLA increase from \$72,349 to \$74,955.

District Management positions will receive a 3.5% COLA increase from \$109,900 to \$113,747.

Standby includes an estimated increase of 52% from \$12,500 to \$19,000. The newly hired Treatment Plant Operator II started to participate in the rotation of the stand-by shifts in May of 2022.

Employee Healthcare Benefits expenses for the upcoming year include an estimated increase of 3% for the anticipated 6% insurance increase per January 2023.

Retirement rates are adjusted to the new salaries and include a 1.73% contribution rate decrease for employees in Plan 5A and a 1.75% contribution rate decrease for employees in Plan 8-3.

FY2022-23 Operations Fund Budget 5215 – Expenses

Expenses		Adopted Budget 2020/21	Actuals 30-Jun 2021	% < > 75%	Adopted Budget 2021/22	Actuals 31-Mar 2022	% < > 75%	Proposed Budget 2022/23	%
Salaries and Employee Benefits								3.5% COLA	
6100	Regular Salaries	409,214	397,633	97%	423,718	314,735	74%	441,950	104%
6200	Extra Help/Labor	0	2,704		0			0	
6270	Standby	12,500	9,594	77%	12,500	8,345	67%	19,000	152%
6300	Overtime	4,200	3,425	82%	4,200	2,727	65%	4,500	107%
6400	Retirement	145,889	142,260	98%	161,254	119,768	74%	160,358	99%
6475	Retirement Healthcare Contr.	9,800	5,978	61%	6,000	4,512	75%	6,000	100%
6500	District Contr. (Fica & Med)	31,305	31,154	100%	33,371	24,902	75%	35,263	106%
6600	Health & Dental, LI. Contrib	72,812	71,878	99%	80,095	63,706	80%	82,563	103%
6900	Workers' Comp.	16,866	16,051	95%	17,304	12,662	73%	16,264	94%
Total Salaries & Em pl. Benefits		702,586	680,677	97%	738,442	551,357	75%	765,898	103.7%
Services and Supplies									
7030	Uniforms/ Boots	2,100	2,141	102%	2,100	2,218	106%	2,550	121%
7053	Telephone/Internet	9,000	8,973	100%	8,440	7,035	83%	8,420	100%
7090	Liability Insurance	36,800	37,502	102%	42,554	42,481	100%	54,000	127%
7110	Directors Fees	15,000	15,925	106%	15,000	14,875	99%	15,000	100%
7121	Operating Supplies	26,700	30,393	114%	32,800	24,513	75%	35,400	108%
7324	Audit & Acct's	25,000	22,569	90%	24,000	20,978	87%	25,200	105%
7362	Maint. Buildings & Grounds	8,000	4,722	59%	8,000	6,044	76%	8,000	100%
7363	Maintenance Equipment	14,000	10,252	73%	30,000	14,501	48%	15,500	52%
7404	Lab Services	23,200	21,205	91%	24,200	15,092	62%	24,370	101%
7430	Memberships	8,490	7,711	91%	8,530	7,258	85%	8,675	102%
7450	Office Expense	4,000	5,082	127%	4,000	2,926	73%	3,800	95%
7454	Books & Subscrip.	290	48	17%	213	246	115%	530	249%
7459	IT Prof. Serv./Hardware	4,000	3,420	86%	4,000	885	22%	4,000	100%
7460	Prof. & Special Service	12,350	10,313	84%	44,400	26,997	61%	44,005	99%
7508	Legal Fees	45,000	57,363	127%	45,000	24,507	54%	35,000	78%
7510	Contract Services	12,940	5,712	44%	8,240	1,347	16%	9,475	115%
7516	Permitting Services	9,600	9,694	101%	9,560	10,076	105%	9,740	102%
7530	Publications & Legal Notices	300	206	69%	600	268	45%	600	100%
7546	Administration Expense	3,600	2,766	77%	3,600	0	0%	3,600	100%
7630	Small Tools & Instruments	500	374	75%	500	242	48%	500	100%
7653	Training Fees & Supplies	7,175	2,827	39%	6,300	789	13%	7,700	122%
7671	Special Projects	11,900	13,073	110%	8,800	8,800	100%	400	5%
7730	Transportation & Travel	1,000	403	40%	1,000	389	39%	1,000	100%
7731	Gas-Oil-Fuel	2,400	2,994	125%	2,900	1,547	53%	3,500	121%
7761	Electricity	34,500	41,105	119%	41,000	33,742	82%	43,000	105%
7763	Water	2,000	1,853	93%	2,560	1,739	68%	2,620	102%
7764	Trash/Marborg Disposal	4,000	3,370	84%	4,200	3,072	73%	4,250	101%
Total Services & Supplies		323,845	321,993	99%	382,497	272,567	71%	370,835	97%
Total Expenses		1,026,431	1,002,670	98%	1,120,939	823,924	74%	1,136,733	101%

Operations Expense Detailed Budget – (See for an explanation of the increased budgets on pages 10 & 11)

Operating, Maintenance & Supplies		Adopted	Actual 3/31	75%	Proposed	< >
Acct No.	Description	Budget 2021-22	Budget 2021-22	Elapsed 31-Mar	Budget 2022-23	%
7030	Uniforms/ Boots	2,100	2,218	105.6%	2,550	121%
7053	Telephone /Internet	8,440	7,035	83%	8,420	100%
	Cox Internet	1,440	1,722	120%	1,240	86%
	Frontier Landline Plant/Office	2,300	1,816	79%	2,480	108%
	Frontier LS Alarm Phone Lines	2,000	1,577	79%	2,200	110%
	Verizon Mobile Phone Service	2,700	1,920	71%	2,500	93%
7090	Liability Insurance	42,554	42,481	100%	54,000	127%
7110	Directors Fees	15,000	14,875	99%	15,000	100%
7121	Operation Supplies	32,800	24,513	75%	35,400	108%
	Sodium Bisulfite	13,000	9,696	75%	15,100	116%
	Sodium Hypochlorite	14,500	12,162	84%	16,700	115%
	Polymer	1,800	0	0%	0	0%
	Lab Supplies/Gloves	3,500	2,654	76%	3,600	103%
7324	Audit & Acct's	24,000	20,978	87%	25,200	105%
	Accounting BP&W	4,500	4,500	100%	4,500	100%
	Audit BP&W	15,000	15,654	104%	16,200	108%
	SBCounty FIN User Fees	4,500	825	18%	4,500	100%
7362	Maint. Build. & Grounds	8,000	6,044	76%	8,000	100%
	Buildings	5,000	2,198	44%	5,000	100%
	Grounds	3,000	3,846	128%	3,000	100%
7363	Maint. Equipment	30,000	14,501	48%	15,500	52%
	Plant Equipment	9,000	8,115	90%	9,000	100%
	Mobile Equipment	15,800	6,386	40%	6,500	41%
	TP, LS 1,2,3 Transfer Switch	5,200	0	0%	0	0%
7404	Lab Services	24,200	15,092	62%	24,370	101%
	FGL	20,000	15,092	75%	20,350	102%
	Annual Sampling ABC/SD	4,200	0	0%	4,020	96%
7430	Memberships	8,530	7,258	85%	8,675	102%
	CASA	2,500	1,700	68%	1,800	72%
	SWRCB-Cert. operators	150	170	113%	600	400%
	CSDA	4,000	4,054	101%	4,100	103%
	SAMA lunch meet (skip due to	0	0	0%	0	
	CWEA- Cert. Ops Collection Sys	390	187	0%	285	73%
	CWEA Membership/ Tri-Counti	600	0	0%	600	100%
	LAFCO	600	997	166%	1,000	167%
	Summerland Citizen Membersh	140	0	0%	140	100%
	SBCSDA	150	150	100%	150	100%
7450	Office Expense	4,000	2,926	73%	3,800	95%
	Stationary & Newsletters (2)	300	69	23%	300	100%
	Office & Household Supplies	3,500	2,858	82%	3,500	100%
	Outdoor Canopy	200	0	0%	0	0%

Operating, Maintenance & Supplies		Adopted	Actual 3/31	75%	Proposed	< >
Acct No.	Description	Budget 2021-22	Budget 2021-22	Elapsed 31-Mar	Budget 2022-23	%
7454	Books & Subscrip.	213	246	116%	530	249%
	Live Web Camera Annual Subscr.	165	198	120%	200	121%
	ENR Annual Subscr.	48	48	100%	50	104%
	MS Office & Zoom Monthly Subscr.				280	
7459	IT Profesional Serv.	4,000	885	22%	4,000	100%
	Computer Consultant	2,000	165	8%	2,000	100%
	Software & Computer (equip.)	2,000	720	36%	2,000	100%
7460	Prof & Special Serv.	44,400	26,997	61%	44,005	99%
	Annual Instrument Calibrations	2,500	1,415	57%	1,500	60%
	Electrical Troubleshoot/ Repair	4,400	3,182	72%	5,000	114%
	Backflow testing	100	95	95%	105	105%
	Website Domain/Security Rene	400	335	84%	400	100%
	Salary Analysis	0	0		0	
	Rate Study	35,000	21,970	63%	35,000	100%
	GIS/ Atlas Updates	2,000	0	0%	2,000	100%
7508	Legal Fees	45,000	24,507	54%	35,000	78%
7510	Contract Services	8,240	1,347	16%	9,475	115%
	Payroll Program Monthly Subscrip	840	577	69%	800	95%
	Fire Ext. Service	500	363	73%	175	35%
	Central Communications	650	407	63%	650	100%
	Sludge Hauling	6,000	0	0%	7,600	127%
	Cal PERS Old Age Ins. Adm. Fee	250	0	0%	250	100%
7516	Permitting Services	9,560	10,076	105%	9,740	102%
	NPDES Permit	7,510	8,141	108%	8,500	113%
	Air Polution Control District	1,050	943	90%	0	0%
	Underground Service Alert	200	102	51%	200	100%
	County Roads Dep. Permit	100	391	391%	100	100%
	SB Hazardous Permit	500	499	100%	500	100%
	CA DIR Pressure Vessel Permit	200	0	0%	440	220%
7530	Public. & Legal Notices	600	268	45%	600	100%
7546	Administration Expense	3,600	0	0%	3,600	100%
	County of SB Adm Exp	3,600	0	0%	3,600	100%
7630	Small Tools & Instr.	500	242	48%	500	100%
	Gen. Tools	500	242	48%	500	100%
7653	Training Fees & Supplies	6,300	789	13%	7,700	122%
	Staff Educational Classes/ Semi	2,500	100	4%	2,500	100%
	Board Members Training/ Semi	2,000	0	0%	2,000	100%
	Biennial Ethics Training/Anti-Ha	0	0		1,750	
	Manuals/ Books	500	0	0%	500	100%
	Safety training	600	0	0%	600	100%
	Other training (FIT, CPR)	700	689	98%	350	50%

Operating, Maintenance & Supplies		Adopted	Actual 3/31	75%	Proposed	< >
Acct No.	Description	Budget 2021-22	Budget 2021-22	Elapsed 31-Mar	Budget 2022-23	%
7671	Special Projects	8,800	8,800	100%	400	5%
	Outfall Inspection/Maintenance	8,420	8,420	100%	0	0%
	Ocean Water Sampling	380	380	100%	400	105%
7730	Transportation & Travel	1,000	389	39%	1,000	100%
	Mileage, lodging & Meals	1,000	389	39%	1,000	100%
7731	Gas-Oil-Fuel	2,900	1,547	53%	3,500	121%
	Gasoline	2,100	1,547	74%	2,500	119%
	Diesel	800	0	0%	1,000	125%
7761	Electricity	41,000	33,742	82%	43,000	105%
		41,000	33,742	82%	43,000	105%
7763	Water	2,560	1,739	68%	2,620	102%
	Montecito Water District	1,750	1,322	76%	1,800	103%
	Water Usage Line Cleaning	310	237	76%	320	103%
	Bottled Water	500	180	0%	500	100%
7764	Trash Services	4,200	3,072	73%	4,250	101%
	Totals	382,497	272,568	71%	370,835	97%

Explanation of Operating, Maintenance, and Supplies Expenses

Explanation of proposed expenses that increase more than 100% of the prior year's Fiscal Year.

Line item 7030 Uniforms/Boots

The total budget for this category is \$2,550 with an increase of 21% from the prior year (\$2,100). The estimated additional increase is \$450 for staff uniforms due to increasing the allowance for the purchasing of staff boots.

Line item 7090 Liability Insurance

The total budget for this category is \$54,000 with an increase of 27% from the prior year (\$42,554). The estimated increase of \$11,446 is due to the following explanation received from SDRMA: A 5% increase in the operating budget from the previous fiscal year. SSD's current exposures and losses on record with SDRMA, a 19.72% increase in the value of scheduled buildings and a 14.17% increase in the value of scheduled contents. Pool reinsurance rate increases from 12.5% to 25% based on early estimates from the reinsurance brokers.

Line item 7121 Operation Supplies

The total budget for this category is \$35,400 with an increase of 8% from the prior year (\$32,800). The estimated additional increase is \$2,100 for Sodium Bisulfite and \$2,200 for Sodium Hypochlorite due to an increase in fuel cost that directly affects transportation costs. There is also an increase of \$100 for lab supplies due to an increased cost of raw materials.

Line item 7324 Audit & Acct's

The total budget for this category is \$25,200 with an increase of 5% from the prior year (\$24,000). The estimated additional increase of \$1,200 is for the Annual Audit BP&W fee. This fee will be increased by 8% this year, from \$15,000 to \$16,200.

Line item 7404 Lab Services

The total budget for this category is \$24,370 with an increase of 1% from the prior year (\$24,200). The estimated additional increase is \$350 for Fruit Growers Laboratory services due to an increase in fuel cost directly affecting transportation costs.

Line item 7430 Memberships

The total budget for this category is \$8,675 with an increase of 2% from the prior year (\$8,530). The estimated additional increase is \$450 for the renewal fee of two CWEA Operator certifications, \$100 for the annual CSDA membership fee, \$100 for the annual CASA membership fee, and \$400 for the annual LAFCO membership fee.

Line item 7454 Books & Subscriptions

The total budget for this category is \$530 with an increase of 149% from the prior year (\$213). The estimated additional increase is \$35 for the district's live webcam annual subscription fee and \$280 for the Microsoft Office & Zoom monthly subscription fee that was previously booked under line item 7450 Office Expense.

Line item 7510 Contract Services

The total budget for this category is \$9,475 with an increase of 15% from the previous year (\$8,240). The estimated additional increase is \$1,600 for the sludge hauling fee due to an increase in fuel cost that directly impacts transportation costs.

Line item 7516 Permitting Services

The total budget for this category is \$9,740 with an increase of 2% from the previous year (\$9,560). The estimated additional increase is \$990 for the annual wastewater treatment plant & collections system National Pollution Discharge Elimination System Permit fee and \$240 for the permit renewal fee of three of the district's air compressors.

Line item 7653 Training Fees & Supplies

The total budget for this category is \$7,700 with an increase of 22% from the previous year (\$6,300). The estimated additional increase is \$1,750 for Director's compensation for completing the required Ethics and Anti-harassment training.

Line item 7731 Gas-Oil-Fuel

The total budget for this category is \$3,500 with an increase of 21% from the prior year (\$2,900). The estimated additional increase is \$600 for gasoline which is projected to increase due to gas prices significantly increasing for FY22/23.

Line item 7761 Electricity

The total budget for this category is \$43,000 with an increase of 5% from the prior year (\$41,000). The estimated additional cost of \$2,000 is due to an increase in energy rates.

Line item 7763 Water

The total budget for this category is \$2,620 with an increase of 2% from the prior year (\$2,560). The estimated additional increase is \$60 for water usage due to an increase in water rates for F/Y 22/23.

Line item 7764 Trash

The total budget for this category is \$4,250 with an increase of 1% from the prior year (\$4,200). The estimated additional increase of \$50 for trash services is due to a rate increase for FY22/23.

Fund 5216 Capital Facilities –Budget FY2022-23

Revenues		Adopted FY 2021-22	Actuals 27-Apr 2022	% < > 83%	Proposed FY 2022-23	% < >
3380	Interest Income	6,300	1,107	18%	1,500	24%
3381	Unrealized gain/loss inv.	2,013	0	0%	0	
Charges for services						
5432	CONNECTION FEES	12,385	4,170	34%	12,385	100%
Total Revenues		20,698	5,277	25.5%	13,885	67.1%

Expenses		Adopted Budget 2021-22	Actuals 31-Mar 2022	% < > 75%	Proposed Budget 2022-23	% < >
Capital Assets						
8200	Structures & Improvements	10,000	3,500	35%	0	0%
8300	Equipment	20,000	20,275	101%	25,000	125%
8400	Infrastructure	0	0		0	
Total Capital Assets		30,000	23,775	79%	25,000	83%
Total Expenses		30,000	23,775	79%	25,000	83%

Budget Notes:

Funds from Fund 5216 are used for Treatment Plant and Infrastructure Improvements.

Fund 5216 Cash Balance as of May 31, 2022: \$ 227,096

Proposed Capital Facilities Projects

None

Fund 5217 Capital Replacement and Repair –Budget FY2022-23

Revenues		Adopted FY 2021-22	Actuals 20-May 2022	% < > 83	Proposed FY 2022-23	% < >
3380	Interest Income	8,500	3,663	43%	3,000	35%
3381	Unrealized Gain/Loss Inv.	6,529	-34,571		0	
	Total Revenues	15,029	-30,908		3,000	
Other Financing Sources						
5921	Long Term Debt Bond/Notes	0	500,000			

Expenses		Actual Budget 2021/22	Actuals 31-Mar 2022	% < > 75%	Proposed Budget 2022/23	% < >
Capital Assets						
8200	Structures & Improvements	10,000	9,598	96%	0	0%
8300	Equipment	120,000	89,731	75%	128,300	107%
8400	Infrastructure	15,000	79,795	532%	800,000	5333%
5921	Long Term Debt Bond/Notes-Principal				43,415	
5920	Interest Payment				15,500	
	Total Expenses	145,000	179,125	124%	928,300	640%

Budget Notes:

Funds from Fund 5217 are used for capital expenditures and emergency funding and long-term debt principal and interest payments.

Fund 5217 Cash Balance as of May 31, 2022: \$ 1,620,285

Proposed Capital Facilities Projects

8300 Equipment - \$128,300 (see page 13)

8400 Infrastructure - \$800,000 (see page 14)

Fund 5217- Capital Replacement Project

PROJECT TITLE: EMERGENCY REPLACEMENT OF THE TREATMENT PLANT'S BLOWERS #1 & 2

DESCRIPTION: Replacement of the district's non-operational Aerzen blower #1 and the faulty blower #2. The current blowers will be removed and replaced with the newest Aerzen blower model that meets the same specifications as the current blowers.

BUDGET COST: \$128,300

FUND SOURCE: Capital Replacement & Repair Fund 5217 - Line item 8300 Equipment

INFORMATION:

On November 10, 2021, the Board declared an emergency, by adopting Resolution 2021-08, for the replacement of two of the district's faulty blowers.

The order for the two new blowers was placed. Originally Cushman Contracting was expecting to receive the blowers in April of 2022. Due to a delay in parts production, Cushman Contracting is now expecting to receive the blowers by July 2022 and plans to start the blower replacement within that month or the following month of August 2022.



Fund 5217- Capital Replacement Project

PROJECT TITLE: EMERGENCY OUTFALL REHABILITATION

DESCRIPTION: Rehabilitation of the District's Ocean Outfall Pipeline

BUDGET COST: \$800,000

FUND SOURCE: Capital Replacement & Repair Fund 5217 - Line item 8400 Infrastructure

INFORMATION:

On November 16, 2021, the Board declared an emergency, by adopting Resolution 2021-09, requiring maintenance to be performed on the district's ocean outfall due to heavy internal corrosion that is restricting the effluent from flowing through the pipeline. The internal corrosion was discovered by an internal video inspection of the outfall.

On January 14, 2022, the Board was informed that the emergency outfall maintenance was deferred from January 2022 to June 15, 2022. The maintenance was deferred per MPM's recommendation that winter and spring are not good seasons to perform marine work in the designated area due to oceanic conditions that can negatively impact the outfall maintenance operation. This was recommended due to the following possible conditions: poor underwater visibility, sand erosion/diffuser burial, and storms/sea state. The outfall maintenance will commence around June 15, 2022, when a better oceanic state has been observed to exist by MPM for a better project outcome. If the outfall maintenance is successful, a linear will be installed inside the existing outfall to remedy its poor condition.

Snapshot of corrosion inside the outfall pipeline



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RESOLUTION NO. 2022-04

**A RESOLUTION OF THE GOVERNING BOARD OF SUMMERLAND SANITARY DISTRICT
SETTING THE DATE FOR A HEARING AND GIVING NOTICE
THEREOF OF ELECTION TO COLLECT SEWER SERVICE CHARGES
ON THE COUNTY TAX ROLL FOR THE FISCAL YEAR 2022-23**

WHEREAS, pursuant to the authority of Section 6520.5 of the Health and Safety Code ("Code"), the Governing Board ("Board") of the Summerland Sanitary District ("District") has prescribed sewer service rates; and

WHEREAS, pursuant to Section 5473 of the Code, the Board by its Ordinance No. 19 has elected to collect certain of its sanitary sewer service charges by means of the County Tax Roll each fiscal year; and

WHEREAS, Section 5473 of the Code requires that in the event of such an election to the District shall cause a written report to be filed, and the report shall contain a description of each parcel to be served by sewers and the charge; and

WHEREAS, the report for the fiscal year 2022-23 is being prepared and will be on file in the office of the District on or before June 15, 2022; and

WHEREAS, Section 5473.1 of the Health and Safety Code requires that a hearing be had on the report and that notice of the hearing by publication and mailing be given.

NOW, THEREFORE, BE IT RESOLVED:

1. That a hearing is hereby set and shall be held at 3:00 p.m. on the 14th day of July 2022 at the District's premises located at 2435 Wallace Avenue, Summerland, California 93067-0417, phone number 805-969-4344 for the purpose of hearing all objections and protests, if any, to the report on file in the office of the District;
2. That notice of the said hearing shall be given as follows:
 - a. By publication in the SANTA BARBARA NEWS-PRESS on or about June 16, 2022, and June 23, 2022.
 - b. By mailing a notice in writing to those owners of those parcels of real property described in the report who are connected to the District's facilities and which parcels were not shown on the District's report for the prior fiscal year 2020-21. The notice shall be mailed to said owner's address as it appeared on the last equalized assessment roll available, or the address shown to the Secretary of this District. Mailing is to be completed by June 15, 2022.

- c. A copy of the written report will be available for inspection by the public on June 15, 2022, at the District office located at 2435 Wallace Avenue, Summerland, California 93067, phone number 805-969-4344.
3. That the Clerk to the Board shall be and hereby is authorized and directed to give the notice in form as required by law and to do any and all such other things as necessary for the holding of said hearing.

PASSED AND ADOPTED by the Governing Board of the Summerland Sanitary District on the 9th day of June 2022 by the following votes:

AYES	:	_____
NAYS	:	_____
ABSENT	:	_____
ABSTENTIONS	:	_____

(SEAL)

DAVID NOVIS, President
Board of Directors

ATTEST:

JAMES WITMER, Secretary
Board of Directors

I, _____, Clerk of the Board of the SUMMERLAND SANITARY DISTRICT, hereby certify that the foregoing is a true copy of the resolution duly and legally adopted by the Governing Board of the DISTRICT at a legal meeting of said body duly and regularly held on June 9, 2022.

DATE CERTIFIED: _____

Xf

RESOLUTION NO. 2022-05

**RESOLUTION OF THE GOVERNING BOARD OF SUMMERLAND SANITARY DISTRICT
AGREEING THAT THE ALTERNATIVE METHOD OF DISTRIBUTION OF PROPERTY TAX LEVIES
& ASSESSMENTS BE APPLICABLE TO TAX LEVIES MADE BY THE COUNTY OF SANTA BARBARA,
STATE OF CALIFORNIA**

WHEREAS, on October 15, 2002, the County of Santa Barbara implemented electives provided in Chapter 3 of part 8 of Division 1 of the Revenue and Taxation Code (commencing with Section 4701) which authorizes an alternative method for the distribution of property tax levies and assessments on the secured roll.

WHEREAS, the County is prohibited from using such alternative method for any public district for which the County Treasury is not the legal depository unless such district agrees thereto by resolution of the public district's governing body adopted no later than July 1, 2022; and

WHEREAS, the Governing Board of Summerland Sanitary District desires to have the provisions of said alternative method made applicable to distributions made to Summerland Sanitary District.

NOW, THEREFORE, BE IT RESOLVED that upon the County's election to implement the alternative method of distribution authorized by Chapter 3, Part 8 of Division 1 of the Revenue and Taxation Code, the governing body hereby agrees that said alternative method of distribution of property tax levies and assessments adopted by the County of Santa Barbara shall be applicable to Summerland Sanitary District.

BE IT FURTHER RESOLVED, that the Clerk of the governing body is hereby directed to transmit a copy of this Resolution to the Auditor-Controller of the County of Santa Barbara forthwith.

PASSED AND ADOPTED at the regular board meeting of the Board of Directors of the Summerland Sanitary District held June 9, 2022, carried by the following roll call vote:

AYES : _____

NAYS : _____

ABSENT : _____

ABSTENTIONS : _____

DAVID NOVIS, President
Board of Directors

(SEAL)

JAMES WITMER, Secretary
Board of Directors

ATTEST:

Financial Status

As of May 31, 2022

As of: 5/31/2022 (92% Elapsed)
Accounting Period: OPEN

Selection Criteria: Fund = 5215, 5216, 5217

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 5215 -- SummerInd San Dist Running Exp

Line Item Account	6/30/2022 Fiscal Year Adjusted Budget	5/31/2022 Year-To-Date Actual	6/30/2022 Fiscal Year Variance	6/30/2022 Fiscal Year Pct of Budget
Revenues				
Taxes				
3010 -- Property Tax-Current Secured	240,000.00	256,880.61	16,880.61	107.03 %
3011 -- Property Tax-Unitary	0.00	3,676.14	3,676.14	--
3015 -- PT PY Corr/Escapes Secured	0.00	-14.98	-14.98	--
3020 -- Property Tax-Current Unsecd	9,500.00	9,052.03	-447.97	95.28 %
3023 -- PT PY Corr/Escapes Unsecured	0.00	384.70	384.70	--
3040 -- Property Tax-Prior Secured	0.00	-31.79	-31.79	--
3050 -- Property Tax-Prior Unsecured	0.00	285.31	285.31	--
3054 -- Supplemental Pty Tax-Current	3,500.00	6,351.44	2,851.44	181.47 %
3056 -- Supplemental Pty Tax-Prior	0.00	-72.95	-72.95	--
Taxes	253,000.00	276,510.51	23,510.51	109.29 %
Fines, Forfeitures, and Penalties				
3057 -- PT-506 Int, 480 CIOS/CIC Pen	0.00	8.80	8.80	--
Fines, Forfeitures, and Penalties	0.00	8.80	8.80	--
Use of Money and Property				
3380 -- Interest Income	7,500.00	1,883.22	-5,616.78	25.11 %
3381 -- Unrealized Gain/Loss Invstmnts	787.00	-17,965.27	-18,752.27	-2,282.75 %
Use of Money and Property	8,287.00	-16,082.05	-24,369.05	-194.06 %
Intergovernmental Revenue-State				
4220 -- Homeowners Property Tax Relief	1,000.00	923.41	-76.59	92.34 %
Intergovernmental Revenue-State	1,000.00	923.41	-76.59	92.34 %
Charges for Services				
5091 -- Planning & Engnrg-Plan Ck Fes	2,800.00	628.00	-2,172.00	22.43 %
5430 -- Sanitation Services	1,047,721.00	1,014,870.69	-32,850.31	96.86 %
5433 -- Inspection Fees	4,800.00	1,560.00	-3,240.00	32.50 %

Handwritten mark resembling a stylized 'H' or 'M'.

Financial Status

As of: 5/31/2022 (92% Elapsed)
Accounting Period: OPEN

Selection Criteria: Fund = 5215, 5216, 5217

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 5215 -- SummerInd San Dist Running Exp

Line Item Account	6/30/2022 Fiscal Year Adjusted Budget	5/31/2022 Year-To-Date Actual	6/30/2022 Fiscal Year Variance	6/30/2022 Fiscal Year Pct of Budget
5746 -- Administrative Revenue	4,200.00	2,088.00	-2,112.00	49.71 %
Charges for Services	1,059,521.00	1,019,146.69	-40,374.31	96.19 %
Revenues	1,321,808.00	1,280,507.36	-41,300.64	96.88 %
Expenditures				
Salaries and Employee Benefits				
6100 -- Regular Salaries	423,718.00	381,236.49	42,481.51	89.97 %
6270 -- Stand-by Pay	12,500.00	11,497.50	1,002.50	91.98 %
6300 -- Overtime	4,200.00	3,062.96	1,137.04	72.93 %
6400 -- Retirement Contribution	161,254.00	150,404.35	10,849.65	93.27 %
6475 -- Retiree Medical OPEB	6,000.00	5,496.85	503.15	91.61 %
6500 -- FICA Contribution	33,371.00	30,551.33	2,819.67	91.55 %
6600 -- Health Insurance Contrib	80,095.00	77,322.10	2,772.90	96.54 %
6900 -- Workers Compensation	17,304.00	12,661.75	4,642.25	73.17 %
Salaries and Employee Benefits	738,442.00	672,233.33	66,208.67	91.03 %
Services and Supplies				
7030 -- Clothing and Personal	2,100.00	2,218.29	-118.29	105.63 %
7053 -- Telephone Service Local	8,440.00	8,001.92	438.08	94.81 %
7090 -- Insurance	42,554.00	42,481.46	72.54	99.83 %
7110 -- Directors Fees	15,000.00	18,550.00	-3,550.00	123.67 %
7121 -- Operating Supplies	32,800.00	28,614.29	4,185.71	87.24 %
7324 -- Audit and Accounting Fees	24,000.00	22,627.75	1,372.25	94.28 %
7362 -- Building Maintenance	8,000.00	7,777.66	222.34	97.22 %
7363 -- Equipment Maintenance	30,000.00	21,595.11	8,404.89	71.98 %
7404 -- Public Health Lab Serv	24,200.00	20,654.16	3,545.84	85.35 %
7430 -- Memberships	8,530.00	7,642.00	888.00	89.59 %
7450 -- Office Expense	4,000.00	3,578.91	421.09	89.47 %

Financial Status

As of: 5/31/2022 (92% Elapsed)
Accounting Period: OPEN

Selection Criteria: Fund = 5215, 5216, 5217

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 5215 -- SummerInd San Dist Running Exp

Line Item Account	6/30/2022 Fiscal Year Adjusted Budget	5/31/2022 Year-To-Date Actual	6/30/2022 Fiscal Year Variance	6/30/2022 Fiscal Year Pct of Budget
7454 -- Books & Subscriptions	213.00	246.29	-33.29	115.63 %
7459 -- IT Professional Services	4,000.00	1,425.39	2,574.61	35.63 %
7460 -- Professional & Special Service	44,400.00	26,957.44	17,442.56	60.71 %
7508 -- Legal Fees	45,000.00	24,507.01	20,492.99	54.46 %
7510 -- Contractual Services	8,240.00	6,364.23	1,875.77	77.24 %
7516 -- Permitting Services	9,560.00	10,105.96	-545.96	105.71 %
7530 -- Publications & Legal Notices	600.00	267.50	332.50	44.58 %
7546 -- Administrative Expense	3,600.00	3,421.26	178.74	95.04 %
7630 -- Small Tools & Instruments	500.00	451.17	48.83	90.23 %
7653 -- Training Fees & Supplies	6,300.00	1,378.88	4,921.12	21.89 %
7671 -- Special Projects	8,800.00	8,800.00	0.00	100.00 %
7730 -- Transportation and Travel	1,000.00	447.59	552.41	44.76 %
7731 -- Gasoline-Oil-Fuel	2,900.00	3,227.68	-327.68	111.30 %
7761 -- Electricity	41,000.00	41,345.96	-345.96	100.84 %
7763 -- Water	2,560.00	2,134.54	425.46	83.38 %
7764 -- Refuse	4,200.00	3,756.47	443.53	89.44 %
Services and Supplies	382,497.00	318,578.92	63,918.08	83.29 %
Expenditures	1,120,939.00	990,812.25	130,126.75	88.39 %
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	213.00	212.33	-0.67	99.69 %
Decrease to Restricted	213.00	212.33	-0.67	99.69 %
Changes to Fund Balances	213.00	212.33	-0.67	99.69 %
SummerInd San Dist Running Exp	201,082.00	289,907.44	88,825.44	144.17 %

Financial Status

As of: 5/31/2022 (92% Elapsed)
Accounting Period: OPEN

Selection Criteria: Fund = 5215, 5216, 5217

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 5216 -- Summerland San Cap Facilities

Line Item Account	6/30/2022 Fiscal Year Adjusted Budget	5/31/2022 Year-To-Date Actual	6/30/2022 Fiscal Year Variance	6/30/2022 Fiscal Year Pct of Budget
Revenues				
Use of Money and Property				
3380 -- Interest Income	2,000.00	669.79	-1,330.21	33.49 %
3381 -- Unrealized Gain/Loss Invstmnts	-76.00	-6,273.58	-6,197.58	8,254.71 %
Use of Money and Property	1,924.00	-5,603.79	-7,527.79	-291.26 %
Charges for Services				
5432 -- Connection Fees	12,317.00	0.00	-12,317.00	0.00 %
Charges for Services	12,317.00	0.00	-12,317.00	0.00 %
Revenues	14,241.00	-5,603.79	-19,844.79	-39.35 %
Expenditures				
Capital Assets				
8200 -- Structures&Struct Improvements	10,000.00	3,500.00	6,500.00	35.00 %
8300 -- Equipment	20,000.00	20,274.60	-274.60	101.37 %
Capital Assets	30,000.00	23,774.60	6,225.40	79.25 %
Expenditures	30,000.00	23,774.60	6,225.40	79.25 %
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	76.00	74.67	-1.33	98.25 %
Decrease to Restricted	76.00	74.67	-1.33	98.25 %
Changes to Fund Balances	76.00	74.67	-1.33	98.25 %
Summerland San Cap Facilities	-15,683.00	-29,303.72	-13,620.72	186.85 %

Financial Status

As of: 5/31/2022 (92% Elapsed)
Accounting Period: OPEN

Selection Criteria: Fund = 5215, 5216, 5217

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 5217 -- SummerInd San Dist-Capital Rep

Line Item Account	6/30/2022 Fiscal Year Adjusted Budget	5/31/2022 Year-To-Date Actual	6/30/2022 Fiscal Year Variance	6/30/2022 Fiscal Year Pct of Budget
Revenues				
Use of Money and Property				
3380 -- Interest Income	3,000.00	3,663.21	663.21	122.11 %
3381 -- Unrealized Gain/Loss Invstmnts	-404.00	-34,974.43	-34,570.43	8,657.04 %
Use of Money and Property	2,596.00	-31,311.22	-33,907.22	-1,206.13 %
Revenues	2,596.00	-31,311.22	-33,907.22	-1,206.13 %
Expenditures				
Capital Assets				
8200 -- Structures&Struct Improvements	10,000.00	9,598.44	401.56	95.98 %
8300 -- Equipment	120,000.00	89,731.38	30,268.62	74.78 %
8400 -- Infrastructure	15,000.00	133,871.73	-118,871.73	892.48 %
Capital Assets	145,000.00	233,201.55	-88,201.55	160.83 %
Expenditures	145,000.00	233,201.55	-88,201.55	160.83 %
Other Financing Sources & Uses				
Other Financing Sources				
5921 -- Long Term Debt Proc-Bond/Notes	0.00	500,000.00	500,000.00	--
Other Financing Sources	0.00	500,000.00	500,000.00	--
Other Financing Sources & Uses	0.00	500,000.00	500,000.00	--
Changes to Fund Balances				
Decrease to Restricted				
9797 -- Unrealized Gains	404.00	403.00	-1.00	99.75 %
Decrease to Restricted	404.00	403.00	-1.00	99.75 %
Changes to Fund Balances	404.00	403.00	-1.00	99.75 %
SummerInd San Dist-Capital Rep	-142,000.00	235,890.23	377,890.23	-166.12 %

Financial Status

As of: 5/31/2022 (92% Elapsed)
Accounting Period: OPEN

Selection Criteria: Fund = 5215, 5216, 5217

Layout Options: Summarized By = Fund, LineItemAccount; Page Break At = Fund

Fund 5217 -- SummerInd San Dist-Capital Rep

Line Item Account	6/30/2022 Fiscal Year Adjusted Budget	5/31/2022 Year-To-Date Actual	6/30/2022 Fiscal Year Variance	6/30/2022 Fiscal Year Pct of Budget
Net Financial Impact	43,399.00	496,493.95	453,094.95	1,144.02 %

Cash Balances As of May 31, 2022

As of: 5/31/2022
Accounting Period: OPEN

Selection Criteria: Fund = 5215, 5216, 5217

Layout Options: Summarized By = Fund; Page Break At = Fund

Fund	5/1/2022 Beginning Balance	Month-To-Date Cash Receipts (+)	Month-To-Date Treasury Credits (+)	Month-To-Date Warrants and Wire Transfers (-)	Month-To-Date Treasury Debits (-)	5/31/2022 Ending Balance
5215 -- SummerInd San Dist Running Exp	1,099,804.37	2,294.44	558,504.91	0.00	645,897.66	1,014,706.06
5216 -- Summerland San Cap Facilities	227,095.91	0.00	0.00	0.00	0.00	227,095.91
5217 -- SummerInd San Dist-Capital Rep	1,685,737.08	0.00	0.00	0.00	65,451.73	1,620,285.35
Total Report	3,012,637.36	2,294.44	558,504.91	0.00	711,349.39	2,862,087.32

SUMMERLAND SANITARY DISTRICT
Regular Board of Directors Meeting June 9, 2022
Operations Manager Report

OPERATIONS AND FACILITY MAINTENANCE:

- Daily water meter readings being performed by staff. Water usage normal.
- On May 16, 2022, the monthly waste discharge and no-spill reports for April 2022 were submitted in CIWQS, an automated online program on a timely basis with no violations.
- Met with Steve Simpson from Marine Project Management (MPM) to discuss the outfall maintenance operation. (See "Emergency Outfall Maintenance" staff report under agenda item *VIII. Old Business Items*, for full details).
- Reviewed Draft NPDES Permit Renewal and spoke with Leah Lemoine from the State Water Resource Control Board regarding the Draft Permit.
- Staff replaced the primary clarifier gear drive due to exceeding its life expectancy and being faulty.
- Staff replaced the selector valve for digester number 2 waste activated sludge valve.
- Staff painted the interior of the lunchroom.
- Staff operated the belt press for 8 hours.
- Staff completed weekly grounds maintenance and landscape work which consists of mowing, weed whacking, blowing, edging, and raking. Grounds are watered weekly during dry months with reclaimed water.

COLLECTION SYSTEM / LIFT STATIONS:

- Met with property owner of 230 Ortega Ridge Road to discuss connecting their residence to the district's sewer mainline.
- Met with the property manager of 349 Ridge Crest Drive to discuss the district's requirements for extending the sewer mainline for the purpose of having sewer service. The mainline extension is being discussed between the neighbors that surround 349 Ortega Ridge Drive for a possible collaboration to pursue the mainline extension.
- Staff cleaned 5,414 feet of sewer mainline.
- Staff continued monthly FOG (Fats, Oils and Grease) inspections at restaurants in town. All restaurants were in compliance.
- Staff made periodic rounds of the collection system to check for any problems, primarily checking the hot spot manholes to ensure proper flow activity.
- Staff conducted daily rounds at all lift stations to check for proper operation including the checking of each lift station's emergency generator and filling generators with fuel if necessary and performed maintenance.

SUMMERLAND SANITARY DISTRICT

XIII

Regular Board of Directors Meeting June 9, 2022 District Administrative Manager Report

2022 General Elections - SSD

There are two members of the Board with expiring terms in 2022: Director Colomy and Director Witmer. The General Elections will be held on November 8, 2022. Each member interested must submit the required candidate papers to the County of Santa Barbara. The candidate filing period opens Monday, July 18, 2022, and closes at 5:00 p.m. on Wednesday, August 17, 2022, for the incumbents.

Completed an online Zoom training on Effective (and Lawful) Hiring and On-Boarding of Employees

Completed the preparations of the proposed budget for FY2022-23 together with the Operations Manager.

Completed the classifications and new sewer service charge report for ratepayers for FY 2022-23.