

AGENDA

REMOTE MEETING NOTICE

To address concerns relating to COVID-19, this meeting will be accessible by remote video conferencing. The public may participate in this meeting remotely via zoom as set forth below.

INSTRUCTIONS FOR USING ZOOM

- Join the meeting using the link below.
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TO SPEAK ON AN ITEM USING ZOOM

- The Board President will call the item and staff will begin the staff report.
- Click on the Raise Hand icon if you would like to speak on the item.
- Your name will be called on when it's your turn to speak.
- When your name is called, you will be prompted to unmute yourself.
- When your time is up, you will be muted.
- You will repeat this process for each item you want to speak on.

FOR OPEN SESSION PARTICIPATION

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Meeting ID: 869 2166 3281

Passcode: 104233

A G E N D A
REGULAR MEETING OF THE GOVERNING BOARD
OF THE GOLETA SANITARY DISTRICT
A PUBLIC AGENCY

One William Moffett Place
Goleta, California 93117

June 20, 2022

CALL TO ORDER: 6:30 p.m.

ROLL CALL OF MEMBERS

BOARD MEMBERS: Steven T. Majoewsky
George W. Emerson
Sharon Rose
Edward Fuller
Jerry D. Smith

CONSIDERATION OF THE MINUTES OF THE BOARD MEETING

The Board will consider approval of the Minutes of the Regular Meeting of June 6, 2022

The Board will consider approval of the Minutes of the Special Meeting of June 13, 2022

PUBLIC COMMENTS - Members of the public may address the Board on items within the jurisdiction of the Board.

POSTING OF AGENDA – The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District’s web site 72 hours in advance of the meeting.

BUSINESS:

1. CONSIDERATION OF DISTRICT’S PROPOSED BUDGET FOR FISCAL YEAR 2022-23
(Board may take action on this item.)
2. CONSIDERATION AND ADOPTION OF RESOLUTION NO. 22-688 APPROVING REVISED ORGANIZATION CHART AND EMPLOYEE PAY SCHEDULE
(Board may take action on this item.)
3. CONSIDERATION AND APPROVAL OF RESOLUTION NO. 22-689 ADOPTING FINDINGS, APPROVING PRELIMINARY ENVIRONMENTAL REVIEW FORM AND ENVIRONMENTAL IMPACT ASSESSMENT, AND RATIFYING AND APPROVING PREPARATION OF A MITIGATED NEGATIVE DECLARATION FOR THE BEP PHASE 2 PROJECT
(Board may take action on this item.)

4. REVIEW AND CONSIDERATION OF PROPOSAL FOR REGULATORY AND PERMITTING SUPPORT SERVICES FOR THE BIOSOLIDS AND ENERGY STRATEGIC PLAN PHASE 2 IMPROVEMENTS
(Board may take action on this item.)
5. CONSIDERATION AND APPROVAL OF ADDITIONAL INSTALLMENT SALE FINANACING DOCUMENTS FOR BIOSOLIDS AND ENERGY STRATEGIC PLAN (BESP) PROJECT AND REVISIONS TO PREVIOUSLY APPROVED FINANCING DOCUMENTS
(Board may take action on this item.)
6. CLOSED SESSION
 - A. PUBLIC COMMENTS ON CLOSED SESSION MATTER
 - B. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTION 54957(b)(1)

PUBLIC EMPLOYEE PERFORMANCE EVALUATION
TITLE: GENERAL MANAGER
 - C. PUBLIC REPORT ON CLOSED SESSION MATTER
7. GENERAL MANAGER'S REPORT
8. LEGAL COUNSEL'S REPORT
9. COMMITTEE/DIRECTOR'S REPORTS AND APPROVAL/RATIFICATION OF DIRECTOR'S ACTIVITIES
10. PRESIDENT'S REPORT
11. ITEMS FOR FUTURE MEETINGS
12. CORRESPONDENCE
(The Board will consider correspondence received by and sent by the District since the last Board Meeting.)
13. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT
(The Board will be asked to ratify claims.)

ADJOURNMENT

Any public records which are distributed less than 72 hours prior to this meeting to all, or a majority of all, of the District's Board members in connection with any agenda item (other than closed sessions) will be available for public inspection at the time of such distribution at the District's office located at One William Moffett Place, Goleta, California 93117.

MINUTES

MINUTES
REGULAR MEETING OF THE GOVERNING BOARD
GOLETA SANITARY DISTRICT
A PUBLIC AGENCY
DISTRICT OFFICE CONFERENCE ROOM
ONE WILLIAM MOFFETT PLACE
GOLETA, CALIFORNIA 93117

June 6, 2022

- CALL TO ORDER:** President Majoewsky called the meeting to order at 6:30 p.m.
- BOARD MEMBERS PRESENT:** Steven T. Majoewsky, George W. Emerson, Sharon Rose, Edward Fuller, Jerry D. Smith
- BOARD MEMBERS ABSENT:** None
- STAFF MEMBERS PRESENT:** Steve Wagner, General Manager/District Engineer, Rob Mangus, Finance and Human Resources Manager/Board Secretary and Richard Battles, Legal Counsel from Howell Moore & Gough LLP.
- OTHERS PRESENT:** Larry Meyer, Director, Goleta West Sanitary District
Tom Evans, Director, Goleta Water District
Sara J. Head, Principal Scientist, Yorke Engineering (via Zoom), Julio Morales, Director, Urban Futures, Inc., Jeff Land, Executive Director, Public Finance Investment Banking, Brandis Tallman, a Division of Oppenheimer & Co. Inc.
- APPROVAL OF MINUTES:** Director Smith made a motion, seconded by Director Fuller, to approve the minutes of the Regular Board meeting of 05/16/22. The motion carried by the following vote:

(22/06/2328)
- | | | |
|----------|---|--|
| AYES: | 5 | Majoewsky, Emerson, Rose, Fuller, Smith |
| NOES: | | None |
| ABSENT: | | None |
| ABSTAIN: | | None |
- POSTING OF AGENDA:** The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's website 72 hours in advance of the meeting.
- PUBLIC COMMENTS:** None

BUSINESS:

1. ADOPTION OF FINAL MITIGATED NEGATIVE DECLARATION AND APPROVAL OF BIOSOLIDS AND ENERGY STRATEGIC PLAN PHASE 1 PROJECT
Mr. Wagner began the staff report and Sara J. Head was available to answer questions via Zoom.

Director Smith made a motion, seconded by Director Rose to approve and adopt, amended Resolution No. 22-683 setting forth findings and adopting a final mitigated negative declaration for the biosolids and energy strategic plan phase 1 project.

The motion carried by the following vote:

(22/06/2329)

| | | |
|----------|---|---|
| AYES: | 5 | Majoewsky, Emerson, Rose, Fuller, Smith |
| NOES: | | None |
| ABSENT: | | None |
| ABSTAIN: | | None |

2. AUTHORIZATION FINANCING OF BIOSOLIDS AND ENERGY PROJECT THROUGH THE EXECUTION OF AN INSTALLMENT SALE AGREEMENT, ENGAGEMENT OF FINANCING TEAM, AND ADDITIONAL ACTIONS RELATED THERETO
Mr. Wagner began the staff report and introduced Julio Morales and Jeff Land, who presented to and answered questions from the Board.

Director Fuller made a motion, seconded by Director Rose to approve and adopt Resolution No. 22-684 approving an Installment Sale Agreement and Escrow and Account Control Agreement, making certain determinations relating thereto, and authorizing certain other actions in connection therewith.

The motion carried by the following vote:

(22/06/2330)

| | | |
|----------|---|---|
| AYES: | 5 | Majoewsky, Emerson, Rose, Fuller, Smith |
| NOES: | | None |
| ABSENT: | | None |
| ABSTAIN: | | None |

3. CONSIDERATION AND ADOPTION OF RESOLUTION APPROVING DEBT POLICIES
Mr. Wagner began the staff report and introduced Julio Morales and Jeff Land, who presented to and answered questions from the Board.

Director Smith made a motion, seconded by Director Rose to approve and adopt amended Resolution No. 22-685 adopting debt policies.

The motion carried by the following vote:

(22/06/2231)

| | | |
|----------|---|---|
| AYES: | 5 | Majoewsky, Emerson, Rose, Fuller, Smith |
| NOES: | | None |
| ABSENT: | | None |
| ABSTAIN: | | None |

4. CONSIDERATION OF CO-DIGESTION GRANT PROGRAM APPLICATION FOR BIOSOLIDS AND ENERGY STRATEGIC PLAN PHASE 2 PROJECT

Mr. Wagner gave the staff report.

Director Rose made a motion, seconded by Director Fuller to approve and adopt Resolution No. 22-686 authorizing the submittal of a Regional Grant Application by a lead agency for which Goleta Sanitary District is eligible.

The motion carried by the following vote:

(22/06/2232)

| | | |
|----------|---|---|
| AYES: | 5 | Majoewsky, Emerson, Rose, Fuller, Smith |
| NOES: | | None |
| ABSENT: | | None |
| ABSTAIN: | | None |

5. CONSIDERATION OF AN ENVIRONMENTALLY PREFERABLE PURCHASING POLICY

Mr. Wagner gave the staff report.

Director Smith made a motion, seconded by Director Fuller to approve and adopt Resolution #22-687 establishing an Environmentally Preferable Purchasing Policy.

The motion carried by the following vote:

(22/06/2233)

| | | |
|----------|---|---|
| AYES: | 5 | Majoewsky, Emerson, Rose, Fuller, Smith |
| NOES: | | None |
| ABSENT: | | None |
| ABSTAIN: | | None |

6. GENERAL MANAGER'S REPORT

Mr. Wagner gave the report.

7. LEGAL COUNSEL'S REPORT

Mr. Battles reported on State Water Resources Control Board emergency drought regulations issued May 24, 2022.

8. COMMITTEE/DIRECTORS' REPORTS AND APPROVAL/RATIFICATION OF DIRECTORS' ACTIVITIES

Director Smith – Reported on the Finance Committee meeting he attended.

Director Fuller – Reported on the Finance Committee meeting he attended.

Director Emerson –Reported he attended the Personnel Committee meeting.

Director Rose – Reported on the Goleta West Sanitary District meeting she attended.

9. PRESIDENT'S REPORT

President Majoewsky – Reported on the Personnel Committee meeting he attended.

10. ITEMS FOR FUTURE MEETINGS

No Board action was taken to return with an item.

11. CORRESPONDENCE

The Board reviewed and discussed the list of correspondence to and from the District in the agenda.

12. APPROVAL OF BOARD COMPENSATION AND EXPENSES AND RATIFICATION OF CLAIMS PAID BY THE DISTRICT

Director Smith made a motion, seconded by Director Rose, to ratify and approve the claims for the period 05/17/22 to 06/06/22 as follows:

| | |
|---|---------------|
| Running Expense Fund #4640 | \$ 551,070.91 |
| Capital Reserve Fund #4650 | \$ 96,379.11 |
| Depreciation Replacement Reserve Fund #4655 | \$ 22,289.94 |
| Retiree Health Insurance Sinking Fund #4660 | \$ 11,477.35 |

The motion carried by the following vote:

(22/06/2234)

Regular Meeting Minutes

June 6, 2022

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AYES: 5 Majoewsky, Emerson, Rose, Fuller, Smith
NOES: None
ABSENT: None
ABSTAIN: None

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:06 p.m.

Steven T. Majoewsky
Governing Board President

Robert O. Mangus, Jr.
Governing Board Secretary

George W. Emerson

Sharon Rose

Edward Fuller

Jerry D. Smith

MINUTES
SPECIAL MEETING OF THE GOVERNING BOARD
GOLETA SANITARY DISTRICT
A PUBLIC AGENCY
DISTRICT OFFICE CONFERENCE ROOM
ONE WILLIAM MOFFETT PLACE
GOLETA, CALIFORNIA 93117

June 13, 2022

- CALL TO ORDER:** President Majoewsky called the meeting to order at 6:33 p.m.
- BOARD MEMBERS PRESENT:** Steven T. Majoewsky, George W. Emerson, Sharon Rose, Edward Fuller, Jerry D. Smith
- BOARD MEMBERS ABSENT:** None
- STAFF MEMBERS PRESENT:** Steve Wagner, General Manager/District Engineer, and Rob Mangus, Finance and Human Resources Manager/Board Secretary.
- OTHERS PRESENT:** Tom Evans, Director, Goleta Water District
- POSTING OF AGENDA:** The agenda notice for this meeting was posted at the main gate of the Goleta Sanitary District and on the District's website 24 hours in advance of the meeting.
- PUBLIC COMMENTS:** None

BUSINESS:

1. **CONSIDERATION OF THE DISTRICT'S DRAFT BUDGET FOR FISCAL YEAR 2022-23**

Mr. Wagner and Mr. Mangus gave the staff report.

Consensus of the Board was to direct staff to return with the final budget at the next Board meeting.

2. **CONSIDERATION OF EMPLOYEE COMPENSATION AND BENEFITS SURVEY RESULTS**

Mr. Wagner gave the staff report.

Director Fuller made a motion, seconded by Director Smith to approve the recommendations of the Personnel Committee to change the salary scale of the four positions: Maintenance Worker, Administrative Supervisor, Collection System Manager, and Plant Operations Manager, increasing the range by ten percent (10%), effective July 1, 2022.

Special Meeting Minutes

June 13, 2022

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The motion carried by the following vote:

(22/06/2235)

| | | |
|----------|---|---|
| AYES: | 5 | Majoewsky, Emerson, Rose, Fuller, Smith |
| NOES: | | None |
| ABSENT: | | None |
| ABSTAIN: | | None |

ADJOURNMENT

There being no further business, the meeting was adjourned at 8:04 p.m.

Steven T. Majoewsky
Governing Board President

Robert O. Mangus, Jr.
Governing Board Secretary

George W. Emerson

Sharon Rose

Edward Fuller

Jerry D. Smith

AGENDA ITEM #1

AGENDA ITEM: 1

MEETING DATE: June 20, 2022

I. NATURE OF ITEM

Consideration of District's Proposed Budget for Fiscal Year 2022-23

II. BACKGROUND INFORMATION

On June 13, 2022, the Board received a presentation of the District's draft budget for Fiscal Year 2022-23 (FY22-23). After consideration and discussion, the Board directed staff to bring back the proposed FY22-23 budget for consideration and action. Since that time further review of the draft budget revealed some minor typos and edits that warranted correction. No substantial changes to the draft budget were required. A summary list of the minor revisions incorporated into the proposed budget will be provided at the meeting.

Similar to previous years, the proposed FY22-23 budget presents the planned expenditures for each of the District's operating departments, estimates for all revenue sources and the resulting estimated balance for each of the District's funds.

The revenue assumptions for FY22-23 are based on no changes to the District's Sewer Service Charge (SSC) Rate. The proposed allocation of SSCs to meet current and long-range funding needs is shown below:

| SSC Rate Allocation Component | (\$/Mo/ERU) |
|--------------------------------------|--------------------|
| Capital Reserve | \$5.00 |
| Replacement Reserve | \$9.11 |
| Operations & Maintenance | <u>\$30.09</u> |
| Total SSC Rate (\$/ERU/Mo) | \$44.20 |

A summary of the estimated revenue sources for FY22-23 is shown in the following table:

| REVENUE SOURCES | | |
|--------------------------------|----------------------|----------------|
| Sewer Service Charges | \$ 9,468,099 | 42.37% |
| Other Government Agencies | \$ 7,317,423 | 32.74% |
| Permits, Inspections and Fees | \$ 28,900 | 0.13% |
| Annexation and Connection Fees | \$ 121,442 | 0.54% |
| Property Taxes and Related | \$ 183,000 | 0.82% |
| Loan Proceeds | \$ 4,728,079 | 21.15% |
| Interest and Other Income | <u>\$ 503,067</u> | <u>2.25%</u> |
| | <u>\$ 22,350,009</u> | <u>100.00%</u> |

The total proposed expenditures for FY22-23 with and without depreciation are \$25,505,522 and \$21,865,950 respectively. A breakdown of the proposed expenditures for FY22-23 by category is shown in the following table:

| Expenditure Category | FY21-22 Amount | FY22-23 Amount | Diff. |
|--------------------------------|-----------------------|-----------------------|--------------|
| Personnel Cost | \$ 5,792,550 | \$ 6,157,318 | 6.3% |
| Operating Expenses | \$ 4,484,841 | \$ 4,632,230 | 3.3% |
| Sub-Total | \$10,277,391 | \$10,789,547 | 5.0% |
| Capital Outlay | \$ 6,399,351 | \$11,076,403 | 73.1% |
| Total Expense w/o Depr. | \$16,676,742 | \$21,865,950 | 31.0% |
| Depreciation Expense | \$ 3,636,437 | \$ 3,638,572 | 0.0% |
| Total Expense w/ Depr. | \$20,313,179 | \$25,504,522 | 26.0% |

As shown above the overall proposed expenditures (without depreciation) for FY22-23 increased by 31.0% over the prior year's budget. This is primarily due to the increase in capital expenditures (73% increase).

Other modifications being proposed as part of the proposed budget related to personnel are as follows:

1. Reclassification of Project Engineer to Senior Project Engineer – this position is currently vacant, and a recruitment effort is underway.
2. Reclassification of Management Analyst to Senior Management Analyst – this is to account for the additional HR programs this position is taking on.
3. Modifications to the salary ranges of the following 4 positions as directed based on recent compensation survey: Maintenance Worker, Administrative Supervisor, Collection System Manager, and Plant Operations Manager.

A copy of the proposed FY22-23 budget is attached to this report and presented herein for Board consideration.

III. COMMENTS AND RECOMMENDATIONS

The Board Finance Committee reviewed the draft FY22-23 budget information and found it to be appropriate for the District's operations in the coming year. The Committee recommended that the draft FY22-23 budget be presented to the Board for consideration and adopted, subject to any revisions they wish to make. The Board reviewed the draft FY22-23 budget and directed staff to return with a proposed budget incorporating any final revisions and/or corrections as required. While no substantial revisions to the draft budget were required, the attached proposed budget incorporates some minor changes and corrections discovered during the final review. As such, staff recommends the Board adopt the proposed FY22-23 budget as presented herein.

IV. REFERENCE MATERIAL

Proposed FY22-23 Budget



GOLETA SANITARY

Water Resource Recovery District

PROPOSED BUDGET

FISCAL YEAR 2022-2023

***Governing Board of Directors
Meeting of June 20, 2022***

**GOLETA SANITARY DISTRICT
BUDGET
FISCAL YEAR 2022-23**

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GOLETA SANITARY DISTRICT

Budget for Fiscal Year 2022-23

INTRODUCTION

The Goleta Sanitary District (GSD) was formed in 1942 under the 1923 Sanitary District Act by petition of local residents to provide wastewater management services to the small community of Goleta in Santa Barbara County.

Throughout the past years, the District's boundaries have expanded by individual annexations of parcels to its original service area. At present, the District owns and operates approximately 132 miles of sewers that collect wastewater from its service area, which extends from the westerly boundary of the City of Santa Barbara to the City's Municipal Airport. In addition to its collection system, the District owns and operates a regional water resource recovery facility that serves approximately 80,000 residents in the Goleta Valley. Approximately half of this population is served under separate contractual agreements with four public agencies.

These contractual users' share the costs associated with the regional treatment and disposal of wastewater. The Operations and Maintenance (O&M) costs are shared based upon flow and billed on a monthly basis. In addition, the contractual users' share the costs associated with Capital Projects and those costs are shared based upon regional plant capacity rights as noted in the table below:

| AGENCY | PLANT CAPACITY RIGHTS | OUTFALL CAPACITY RIGHTS |
|--|-----------------------|-------------------------|
| Goleta Sanitary District | 47.87% | 55.81% |
| Goleta West Sanitary District | 40.78% | 35.00% |
| University of California Santa Barbara | 7.09% | 4.70% |
| City of Santa Barbara (Airport) | 2.84% | 2.60% |
| County of Santa Barbara | 1.42% | 1.89% |
| Total: | 100.00% | 100.00% |

Not all the contractual users utilize the District's Main Lift Station or the Firestone Lift Station and therefore do not share O&M or Capital costs associated with those facilities.

The District also owns and operates a water reclamation facility that produces recycled water for distribution in the Goleta Valley. Under an agreement with the Goleta Water District, the Goleta Sanitary District can produce up to 3 million gallons of recycled water per day for distribution by the Water District for landscape irrigation of the campus of the University of California at Santa Barbara (UCSB), as well as other parks and golf courses in western Goleta.

Treated wastewater not used for irrigation is discharged in the Pacific Ocean through a pipeline (outfall) that extends over one mile offshore to a depth of approximately 93 feet below the ocean surface.

DISTRICT GOVERNANCE

A five-member Governing Board of Directors elected at-large from the District's service area for a term of four years is commissioned to establish service policies. The Governing Board holds two regular monthly meetings to attend to the District's business. These meetings are held on the first and third Monday of every month at the District's Administration Building located at One William Moffett Place in Goleta.

DISTRICT STAFF AND OPERATING DEPARTMENTS

The District employs approximately 35 regular employees that work in four interrelated Departments. These departments are 1) Administration; 2) Collection System; 3) Operations and 4) Laboratory. Each department is managed by a manager who is responsible for the day-to-day operations of, and all employees associated with, the respective department. The 4 Department Managers report to the General Manager, who is responsible for the District's overall implementation of the service policies adopted by the Governing Board.

DISTRICT CAPITAL IMPROVEMENTS AND OPERATIONS BUDGET

The District's fiscal year (FY) is defined as a 12-month period starting on the first day of July and ending on the last day in June of the following calendar year. The District's budget is a financial planning document which defines the District's estimated expenditures and the estimated required revenues for the corresponding fiscal year. The District prepares an annual budget for consideration and adoption by the Board in June of the same year. The budget is prepared by the Finance Manager in conjunction with the General Manager. The draft budget is reviewed by the District's Finance Committee before its consideration and final adoption by the Governing Board.

The District's budget consists of three major sections for the fiscal year under consideration.

- 1. Existing District Designated Funds Activities and Balances**
- 2. Anticipated District Revenues**
- 3. Estimated District Expenditures**

Designated funds are pools of funds that the District has established for its operational needs. These funds are designated by formal Board resolutions for specific purposes, some of which are mandated by State and Federal statutes. These designated funds permit the District to mitigate extreme fluctuations in charges to its customers.

The revenue section of the District's budget contains estimated revenues that the District anticipates receiving in the upcoming fiscal year. Included in the revenues are the estimated funds to be received from user fees based on the existing fee structure of the District.

The expenditure section includes estimated expenditures for operations and maintenance of the District's facilities in the upcoming fiscal year. Additionally, the District includes in its budget expenditure section its planned capital improvement projects, as recommended by District staff for the upcoming fiscal year.

Following the determination of the estimated expenditures and revenues for the upcoming fiscal year, the District evaluates the need to revise its user fee structure, in conjunction with supplementing the budget with resources from designated capital improvement fund.

The District anticipates the following total expenditures and revenues in FY22-23. Withdrawals from the District's designated funds for capital improvement projects are shown separately.

| | |
|---|----------------------------|
| Estimated Expenditures without depreciation: | \$ 21,865,950 |
| *CalPERS UAL paydown: | \$ <u>3,400,000</u> |
| Total Disbursements: | \$ 25,265,950 |
| Total Anticipated Revenues: | \$ 22,350,009 |
| Total change in Fund balance: | - \$ 2,915,941 |

***Unfunded Actuarial Pension Liabilities**

As is the case for most government entities that participate in a CalPERS retirement pension program, an actuarial study prepared by CalPERS has projected an unfunded accrued liability (UAL) within our pension program. Although not mandated, the District's Board of Directors decided to pay off the estimated UAL balance of \$3,400,000 in 2022, FY2022-23, through an interfund loan. This decision shortens the amortization schedule for payment of UAL from 23 years to 10 years and results in significant long-term savings for our rate payers. Payment on the interfund loan will begin in FY2023-24.

***DISTRICT OPERATING
AND DESIGNATED FUNDS***

DISTRICT FUNDS

The District established several funds in which revenues are deposited, and are sources for District expenditures including capital improvement projects. The established funds have been designated by the Governing Board through separate resolutions that specifically address the need and purpose of each fund. The main objective behind establishing these different funds is to address the District's service needs in a very responsible fiscal manner. A brief description of each of the current District funds follows.

Running Expense Fund - 4640

This fund was established to maintain a balance that would support eight months of operational expenses without receiving any revenue. Six of those eight months are in the new fiscal year, and the other two months fall in the preceding fiscal year. As such, the Running Expense Fund at the beginning of the fiscal year should have a balance sufficient for six months of operations and maintenance activities. This fund is very important to the operations since the District does not invoice for its services monthly, and therefore does not receive monthly revenues. Under the current method of sewer service charge collection, the District contracts with Santa Barbara County to collect its sewer service fees with property taxes. The District receives a majority of the sewer service fees from the County in two lump sum payments: one in April, and the other in December of each year. The payments are forwarded to the District soon after property tax collection deadlines. Therefore, it is essential to maintain an operating fund that would account for about six months of operating expenses to cover expenses between payment cycles.

As noted in the fund balance summary sheet, the Running Expense fund balance is anticipated to be \$11,393,628 as of June 30, 2022, after an interfund loan transfer to make a paydown of the CalPERS UAL balance. The District will periodically review the balance of this fund to ensure the balance is adequate to cover the period between July 2022 and December 2022.

Plant Reserve Fund - 4645

The District established a plant emergency reserve fund through a contractual agreement with other plant users. This fund is for addressing plant emergencies. The contracts among plant users specify that this fund must not exceed \$25,000. The balance of this fund as of June 30, 2022 is estimated to be \$35,897 which includes accrued interest for the past several years. The anticipated value by June 30, 2023 is \$36,417 (with interest) as noted in the designated fund balance summary sheet. Periodically, the amount over \$25,000 is used in conjunction with capital improvements of the treatment facilities.

Capital Reserve Fund - 4650

This fund was established to hold revenues from capacity and annexation fees. This reserve fund is mandated by legislation to account for capacity related improvement projects. The anticipated balance of this fund at the end of June 2023 is \$7,475,986 as noted in the fund balance summary sheet.

Replacement Reserve Fund - 4655

This fund is mandated by the State Water Resources Control Board (SWRCB) in its guidelines for development of Facilities Financial Plan and Revenue Program (FPRP). This mandate requires annual funding of the facilities' depreciation. The current budget funds the depreciation at nearly 100% of the District's share of its annual depreciation.

The fund is designated for the basic replacement of components of the existing facilities. The fund helps ensure that facilities are replaced and/or rehabilitated when needed to maximize their

useful life and minimize lifecycle costs. The anticipated balance of this fund at the end of June 2023 is \$16,584,785 as noted in the fund balance summary sheet.

Retiree Health Insurance Sinking Fund – 4660

The District provides medical insurance coverage for District employees upon retirement depending on the length of their service through the California Public Employees Retirement System (CalPERS) health program. In FY22-23 the annual contribution to this fund is approximately \$333,000, plus earned interest. The District periodically reviews this annual funding level to make sure that such fund balance is sufficient to meet its future obligation.

In 2009 and to comply with the Governmental Accounting Standard Board (GASB) Statement 45 requiring a separate trust fund for retiree benefits, the District joined the California Employees Retirement Benefit Trust (CERBT) fund administered by CalPERS to manage its retiree fund investments and to pay for the retiree’s health insurance premium. The District annually transfers cash from its own Retiree Health Insurance Sinking fund to the CERBT fund that will subsequently be used for retiree insurance premium funding.

Outfall Re-ballasting Fund – 4666

This fund was originally set up to finance the Outfall Re-Ballasting Project. The loan balance was paid off in FY 2014-15 leaving the District essentially debt free since then.

District Emergency Fund – 4675

On May 7, 2007, the District’s Governing Board established a separate fund designated as the “Emergency Fund” for the purpose of paying costs associated with emergency projects. Funding was provided by a transfer from the Replacement Reserve Fund in the amount of \$500,000. The anticipated balance of this fund at the end of June, 2023 is \$606,567 as noted in the fund balance summary sheet.

Summary

Enclosed in this budget are a summary table and associated pie and bar charts that show fund balances and distributions at the beginning and end of FY22-23. The total value of the District’s funds are expected to decrease by \$2,915,941 by the end of FY22-23.

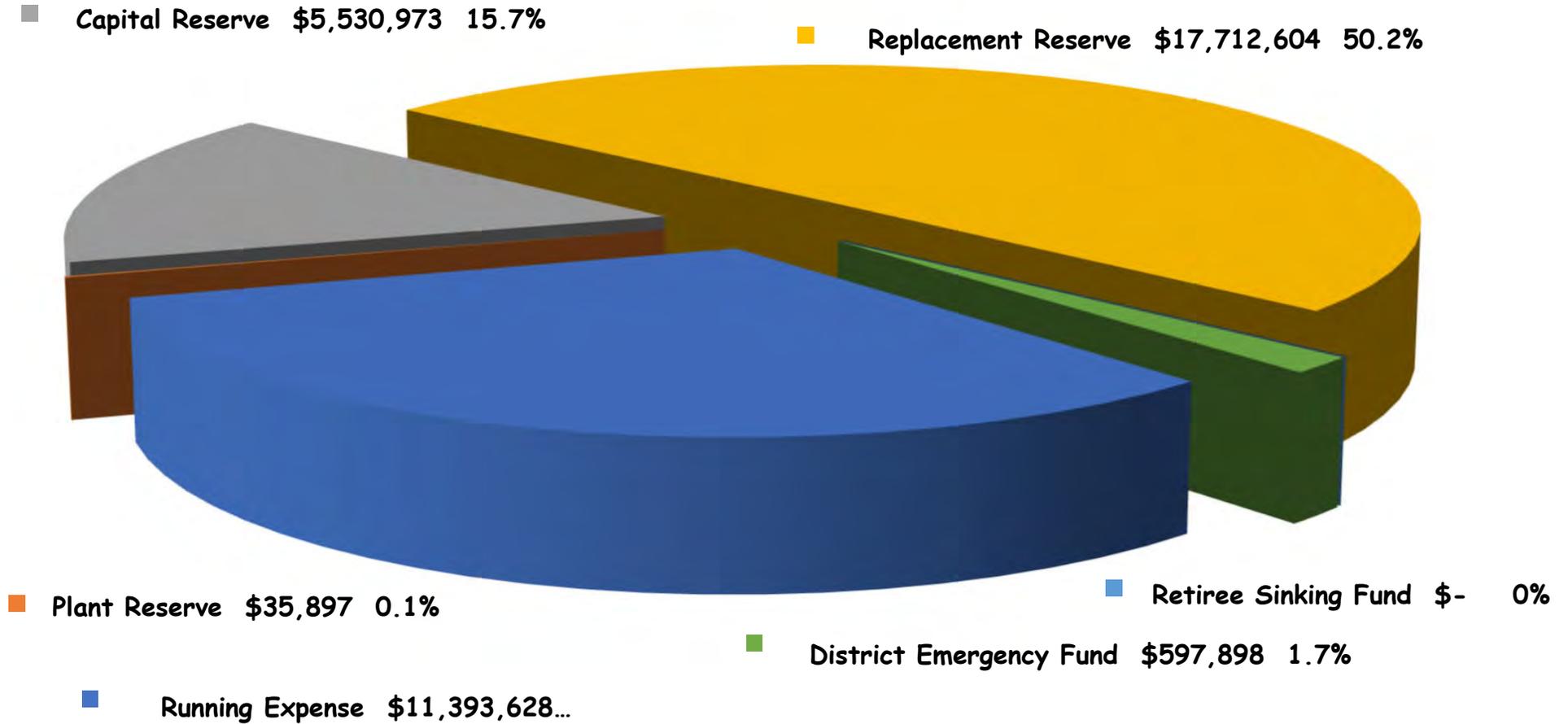
**DESIGNATED FUND BALANCE
SUMMARY**

| Fund No. and Name | Estimated Cash Balance | | Percent Change | |
|------------------------------------|------------------------|----------------------|----------------|---|
| | 6/30/2022 | 6/30/2023 | | |
| 4640 Running Expense | \$ 11,393,628 | \$ 7,651,303 | -32.8% | a |
| 4645 Plant Reserve | \$ 35,897 | \$ 36,417 | 1.4% | b |
| 4650 Capital Reserve | \$ 5,530,973 | \$ 7,475,986 | 35.2% | c |
| 4655 Replacement Reserve | \$ 17,712,604 | \$ 16,584,785 | -6.4% | d |
| 4660 Retiree Health Insurance Fund | \$ - | \$ - | 0.0% | e |
| 4675 District Emergency Fund | \$ 597,898 | \$ 606,567 | 1.5% | f |
| TOTALS | \$ 35,271,000 | \$ 32,355,059 | -8.3% | |

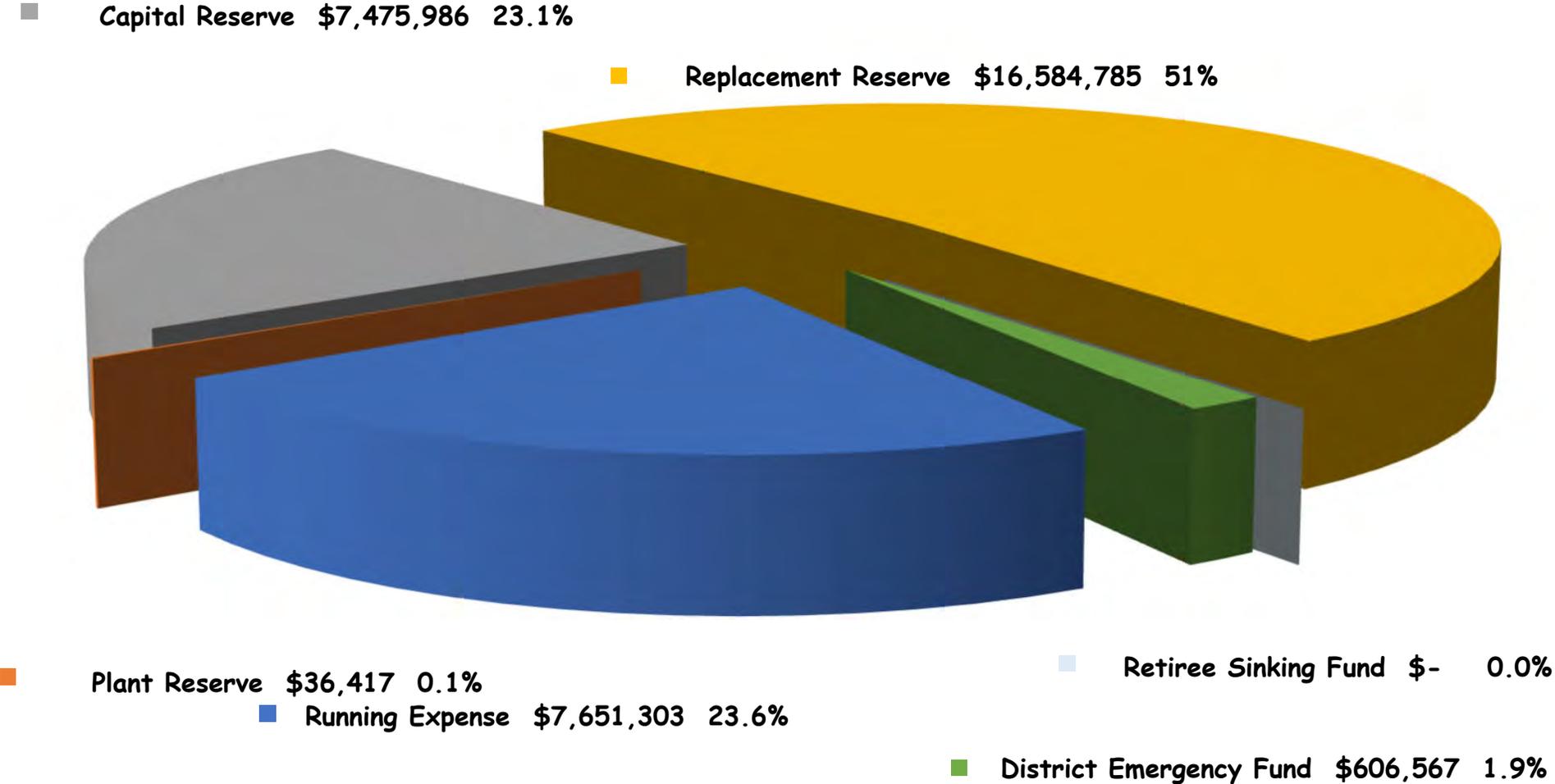
NOTES:

- ^a Designated to meet the dry period for operations and maintenance costs for FY 2022-23, the period between end of year and first Sewer Service Charge installment from the County.
- ^b Designated for emergency repairs.
- ^c Designated for facilities capacity expansion.
- ^d Designated for facilities replacement projects.
- ^e Designated for retiree medical insurance, reimbursing retirees and contributions to CERBT, OPEB
- ^f Designated for costs associated with emergency projects.

Fund Balance June 30, 2022

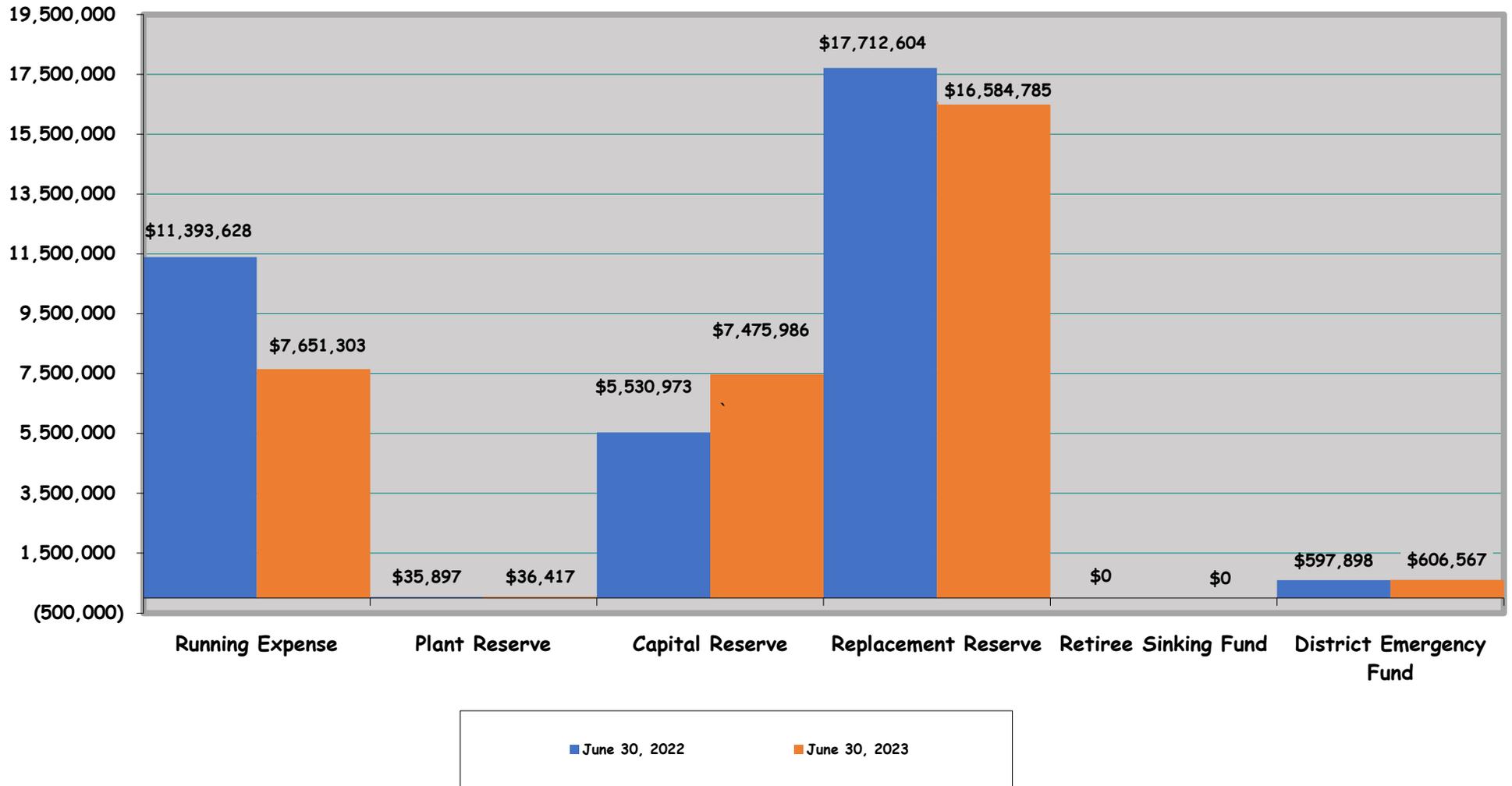


Fund Balance June 30, 2023



Fund Balance

June 30, 2022 and June 30, 2023



ACTIVITIES OF DISTRICT FUNDS

The enclosed fund activity sheet shows the District's fund balances at the beginning and end of the fiscal year, as well as the activity of each fund during the year. Each fund's name and number are shown in the extreme two left columns, followed by the cash balance of the fund at the beginning of the year in the third column. The fourth and fifth columns designate the activity in terms of revenues and expenditures for each fund as demanded by the District's budget. The last column to the right of the sheet shows the anticipated ending balance of each fund at the end of the fiscal year. The main objective of the enclosed fund activity sheet is to provide a record of allocating revenues and expenditures to meet the District's operating objectives.

For FY22-23, the District anticipates a decrease from \$35,271,000 at the beginning of the year to \$32,355,059 at the end of the year based on the projected revenues and planned expenditures and loan drawdown requests. Enclosed in this budget is a fund activity tabulation and associated bar chart illustrating the activities of each of the District's designated funds in FY22-23.

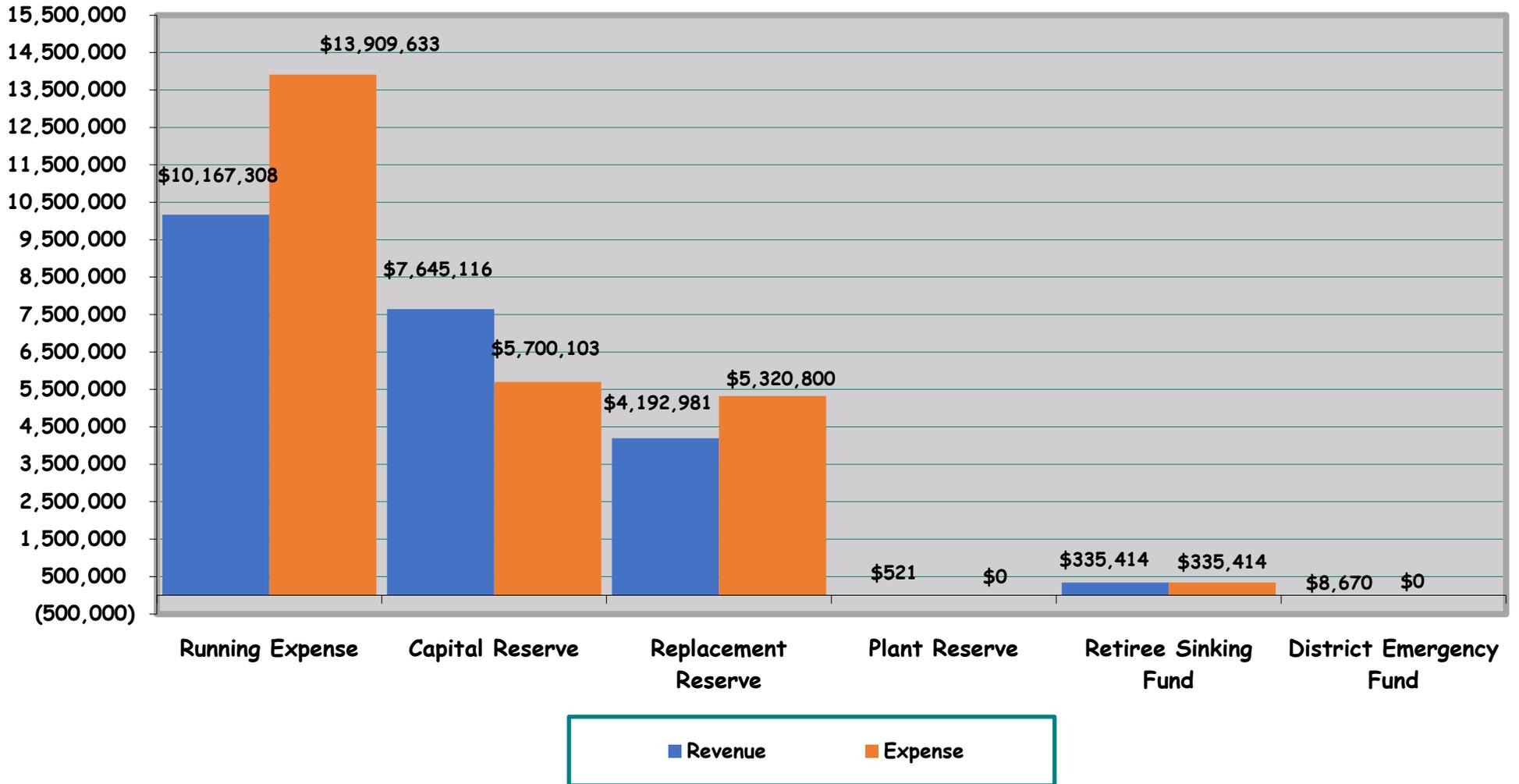
FUND CASH ACTIVITY

| Fund No. and Name | Estimated Cash Balance 6/30/2022 | Estimated Cash In-flow 2022-2023 | Estimated Cash Out-flow 2022-2023 | Estimated Cash Balance 6/30/2023 |
|-------------------------------------|--|-------------------------------------|---|--|
| 640 Running Expense | \$8,993,628 | Interest \$106,016 | O & M Expense \$9,929,073 | \$7,651,303 |
| Inter-Fund Loan PERS UAL | \$2,400,000 | Revenue \$6,180,932 | WWRec O & M Expense \$580,560 | |
| Adjusted 06/30/22 Estimate | \$11,393,628 | RFOGA \$3,241,744 | | |
| | | GWD WWRec O&M \$580,560 | | |
| | | Admin Chg: WWRec \$58,056 | PERS UAL Paydown \$3,400,000 | |
| Subtotal | | \$10,167,308 | \$13,909,633 | |
| 645 Plant Reserve | \$35,897 | Interest \$521 | \$0 | \$36,417 |
| Subtotal | | \$521 | \$0 | |
| 650 Capital Reserve | \$5,530,973 | Interest \$70,198 | Plant Projects \$500,000 | \$7,475,986 |
| | | Connection/Annex/RFOGA \$2,846,839 | Loan P&I installment \$472,025 | |
| | | BESP Loan Proceeds: \$4,728,079 | BESP Project \$4,728,079 | |
| Subtotal | | \$7,645,116 | \$5,700,103 | |
| 655 Replacement Reserve | \$20,112,604 | Interest \$280,248 | Collection System Replacements \$504,935 | \$16,584,785 |
| Inter-Fund Loan PERS UAL | -\$2,400,000 | SSC/Prop. Tax/RFOGA \$3,912,732 | Administration, Outfall , WWRec \$231,303 | |
| Adjusted 06/30/22 Estimate | \$17,712,604 | Inter-Fund Loan P&I | Plant Projects \$596,008 | |
| | | | Main Pump Station Project \$3,988,554 | |
| Subtotal | | \$4,192,981 | \$5,320,800 | |
| 660 Retiree Health Insurance | \$0 | Interest \$2,414 | | \$0 |
| | | Revenue \$333,000 | \$335,414 | |
| Subtotal | | \$335,414 | \$335,414 | |
| 675 District Emergency Fund | \$597,898 | Interest \$8,670 | \$0 | \$606,567 |
| Subtotal | | \$8,670 | \$0 | |
| TOTALS | \$35,271,000 | | \$32,355,059 | |

(Note: Depreciation Expense is a non-cash activity and does not reduce the fund balance)

Fund Activity

June 2022-June 2023



REVENUES
FISCAL YEAR 2022-23

DISTRICT REVENUES FOR FISCAL YEAR 2022-23

The District estimates FY 2022-23 revenues from several sources as outlined in the following table:

| | | |
|--------------------------------|----------------------|----------------|
| REVENUE SOURCES | | |
| Sewer Service Charges | \$ 9,468,099 | 42.37% |
| From Other Government Agencies | 7,317,423 | 32.74% |
| Permit, Inspections and Fees | 28,900 | 0.13% |
| Annexation and Capacity Fees | 121,442 | 0.54% |
| Property Taxes and related | 183,000 | 0.82% |
| Loan Proceeds | 4,728,079 | 21.15% |
| Interest and Other Income | <u>503,067</u> | <u>2.25%</u> |
| | \$ 22,350,009 | 100.00% |

The District has grouped its revenues under the various funds utilized for the District’s operations as discussed earlier in previous sections of this budget. These funds may change over time depending on the specific purpose of establishing the fund. Currently the District has allocated its various revenues to the following six funds.

- 1. Running Expense Fund**
- 2. Plant Reserve Fund**
- 3. Capital Reserve Fund**
- 4. Replacement Reserve Fund**
- 5. Retiree Health Insurance Fund**
- 6. District Emergency Fund**

Running Expense Fund - 4640

The running expense fund is where most of the operating revenues of the District are deposited when received. This fund has several accounts that hold the revenues from a variety of sources. The most significant revenues are the user fees or charges, as noted in this budget. Revenues from the various sources are accounted for under separate District internal accounts carrying different account numbers in order to track these revenues by their respective sources and allocate or designate them for their required and/or intended purposes. District revenues shown in the budget are estimates based on revenues from previous years, in addition to information associated with specific developments in the community. The running expense fund is used to fund the operations and maintenance activities of the District.

Sewer Service Charges – Account 3100

Sewer service charges (SSCs) may be described as the utility charge paid by the District's users for the services rendered by the District. These charges are very similar to telephone, gas, or electric charges invoiced monthly by the utilities to their customers. The District collects its sewer service charges, also known as users’ fees, through the property tax collection process of the County. The District’s annual SSCs are placed on the tax roll, and are separately shown on property tax statements mailed by the County to the District’s users. The County forwards a majority of the SSC fees to the District twice annually, immediately following tax collection in December and April of each year.

The SSCs are based on a mathematical model, which calculates rates using various parameters associated with flows and types of wastewater. The SSC model is based on

guidelines established by the Federal and State governments in accordance with the Clean Water Act, which applies to agencies like the District, that received Federal and State grants for construction of wastewater treatment and disposal facilities. The District has classified its users into 28 categories used in calculating the user fees.

The District reviews its Sewer Service Charge (SSC) rate on an annual basis to ensure adequate revenues are being collected to cover the following costs:

1. **Operations and Maintenance (O&M):** Costs associated with providing for the collection, treatment, and disposal of wastewater for the District’s customers and contract entities.
2. **Depreciation:** Costs associated with the replacement and/or repair of the District’s existing assets.
3. **Capital Improvement Program:** Costs associated with planned improvements to the District collection and treatment facilities required to maintain the community’s investment in the District’s infrastructure.

The above cost components are listed in order of their importance. The most important and critical costs that the SSC revenue must cover is the ongoing Operations and Maintenance (O&M) costs. This component of the SSC revenue funds the District’s Running Expense Fund #4640. If there isn’t enough revenue collected through the District’s adopted SSC rates to cover the ongoing O&M needs, the District will eventually not be able to provide sewer services to the community.

A review of the District’s SSC rate has shown that the current rate is adequate to meet the District’s current financial needs. As such, no change to the District’s SSC rates are proposed for FY22-23. This is the third year that no change has been made to the SSC rate. The District’s long term average annual increase in the O&M costs have been around 5% per year. However, recent improvements and efficiency efforts by staff have resulted in cost savings that have mitigated other increases in O&M costs for FY22-23, however current inflationary pressures will likely require a rate increase for FY23-24.

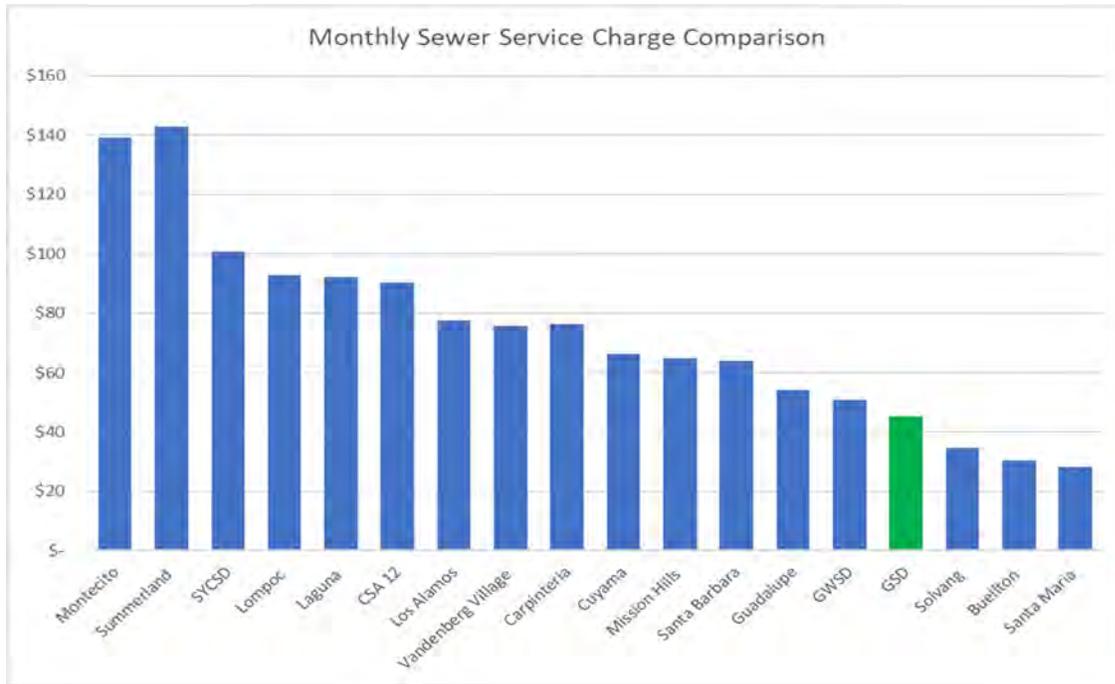
The District has been participating in a State-wide wastewater strength and loadings study that will provide updated information related to the generation of waste water from the various user categories, this study has been delayed due COVID-19. The District may have to engage in a new rate study before the statewide information is available.

A summary of the District’s SSC rate allocation over the last few years is show in the following table.

| SSC Rate Component Allocation | FY18-19 (\$/Mo/ERU) | FY19-20 (\$/Mo/ERU) | FY20-21 (\$/Mo/ERU) | FY21-22 (\$/Mo/ERU) | FY22-23 (\$/Mo/ERU) |
|--------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Capital Reserve Fund | \$ 2.06 | \$ 2.13 | \$ 5.00 | \$ 5.00 | \$ 5.00 |
| Replacement Reserve Fund | \$ 8.17 | \$ 8.49 | \$ 8.74 | \$ 9.24 | \$ 9.11 |
| Operations & Maintenance Cost | \$ 32.33 | \$ 33.58 | \$ 30.46 | \$ 29.96 | \$ 30.09 |
| Total SSC Rate | \$ 42.56 | \$ 44.20 | \$ 44.20 | \$ 44.20 | \$ 44.20 |

This year a reallocation in the rate structure is proposed to take advantage of the short-term savings in O&M costs due to the implementation of several efficiency measures in 2020, in order to better match the proposed FY20-21 expenditure needs.

A comparison of the District’s current monthly SSC rate with monthly SSC rates of other local agencies show that even with the recent CPI increases, the District’s total service rate (including direct property tax payments) is still significantly less (37%) than the other local agencies average total service rate of **\$73.70** per month as shown in the following table:



Permit and Inspection Fees – Account 3120

Permit, Inspection, and Plan check fees are collected for issuing permits to connect to District facilities. Inspection fees are charges for the District’s inspection of the construction of new developments connecting to the District’s facilities. This estimated revenue is projected based on past history and knowledge of proposed developments in the upcoming year.

Administration Charges – Accounts 3140 and 3145

These revenues are charges levied on the District’s contractual users for administrative costs associated with treatment, disposal and reclamation of wastewater. These charges are fixed percentages of the operating costs as defined in separate agreements with these users.

Treatment and Disposal Revenue – Account 3150

This revenue is the monthly expense charged to the District’s contractual users in accordance with an agreement with the District for treatment and disposal of their respective wastewaters. The charge to each user is based on each user’s percentage of the monthly-

metered flow into the plant applied to the total monthly expense of the treatment plant only. Fixed assets charged to the treatment plant are expensed to the contractual users based on their respective fixed capacity percentage allocations of the total treatment plant and outfall capacities as defined in the agreements between the District and its users.

Goleta Water District Reclamation O&M Cost Reimbursement – Account 3155

This revenue is the total estimated annual expense invoiced to the Goleta Water District for production of reclaimed water. Fixed assets purchased for the reclamation facility are included in this estimated revenue. This revenue was estimated based on the projected demand of reclaimed water as defined by the Goleta Water District.

Industrial Waste Control (IWC) Analysis Reimbursement – Account 3160

This revenue source is projected based on historical data, and accounts for reimbursements to the District by industries for costs of re-sampling their respective discharges to the District following violations of their respective permit limits.

Homeowners Exemption – Account 3170

Homeowners' exemption revenues are the District's share of the annual revenue received by the County from the State for tax exemptions offered to homeowners. This amount is usually estimated by Santa Barbara County, and does not vary greatly from year to year.

Annexation Processing – Account 3205

This estimated revenue is the administration fee charged for processing applications for annexations submitted to the District each year. The projected amount is based on an application fee of \$200 per application, and is estimated based on past history and knowledge of any known future annexations.

Revenue from Other Government Agencies (RFOGA) – Running Expense – Account 3240

This revenue is received from the Santa Barbara Municipal Airport and Santa Barbara County for their shares of the operations and maintenance of the Main Pump Station. The Airport is charged based upon flow. This revenue value also includes the direct cost charged to the Contract users' for their annual flow meter calibration.

Other Revenue-Running Expense – Account 3260

Other revenues account for all undesignated sources. Examples of these revenues would be reimbursements for travel from agencies on which members of Governing Board serve (CSDA and CSRMA), miscellaneous invoices to other agencies, and reimbursements for miscellaneous expenses. Projections of this revenue are based on historical data and are usually conservative.

Total FY20-21 Estimated Running Expense Fund Revenue with interest is \$10,167,308.

Capital Reserve Fund - 4650

The Capital Reserve fund is the depository of funds allocated for expansion of the District's facilities to accommodate the community's growth. Funds collected from capacity and annexation fees are directed to this fund for capacity-related capital improvements.

Capacity Fees – Account 3130

Capacity Fees are generally understood to be the costs of buying a unit of capacity in the District's facilities. The simplest form of measuring capacity for the purpose of determining Capacity Fees is by equivalency to the capacity normally utilized by a normal single-family residence. A capacity unit is expressed as one equivalent residential unit (ERU). Therefore, the Capacity Fee is the cost of buying capacity units expressed in ERUs. The value of the Capacity Fee is normally the price of one ERU.

Since Capacity Fees are associated with capacity of service, they should be used for expansion of the existing facilities where capacity for serving additional growth in the community is required. In this respect, Capacity Fees are mandated by law to be kept in a separate fund designated by the District as the Capacity Reserve Fund.

Capacity Fee revenue estimates are based on historical data and estimates of growth and development anticipated in the fiscal year. The District Capacity Fee is \$2,421 per ERU for FY22-23.

Annexation Charges – Account 3200

Annexation to the District is the process of entering a land parcel into the service area of the District. The District's annexation fees were developed based on equity in maintenance of the District's facilities over a period of several years. The underlying assumption is that a new customer, when annexed to the District, would have to pay certain annexation charges to catch up with the operations and maintenance costs paid by existing customers for a certain defined period of time. These fees are clearly separate from Capacity Fees in that there is no overlap of both fee structures.

Currently the annexation charge revenue is based on a fee of \$2,242 per acre to be annexed. The District's annual projection of this revenue is based on historical data of the anticipated number of parcels to be annexed.

Loan Proceeds

Loan reimbursement requests are shown in this fund to offset expenditures associated with the Biosolids and Energy Strategic Plan improvements, estimated to be \$4,728,079.

Total FY22-23 Estimated Revenue in the Capital Reserve Fund with interest is \$7,645,116.

Replacement Reserve Fund – 4655

The replacement reserve fund is designated to hold and disburse funds for the District's capital improvement projects that are needed to maintain the District's facilities. This fund does not hold nor disburse funds for major projects where capacity increases are required. The District annually deposits funds from sewer service charges into this fund to account for its facilities depreciation.

Sewer Service Charges – Account 3100

Of the monthly \$44.20 anticipated SSC revenue per single-family dwelling for FY22-23, \$5.00, which amounts to \$1,071,052 in total revenue, will be deposited into the Replacement Reserve Fund 4655 for future capital improvement projects in addition to the District's portion of the annual depreciation value estimated to be \$1,951,457 in FY22-23. The total amount of sewer service charges expected to be received by the District and deposited into the replacement reserve fund in FY20-21 from these sources is \$3,022,509.

Property Tax – Account 3220

This revenue is the District's share of the property taxes collected by the County based on the District's percentage of property tax revenues to the County. The District's percentage is defined based on separate property tax negotiations during the process of property annexations to the District. Current annual property tax revenues to the District are predominantly based on the District's percentage in effect prior to Proposition 13. Property tax revenue is based on data submitted by Santa Barbara County. Because the District's budget is approved before the actual amount of property taxes is calculated, the amount shown is an estimate based on the previous year. The amount of property tax revenue received by the District does not vary considerably from year to year and is estimated to be \$182,500 in FY22-23.

RFOGA – Capital Projects – Account 3260

This revenue is received from the District's contractual users' for their share of the plant capital project expenditures. Each entity pays according to its capacity percentage entitlement as defined in the agreement between the District and these users. The total RFOGA revenue to the Replacement Reserve Fund for FY22-23 is \$707,723.

Total FY21-22 Estimated Revenue in the Replacement Reserve Fund with interest is \$4,192,981.

Retiree Health Insurance Fund – 4660

The Retiree Health Insurance fund was established by the District in 2004. The District contributes annually into this fund for to cover the future medical insurance premiums for eligible District retirees. The District annually transfers cash from this fund to the CERBT fund as part of the required annual contribution required by GASB 45.

FY21-22 Total deposit into the Retiree Health Insurance Fund with interest is \$335,414.

Interest Earnings Account - 3230

Each of the District funds has an Interest Earning account and interest is accrued per fund based upon balances in the interest-bearing account. The interest calculation for each fund for this year is calculated based on an annual percentage of 1.45%.

Total FY22-23 Estimated Interest Revenue is \$468,067.

FY22-23 TOTAL ANTICIPATED DISTRICT REVENUE IS \$22,350,009.

**Fiscal Year 2022-2023
REVENUE**

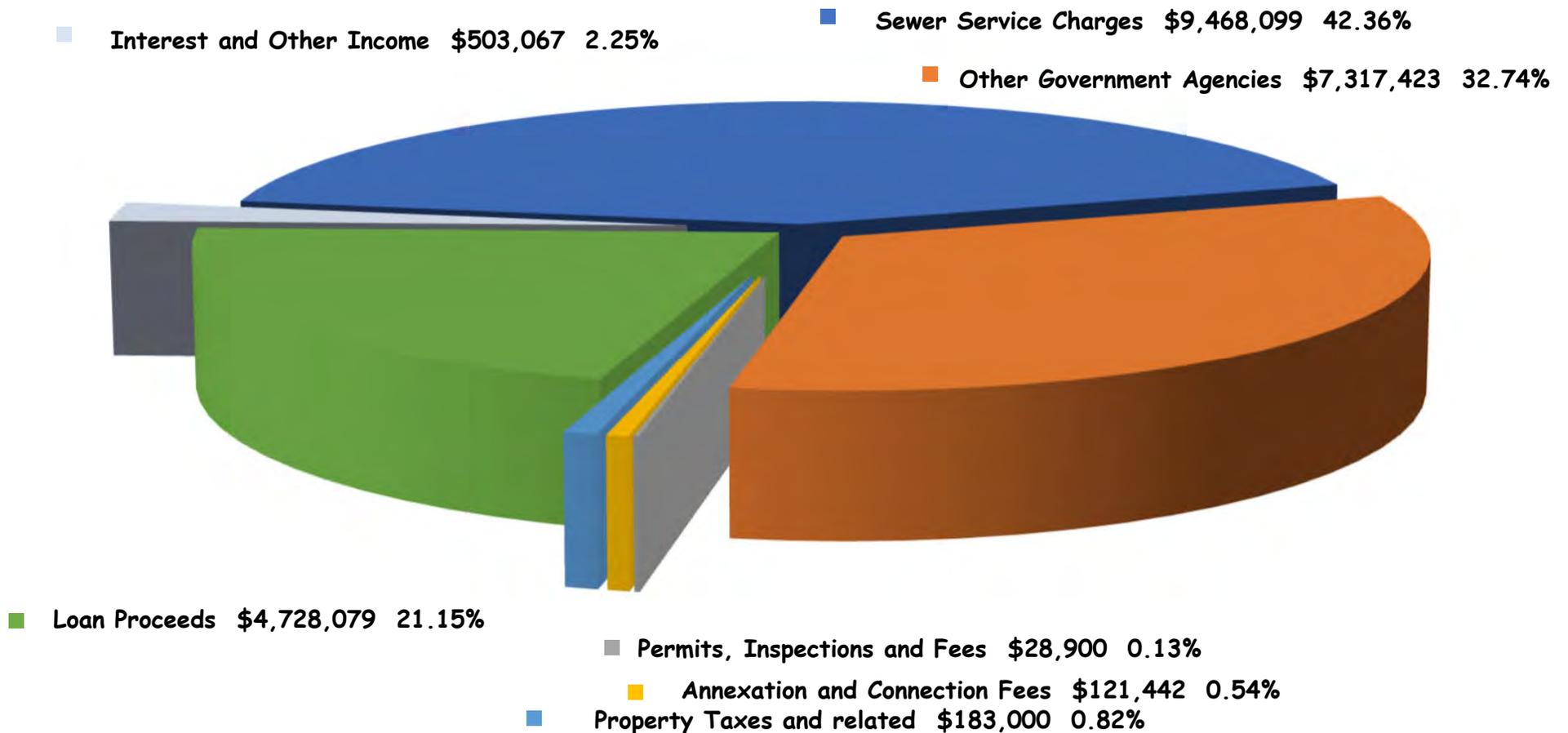
| Fund Name and Number | Acct | Revenue Classification | Budgeted Revenue 2021-22 | Revenue to date 6/3/2022 | Projected Actual 2021-22 | Over(Under) Budget 2021-22 | Revenue Projection 2022-23 | % Change from FY 2021-22 | Change from FY 2021-22 |
|------------------------------------|------|------------------------------------|--------------------------|--------------------------|--------------------------|----------------------------|----------------------------|--------------------------|------------------------|
| 4640 Running Expense | 3100 | *Sewer Service Charges | \$5,966,372 | \$5,589,003 | \$5,906,708 | (\$59,664) | \$6,112,590 | 2% | \$146,218 |
| | 3120 | Permits and Inspections | \$28,000 | \$33,370 | \$40,044 | \$12,044 | \$28,000 | 0% | \$0 |
| | 3140 | Admin Chgs - Treatment | \$167,054 | \$133,766 | \$162,455 | (\$4,598) | \$183,126 | 10% | \$16,073 |
| | 3145 | Admin Chgs - Reclamation | \$45,237 | \$39,733 | \$47,680 | \$2,443 | \$58,056 | 28% | \$12,819 |
| | 3150 | Treatment & Disposal Cost Reimb. | \$2,789,178 | \$2,229,437 | \$2,707,590 | (\$81,588) | \$3,058,618 | 10% | \$269,440 |
| | 3155 | GWD WWRc O&M Cost Reimb. | \$452,374 | \$397,331 | \$476,797 | \$24,423 | \$580,560 | 28% | \$128,186 |
| | 3160 | IWC Analysis Reimbursement | \$500 | \$0 | \$0 | (\$500) | \$500 | 0% | \$0 |
| | 3170 | Homeowners Exemption | \$500 | \$653 | \$500 | \$0 | \$500 | 0% | \$0 |
| | 3205 | Annexation Processing Fee | \$400 | \$800 | \$960 | \$560 | \$400 | 0% | \$0 |
| | 3240 | **RFOGA - Running Expense | \$2,310 | \$6,234 | \$7,481 | \$5,171 | \$3,942 | 71% | \$1,632 |
| 3260/3301 | | Other Revenue - Running Exp. | \$35,000 | \$235,036 | \$235,036 | \$200,036 | \$35,000 | 0% | \$0 |
| | | Subtotal | \$9,486,925 | \$8,665,363 | \$9,585,252 | \$98,326 | \$10,061,292 | 6% | \$574,367 |
| 4650 Capital Reserve | 3130 | Capacity Fees | \$24,119 | \$196,432 | \$201,000 | \$176,882 | \$95,412 | 296% | \$71,294 |
| | 3200 | Annexation Charges | \$3,810 | \$11,095 | \$11,095 | \$7,285 | \$26,030 | 583% | \$22,220 |
| | 3260 | **RFOGA - Capital Projects | \$608,618 | \$275,717 | \$400,050 | (\$208,568) | \$2,725,397 | 348% | \$2,116,780 |
| | 1300 | Loan Proceeds | \$0 | \$0 | \$975,466 | \$975,466 | \$4,728,079 | +100% | \$4,728,079 |
| | | Subtotal | \$636,546 | \$483,244 | \$1,587,611 | \$951,065 | \$7,574,918 | 1090% | \$6,938,371 |
| 4655 Replacement Reserve | 3100 | *Sewer Service Charges | \$2,994,153 | \$2,794,033 | \$2,964,212 | (\$29,942) | \$3,022,509 | 1% | \$28,356 |
| | 3220 | Property Tax Revenue | \$171,000 | \$180,893 | \$180,893 | \$9,893 | \$182,500 | 7% | \$11,500 |
| | 3260 | **RFOGA - Capital Projects | \$643,452 | \$74,090 | \$104,000 | (\$539,452) | \$707,723 | 10% | \$64,271 |
| | | Subtotal | \$3,808,605 | \$3,049,016 | \$3,249,105 | (\$559,500) | \$3,912,732 | 3% | \$104,127 |
| 4660 Retirees Ins All Funds | 3100 | *Sewer Service Charges | \$333,000 | \$333,000 | \$333,000 | \$0 | \$333,000 | 0% | \$0 |
| | | Subtotal | \$333,000 | \$333,000 | \$333,000 | \$0 | \$333,000 | 0% | \$0 |
| | | Interest Earnings | | | | | | | |
| | 4640 | 3230 Running Expense Fund | \$20,794 | \$22,273 | \$25,573 | \$4,780 | \$106,016 | 410% | \$85,222 |
| | 4645 | 3230 Plant Reserve Fund | \$107 | \$105 | \$119 | \$12 | \$521 | 385% | \$413 |
| | 4650 | 3230 Capital Reserve Fund | \$13,819 | \$13,439 | \$15,064 | \$1,245 | \$70,198 | 408% | \$56,380 |
| | 4655 | 3230 Replacement Reserve Fund | \$49,478 | \$51,930 | \$60,080 | \$10,602 | \$280,248 | 466% | \$230,771 |
| | 4660 | 3230 Retiree Health Insurance Fund | \$249 | \$301 | \$301 | \$51 | \$2,414 | 868% | \$2,165 |
| | 4670 | 3230 Plant Upgrading Fund | \$0 | \$0 | \$0 | \$0 | \$0 | 0% | \$0 |
| | 4675 | 3230 District Emergency Fund | \$1,788 | \$1,752 | \$1,972 | \$185 | \$8,670 | 385% | \$6,882 |
| | | Subtotal | \$86,235 | \$89,800 | \$103,109 | \$16,875 | \$468,067 | 443% | \$381,832 |
| | | Total Revenue | \$14,351,311 | \$12,620,422 | \$14,858,077 | \$506,765 | \$22,350,009 | 56% | \$7,998,698 |

*Sewer Service Charges are deposited directly to the respective funds.
Values shown under 2020-2021 Revenue Estimate have been pro-rated accordingly.

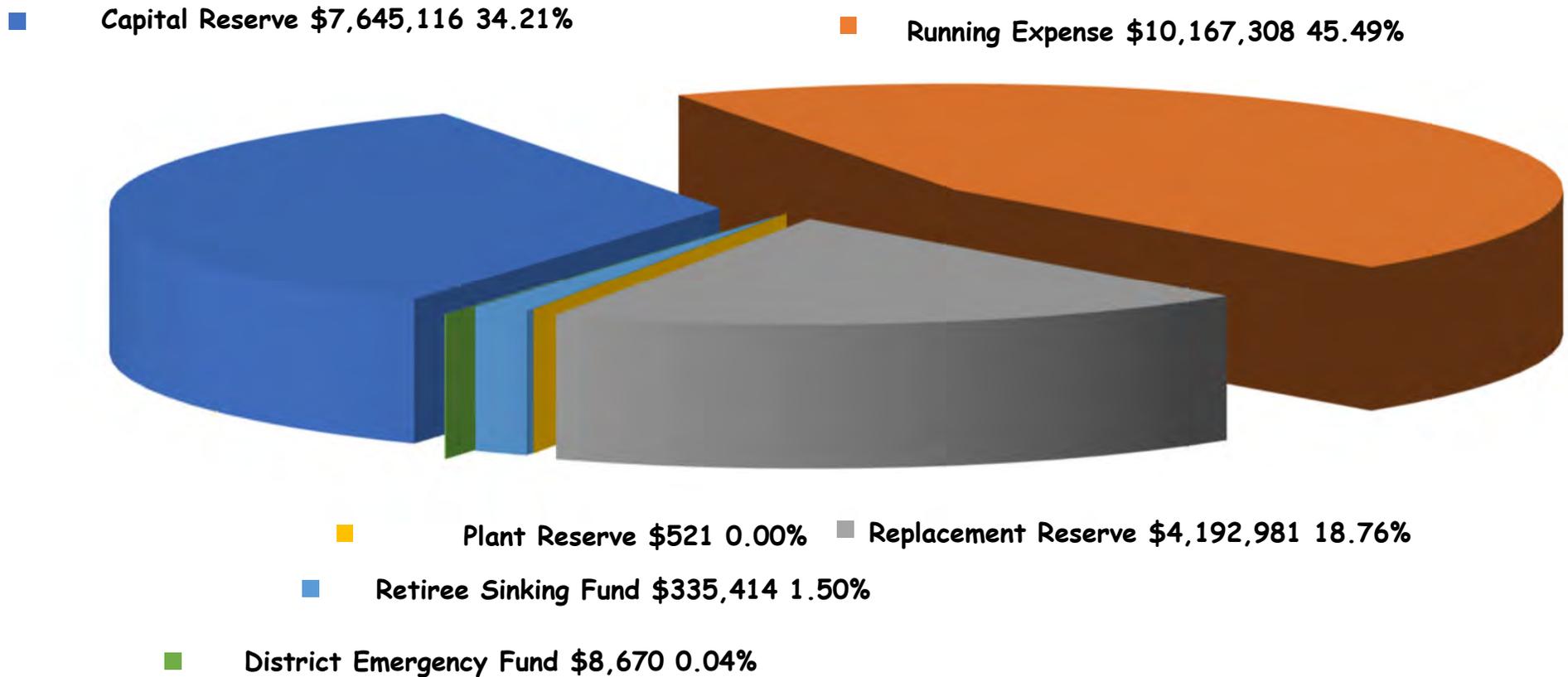
Total Sewer Service Charges: \$9,293,525 \$8,716,036 \$9,203,920 \$9,468,099 1.88% \$174,574

**RFOGA = Revenue From Other Gov't Agencies

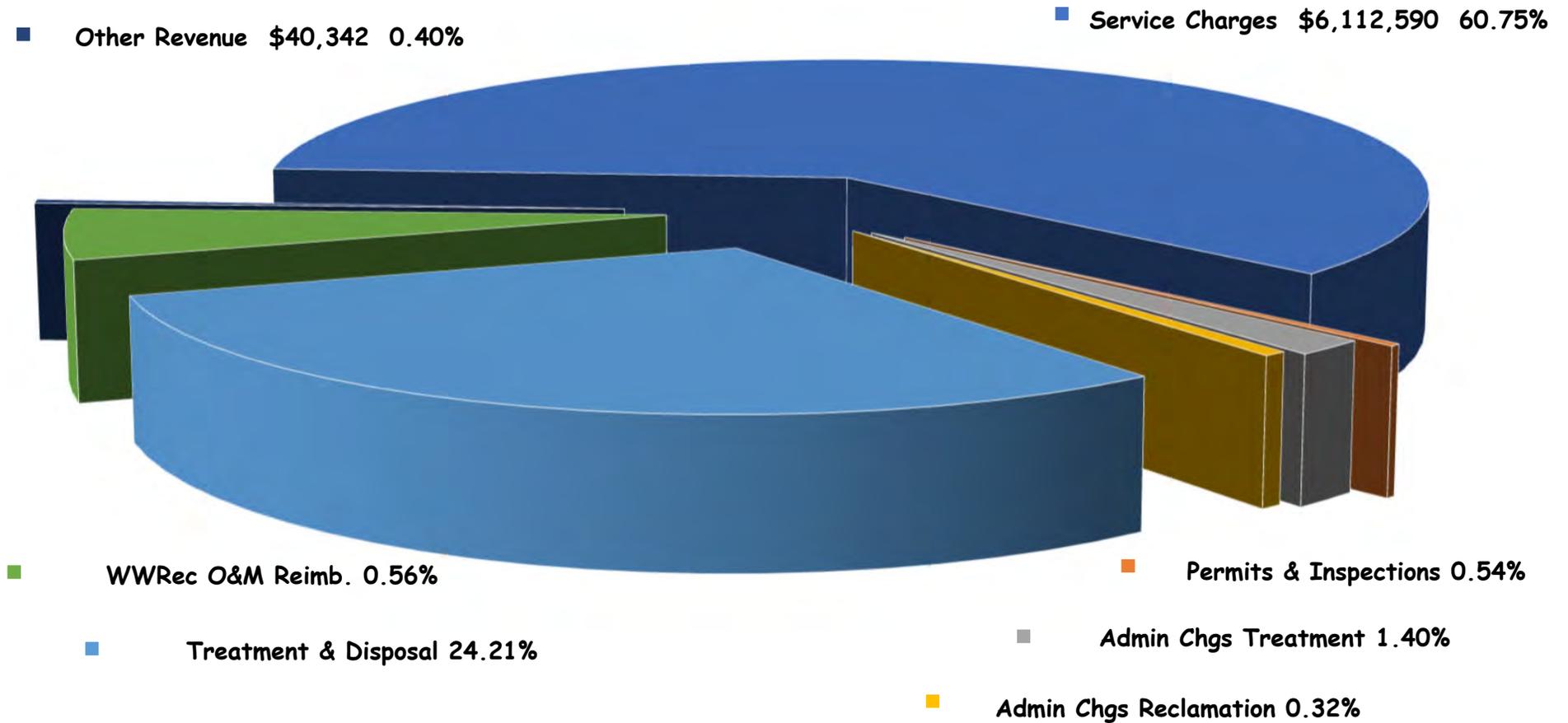
Revenues by Source 2022-23



Revenues by Fund 2022-23



Running Expense Revenues 2022-23



EXPENDITURES
FISCAL YEAR 2022-23

DISTRICT COMBINED EXPENDITURES IN FY22-23

The combined expenditures for the District's operating departments are shown in a combined expenditure sheet with comparisons to the previous fiscal year's expenditures. The budget expenditures are shown under various categories such as personnel expenses, operating expenses, depreciation reserves funding, and capital outlay. The total operating and personnel expenses proposed for FY22-23 are anticipated to be above last year's budget by 5%. The capital outlay projects are anticipated to be about 66% more than last year's expenditures.

The main categories of expenditures in the combined budget with and without depreciation are as follows:

| <u>DESCRIPTION</u> | <u>EXPENDITURES</u> | <u>% w/o Depr</u> | <u>% with Depr</u> |
|---|----------------------------|--------------------------|---------------------------|
| Personnel Cost: | \$ 6,157,318 | 28% | 24% |
| Operating Expenses: | \$ 4,632,230 | 21% | 18% |
| Sub-Total: | \$ 10,789,547 | 49% | 42% |
| Capital Outlay: | \$ 11,076,403 | 51% | 43% |
| Total Expenses w/o depreciation: | \$ 21,865,950 | 100% | 85% |
| Depreciation Expense: | \$ 3,638,572 | | 15% |
| TOTAL EXPENDITURES: | \$ 25,504,522 | | 100% |

The enclosed graph shows the above distribution of expenditures for FY22-23.

The District has separated accounting of its expenses into seven separate service categories. These categories are mostly associated with specific service programs and/or facilities shared by separate groups of users. The main purpose of segregating expenses is to appropriately charge the customer base served by each program and/or facility. The District's seven service departments and corresponding customer base are described below.

Administration Expenses

All District users share these expenses. The District's contractual users pay, as administrative costs, a fixed percentage of their respective operating costs in the treatment and disposal facilities.

Collection System

All users in the Goleta Sanitary District's service area share the expenses associated with the collection system. The District's contractual users do not share in the cost of the collection system.

Main and Firestone Pump Stations

All users in GSD's service area share the expenses associated with the main pump station. The Santa Barbara Municipal Airport and the County of Santa Barbara are the only contractual users of the District that share in this cost. All other contractual users do not use the main pump station. The District and the Airport only share the costs of the Firestone Pump Station in accordance with an agreement between the two agencies such that the Airport's share is based upon flow through the station.

Industrial Waste Control Program

Similar to the collection system, the expenses associated with the Industrial Waste Control program are shared by all users in the Goleta Sanitary District's service area. The District's contractual users do not share in the cost of this program.

Wastewater Treatment Facilities

All District users share in the cost of the treatment of wastewater, including all contractual users. The contractual users share in the operating costs based on a corresponding percentage of their flows compared to the total flow into the treatment facilities. Fixed assets are charged based on the respective percentage of the treatment facilities' capacity allocation to each contractual user.

Wastewater Disposal Outfall

All District users share in the cost of wastewater disposal including all contractual users. The contractual users share in the operating costs and fixed assets based on the corresponding percentage of their outfall capacity allocation to each contractual user.

Reclamation Facilities

The operating costs, including a 10% administration cost, are invoiced to the Goleta Water District monthly. Fixed assets are invoiced without the administrative charge.

Summary

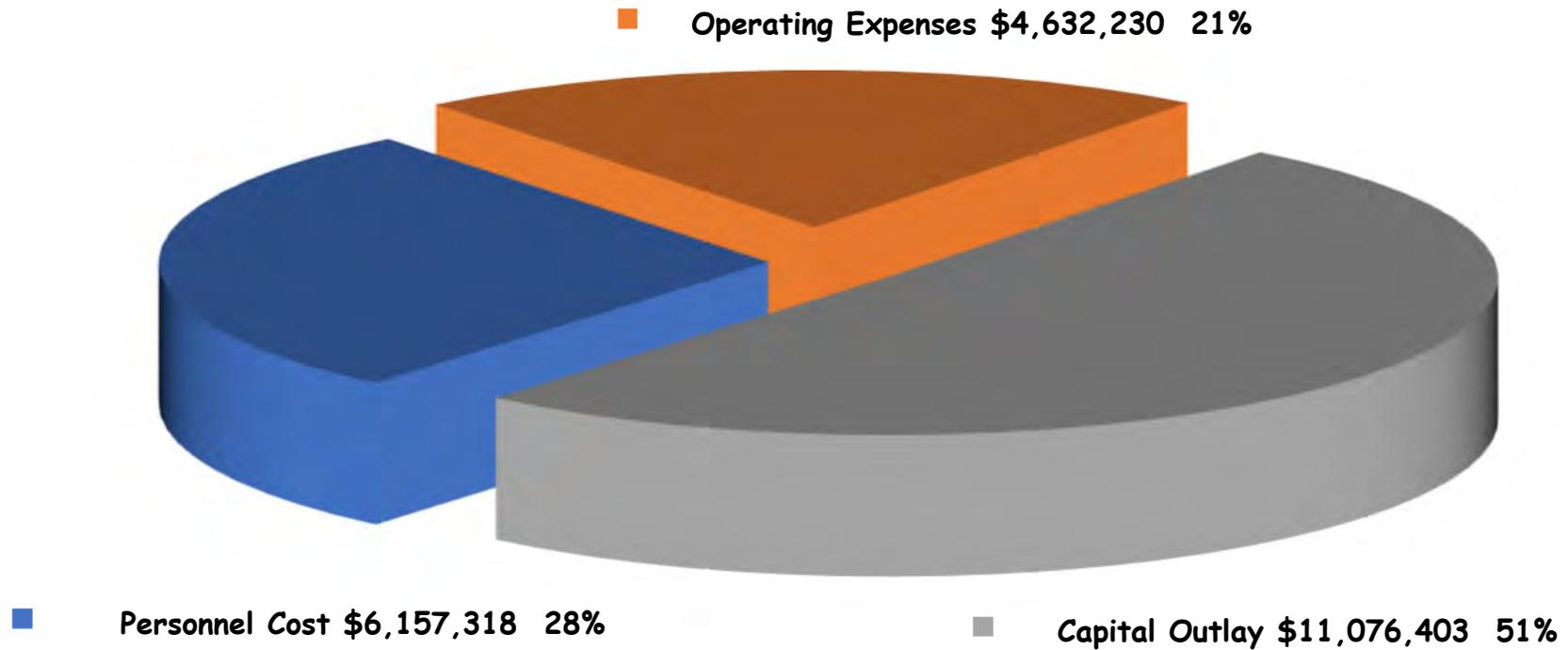
Enclosed in this budget is a graph showing the distribution of the expenditures by each of the service categories described above. Details of each category's proposed expenditures are also included in this budget with a narrative explanation of the purposes of these expenditures.

**Fiscal Year 2022-2023
EXPENDITURES**

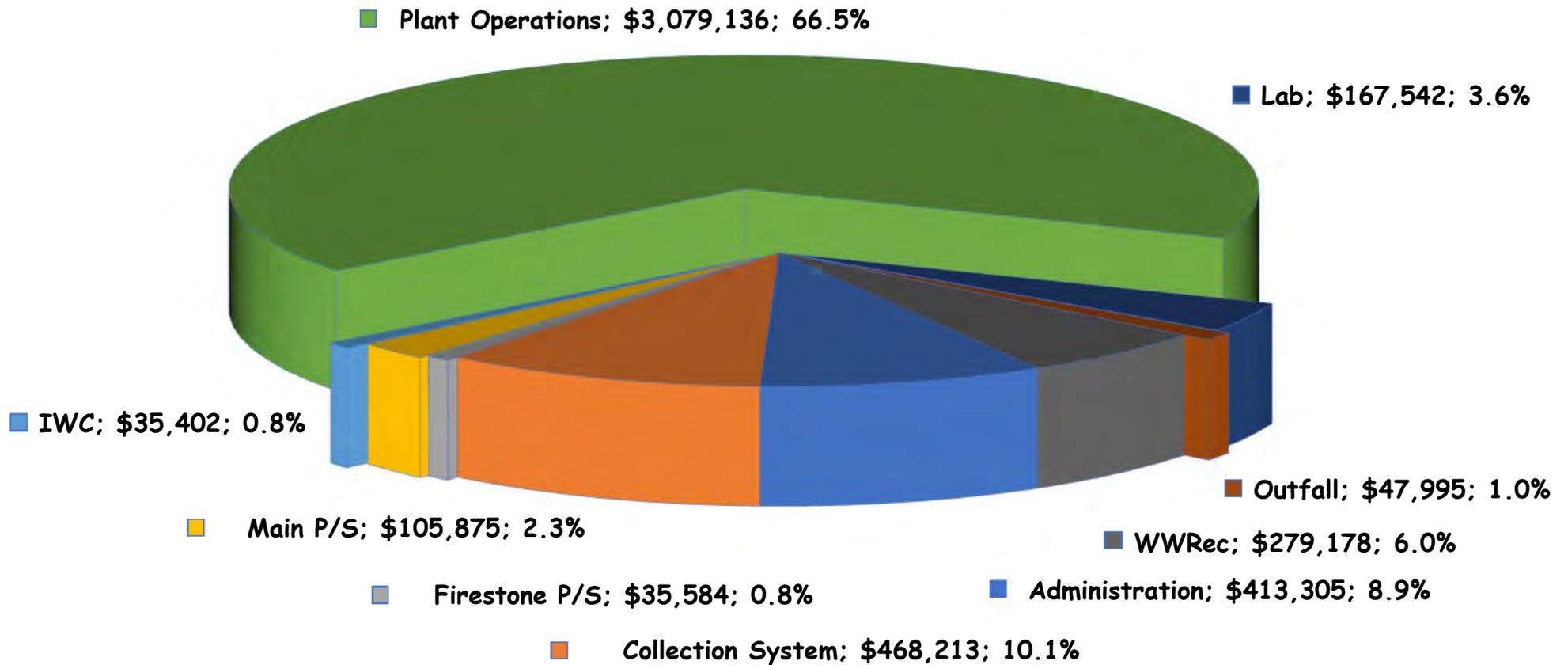
| Description | Budgeted | To Date | Projected | Under(Over) | Proposed | Percent | \$ Change |
|--|-------------------|----------------------|----------------------|---------------------|-------------------|---------------------------|--------------------|
| | 2021-22 | 6/3/2022 | Actual 2021-22 | Budget 2021-22 | Budget 2022-23 | Change from last FY | from FY 2021-22 |
| PERSONNEL | | | | | | | |
| Basic Salaries | 3,333,836 | 2,883,876 | 3,177,152 | 156,684 | 3,507,446 | 5% | 173,611 |
| Overtime | 16,800 | 9,872 | 10,877 | 5,923 | 16,800 | 0% | 0 |
| Temporary | 28,700 | 6,415 | 7,068 | 21,632 | 33,086 | 15% | 4,386 |
| Directors Fees | 81,000 | 39,150 | 43,131 | 37,869 | 81,000 | 0% | 0 |
| Worker's Compensation | 70,525 | 70,636 | 70,636 | (111) | 77,700 | 10% | 7,175 |
| Retirement | 828,831 | 768,819 | 847,006 | (18,175) | 879,623 | 6% | 50,792 |
| Active Employee Insurance-Health/Dental/Vision/Disability | 843,613 | 806,817 | 880,163 | (36,550) | 957,022 | 13% | 113,410 |
| Retiree Health Insurance OPEB Funding | 333,000 | 333,997 | 333,997 | (997) | 335,414 | 1% | 2,414 |
| FICA | 201,692 | 175,953 | 193,848 | 7,844 | 211,658 | 5% | 9,966 |
| Medicare | 49,000 | 41,150 | 45,335 | 3,665 | 51,581 | 5% | 2,581 |
| Unemployment Insurance | 5,554 | 3,822 | 4,211 | 1,343 | 5,987 | 8% | 433 |
| <i>Subtotal</i> | 5,792,550 | 5,140,508 | 5,613,424 | 179,126 | 6,157,318 | 6% | 364,768 |
| OPERATING EXPENSES | | | | | | | |
| Public Education | 75,000 | 35,276 | 42,331 | 32,669 | 75,000 | 0% | 0 |
| Janitorial Service & Supplies | 49,360 | 42,105 | 50,525 | (1,165) | 49,600 | 0% | 240 |
| Uniforms | 17,175 | 11,758 | 15,030 | 2,145 | 17,175 | 0% | 0 |
| Licenses & Permits | 108,517 | 97,745 | 76,548 | 31,969 | 145,367 | 34% | 36,850 |
| Freight & Postage | 3,265 | 2,342 | 3,104 | 161 | 3,265 | 0% | 0 |
| Subscriptions | 7,900 | 3,910 | 5,521 | 2,379 | 7,900 | 0% | 0 |
| Vehicle Repairs & Maintenance | 64,990 | 48,134 | 62,259 | 2,731 | 66,286 | 2% | 1,296 |
| Liability & Property Insurance | 248,145 | 241,086 | 241,084 | 7,061 | 306,208 | 23% | 58,063 |
| Dues & Memberships | 45,628 | 43,182 | 45,330 | 298 | 45,628 | 0% | 0 |
| Office Supplies | 16,900 | 7,729 | 9,726 | 7,174 | 16,900 | 0% | 0 |
| Analysis & Monitoring | 155,100 | 43,316 | 53,068 | 102,032 | 169,000 | 9% | 13,900 |
| Operating Supplies | 667,686 | 498,987 | 672,169 | (4,483) | 651,415 | -2% | (16,271) |
| Attorney Fees | 99,000 | 63,985 | 78,157 | 20,843 | 99,000 | 0% | 0 |
| Printing & Publications | 8,058 | 494 | 2,596 | 5,462 | 8,058 | 0% | 0 |
| Repairs and Maintenance | 478,892 | 349,674 | 534,951 | (56,059) | 488,892 | 2% | 10,000 |
| Travel | 66,350 | 22,594 | 53,569 | 12,781 | 66,350 | 0% | 0 |
| Seminars, Conferences, Training, Employee Recognition | 57,070 | 10,231 | 41,971 | 15,100 | 57,570 | 1% | 500 |
| Utilities | 620,105 | 667,576 | 801,093 | (180,988) | 761,612 | 23% | 141,508 |
| Election Expense | 12,000 | 0 | 0 | 12,000 | 12,000 | 0% | 0 |
| Computer Service & Maintenance | 171,732 | 101,086 | 143,058 | 28,674 | 192,725 | 12% | 20,993 |
| Lease/Rentals | 321,263 | 290,239 | 89,094 | 232,169 | 189,263 | -41% | (132,000) |
| Biosolids Hauling | 650,000 | 556,369 | 650,000 | 0 | 654,810 | 1% | 4,810 |
| Professional Services | 517,955 | 250,209 | 389,495 | 128,460 | 525,455 | 1% | 7,500 |
| Other Expense | 22,750 | (23,269) | (23,269) | 46,019 | 22,750 | 0% | 0 |
| <i>Subtotal</i> | 4,484,841 | 3,364,757 | 4,037,410 | 447,431 | 4,632,230 | 3% | 147,389 |
| Total Personnel and Operating Expenses | 10,277,391 | 8,505,266 | 9,650,834 | 626,557 | 10,789,547 | 5% | 512,156 |
| DEPRECIATION FUNDING | | | | | | | |
| Replacement Reserve | 3,636,437 | 3,618,015 | 3,624,993 | 11,444 | 3,638,572 | 0% | 2,135 |
| <i>Subtotal</i> | 3,636,437 | 3,618,015 | 3,624,993 | 11,444 | 3,638,572 | 0% | |
| CAPITAL OUTLAY | | | | | | | |
| Machinery and Equipment (Fund 640) | 52,500 | 50,547 | 91,868 | (39,368) | 55,500 | 6% | 3,000 |
| Capital Projects - Replacement Reserve Fund (4655) | 5,179,351 | 406,291 | 489,710 | 4,689,641 | 5,320,800 | 3% | 141,449 |
| Capital Projects - Capital Reserve Fund (4650) | 1,167,500 | 689,015 | 800,100 | 367,400 | 5,228,079 | 348% | 4,060,579 |
| Debt Service | 0 | 0 | 0 | 0 | 472,025 | +100% | 472,025 |
| <i>Subtotal</i> | 6,399,351 | 1,145,853 | 1,381,679 | 5,017,672 | 11,076,403 | 73% | 4,677,052 |
| Total Operating & Non-Operating w/o Depreciation | 16,676,742 | \$ 9,651,119 | \$ 11,032,513 | \$ 5,644,229 | 21,865,950 | 31% | 5,189,208 |
| Total Operating & Non-Operating with Depreciation | 20,313,179 | \$ 13,269,134 | \$ 14,657,506 | | 25,504,522 | 26% | 5,191,343 |

District's Combined Expenditures

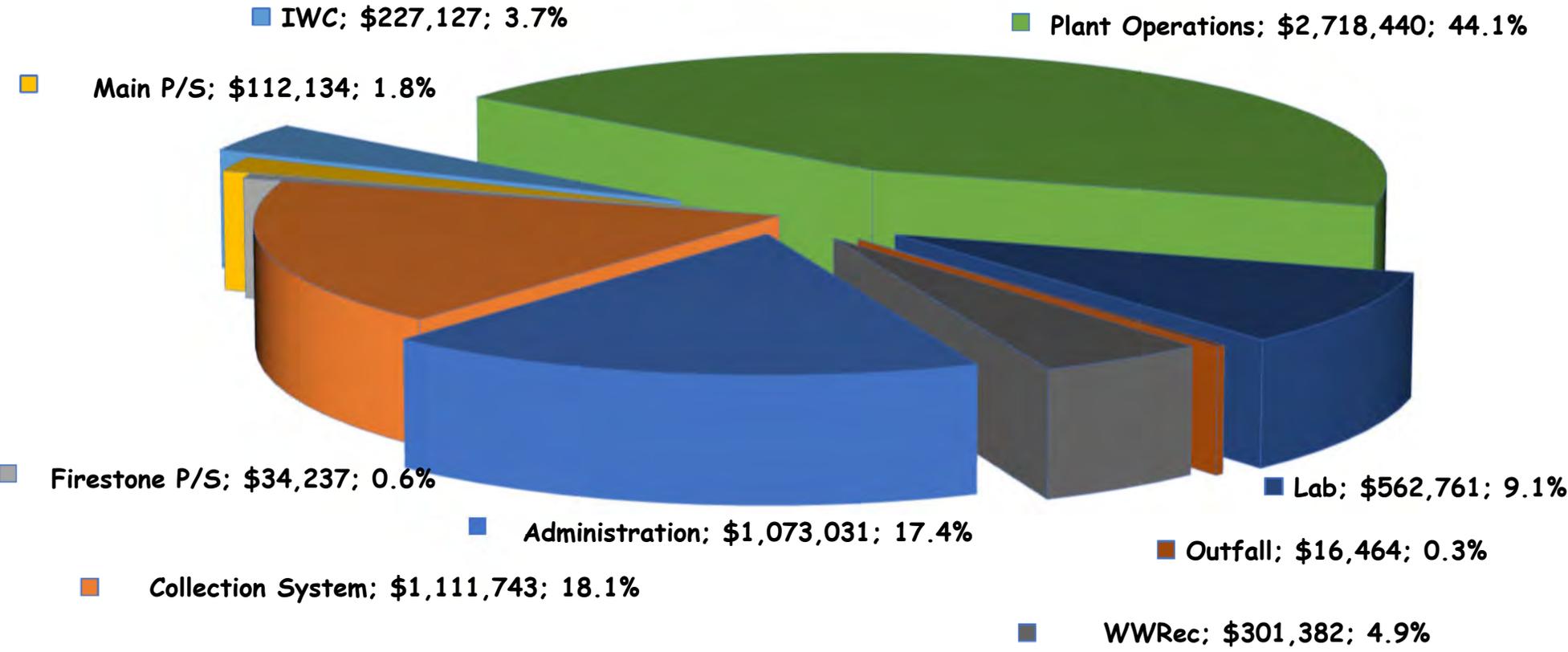
Without Depreciation



Distribution of Operating Costs



Distribution of Personnel Cost

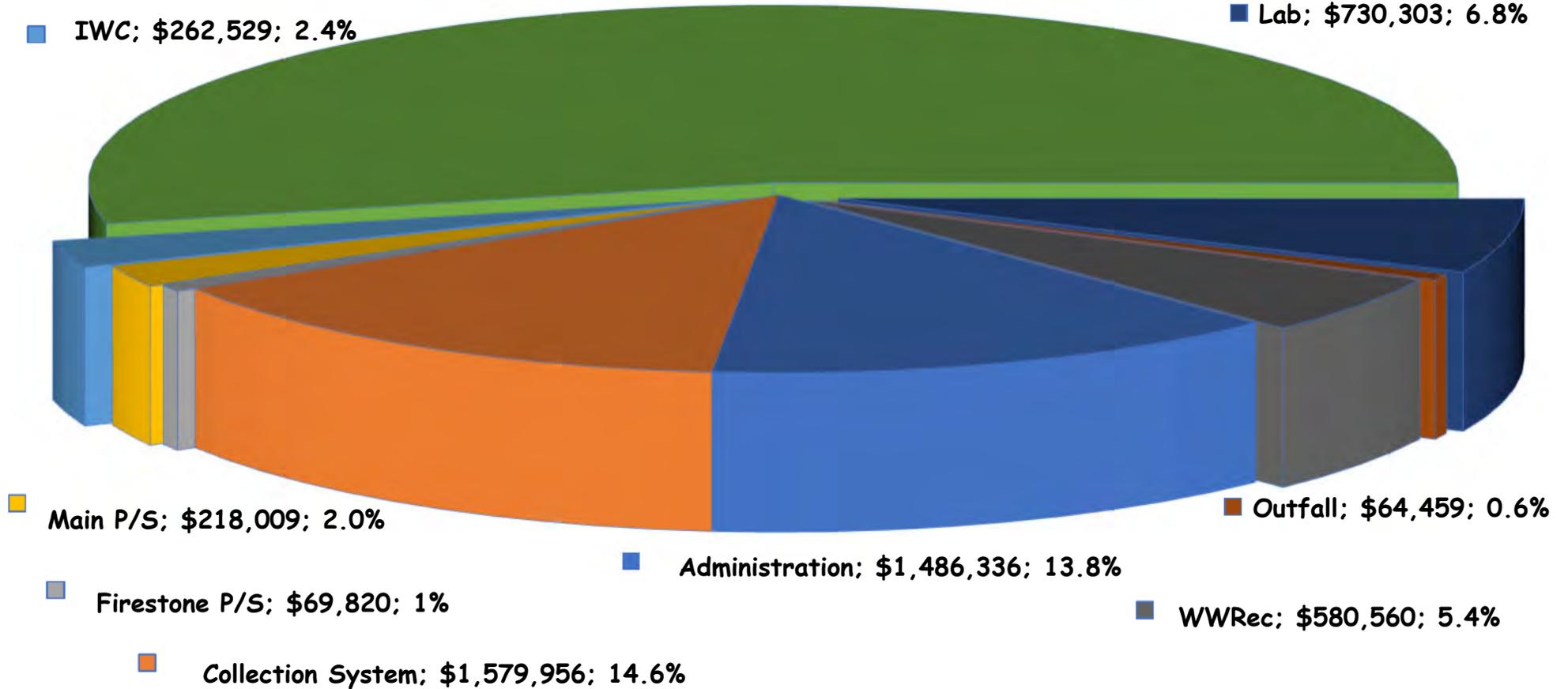


Distribution of Personnel & Operating Costs

■ Plant Operations; \$5,797,576; 53.7%

■ IWC; \$262,529; 2.4%

■ Lab; \$730,303; 6.8%



***COMPARISON SUMMARY
OF EXPENSES AND REVENUES***

COMPARISON SUMMARY OF EXPENSES AND REVENUES

The budget contains a summary of the anticipated expenses and revenues for FY22-23. This summary explains the relationship between expenses and revenues in such a manner that defines the sources of revenues to meet budgeted expenditures. The categories discussed below have been selected on where proposed expenditures are anticipated to occur.

- ◆ **Running Expenses and Revenues**
- ◆ **Reclamation Facilities Expenses and Revenues**
- ◆ **Debt Service Expenses and Revenues**
- ◆ **Capital Improvements Expenses and Revenues**

Running Expense Fund

The summary reflects the expected expenditures to operate the District.

The total anticipated running expense expenditures in FY22-23 are \$9,929,073

On the revenue side the total revenue projected for this fund includes most revenue sources described under the running expense revenue discussion except for revenues associated with the reclamation facilities. The revenues shown in this category are considered new funds collected annually from the District's users. As noted below, the expenses in this fund are projected to be slightly higher than the anticipated revenues.

The total anticipated running expense revenue in FY22-23 are \$9,528,692

Reclamation Facilities

The reclamation facilities are accounted for separately in this summary comparison, since the associated operations and maintenance costs are paid for separately by the Goleta Water District. As noted in the budget, the amount of revenue anticipated is higher than the anticipated expenses due to the 10 percent administration charge, which is charged to the Goleta Water District per an agreement between the two agencies.

The total anticipated revenues for the reclamation facilities in FY22-23 are \$816,768

The total anticipated expenses for the reclamation facilities in FY22-23 are \$758,663

Debt Service

The District has obtained a loan in the amount of \$14M for the design and construction of the Biosolids and Energy Strategic Plan improvement projects. The term of the loan is 20 years and the debt service for FY22-23 is a single payment of \$472,025.

Capital Improvements

This summary includes all the expenditures projected for capital improvements of the treatment plant and collection system. Depending on the type of project, the funds are segregated to reflect whether the capital improvement under consideration is a replacement project, a capacity expansion project, or both. On the revenue side sewer services charges are included which

fund the District's replacement reserve fund as well as revenues for the facilities upgrading project fund.

The total anticipated expenses for capital improvements in FY22-23 are \$10,842,800

The total anticipated depreciation expenses in FY22-23 are \$3,638,572

The total anticipated revenue for capital improvements in FY22-23 is \$\$11,669,184

THE TOTAL PLANNED EXPENDITURES FOR FY22-23

INCLUDING DEPRECIATION ARE \$25,505,522

WITHOUT DEPRECIATION ARE \$21,865,950

TOTAL DISBURSEMENTS, INCLUDING THE UAL PAYDOWN \$25,265,950

THE TOTAL ESTIMATED REVENUE FOR FY22-23 IS \$22,350,009

**COMPARISON SUMMARY OF
EXPENSES AND REVENUES
Fiscal Year 2022-2023**

| EXPENDITURES | | REVENUES | |
|---|---------------------|---|---------------------|
| <u>RUNNING EXPENSE (4640)</u> | | <u>RUNNING EXPENSE (4640)</u> | |
| Personnel | \$5,520,522 | Sewer Service Charges | \$6,112,590 |
| Operating Expense | 4,353,051 | Permit and Inspection Fees | 28,000 |
| Machinery and Equipment | 55,500 | Administration Charges - Treatment | 183,126 |
| Total | \$9,929,073 | RFOGA - Treatment and Disposal | 3,058,618 |
| CalPERS UAL Paydown | \$3,400,000 | IWC Analysis Reimbursement | 500 |
| Running Expense Fund Disbursements | \$13,329,073 | Homeowners Property Tax Relief | 500 |
| | | Annexation Processing Fee | 400 |
| | | Payments from Other Governmental Agencies | 3,942 |
| | | Other Revenue | 35,000 |
| | | Interest | 106,016 |
| | | Total | \$9,528,692 |
| <u>RECLAMATION FACILITIES (4640 Dept. 47)</u> | | <u>RECLAMATION FACILITIES (4640 Dept. 47)</u> | |
| Personnel | \$301,382 | GWD Reimbursement of O&M Expenses | \$580,560 |
| Operating Expense | 279,178 | Administration Charges - Reclamation | 58,056 |
| Machinery and Equipment | 0 | RFOGA - Capital Projects (4655) | 178,103 |
| Capital Improvement Projects | 178,103 | | |
| Total | \$758,663 | Total | \$816,719 |
| <u>CAPITAL IMPROVEMENT</u> | | <u>CAPITAL IMPROVEMENT</u> | |
| <u>Capacity Reserve Fund (4650)</u> | | <u>Capacity Reserve Fund (4650)</u> | |
| Other Capital Projects | \$500,000 | Connection/Annexation/RFOGA | \$2,846,839 |
| BESP Plant Project | \$4,728,079 | Interest | \$70,198 |
| Debt Service | \$472,025 | Loan Proceeds (BESP) | \$4,728,079 |
| Sub-total | \$5,700,103 | Sub-total | \$7,645,116 |
| <u>Replacement Reserve Fund (4655):</u> | | <u>Replacement Reserve Fund (4655)</u> | |
| Administration | \$0 | Sewer Service Charges (\$/ERU+GSD Depr) | \$3,022,509 |
| Firestone Pump Station | 50,000 | RFOGA - Capital Projects | 529,620 |
| Pump Station Projects | 3,988,554 | Property Tax Revenue | 182,500 |
| Plant, Lab and IWC Projects | 596,008 | Interest | 280,248 |
| Sewer Line Projects | 454,935 | | |
| Outfall Projects | 53,200 | Sub-total | \$4,014,878 |
| Sub-total | \$5,142,697 | | |
| <u>District Plant Reserve Fund (4645)</u> | | <u>District Plant Reserve Fund (4645)</u> | |
| | \$0 | Interest | \$521 |
| Sub-total | \$0 | Sub-total | \$521 |
| <u>District Emergency Fund (4675)</u> | | <u>District Emergency Fund (4675)</u> | |
| | \$0 | Interest | \$8,670 |
| Sub-total | \$0 | Sub-total | \$8,670 |
| Total | \$10,842,800 | Total | \$11,669,184 |
| <u>Depreciation</u> | | | |
| Depreciation Expense | \$3,638,572 | | |
| <u>Retiree Medical Insurance Retirement Fund (660)</u> | | <u>Retiree Medical Insurance Retirement Fund (660)</u> | |
| Disbursements Directly to CERBT | \$196,694 | Sewer Service Charges | \$333,000 |
| Disbursements District Retirees and/or PERS | \$138,720 | Interest | \$2,414 |
| Total | \$335,414 | Total | \$335,414 |
| TOTAL EXPENSE WITHOUT DEPRECIATION: | \$21,865,950 | TOTAL REVENUE: | \$22,350,009 |
| TOTAL EXPENSE WITH DEPRECIATION: | \$25,504,522 | | |
| CalPERS UAL Paydown | \$3,400,000 | | |
| TOTAL DISBURSEMENTS WITHOUT DEPRECIATION: | \$25,265,950 | | |

SERVICE CATEGORY EXPENSE DATA

ADMINISTRATION

| Description | Budgeted | To Date | Projected | Under(Over) | Proposed | Percent | \$ Change |
|--|------------------|------------------|------------------|----------------|------------------|-----------|---------------|
| | 2021-22 | 6/3/2022 | Actual | Budget | Budget | Change | from FY |
| | | | 2021-22 | 2021-22 | 2022-23 | from last | from FY |
| | | | | | | FY | 2021-22 |
| PERSONNEL | | | | | | | |
| Basic Salaries | 544,852 | 503,514 | 554,719 | (9,867) | 579,817 | 6% | 34,966 |
| Overtime | 100 | 11 | 12 | 88 | 100 | 0% | 0 |
| Temporary | 2,727 | 714 | 786 | 1,941 | 3,143 | 15% | 417 |
| Directors Compensation | 81,000 | 39,150 | 43,131 | 37,869 | 81,000 | 0% | 0 |
| Workers' Compensation | 11,526 | 11,544 | 11,544 | (18) | 12,845 | 11% | 1,319 |
| Retirement | 129,450 | 124,759 | 137,446 | (7,996) | 140,943 | 9% | 11,493 |
| Active Employee Insurance-Health/Dental/Vision/Disability | 137,872 | 111,437 | 121,567 | 16,305 | 158,206 | 15% | 20,333 |
| Retiree Health Insurance OPEB Funding | 54,422 | 54,585 | 54,585 | (163) | 55,447 | 2% | 1,025 |
| FICA | 30,427 | 29,988 | 33,038 | (2,611) | 32,134 | 6% | 1,707 |
| Medicare | 7,941 | 7,013 | 7,727 | 214 | 8,454 | 6% | 513 |
| Unemployment Insurance | 865 | 569 | 626 | 239 | 941 | 9% | 76 |
| <i>Subtotal</i> | 1,001,183 | 883,284 | 965,181 | 36,001 | 1,073,031 | 7% | 71,848 |
| OPERATING EXPENSES | | | | | | | |
| Public Education | 13,875 | 6,702 | 8,043 | 5,832 | 13,875 | 0% | 0 |
| Janitorial Service & Supplies | 6,100 | 5,613 | 6,735 | (635) | 6,100 | 0% | 0 |
| Uniforms | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Licenses & Permits | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Freight & Postage | 400 | 96 | 115 | 285 | 400 | 0% | 0 |
| Subscriptions | 900 | 60 | 900 | 0 | 900 | 0% | 0 |
| Vehicle Repairs & Maintenance | 4,000 | 0 | 1,000 | 3,000 | 4,000 | 0% | 0 |
| Liability & Property Insurance | 11,730 | 11,900 | 11,900 | (170) | 5,410 | -54% | (6,320) |
| Dues & Memberships | 32,000 | 32,157 | 32,000 | 0 | 32,000 | 0% | 0 |
| Office Supplies | 6,000 | 2,676 | 3,211 | 2,789 | 6,000 | 0% | 0 |
| Analysis & Monitoring | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Operating Supplies | 400 | 876 | 400 | 0 | 400 | 0% | 0 |
| Attorney Fees | 64,200 | 37,735 | 50,314 | 13,886 | 64,200 | 0% | 0 |
| Printing & Publications | 2,500 | 51 | 1,875 | 625 | 2,500 | 0% | 0 |
| Repairs and Maintenance | 7,000 | 44 | 3,500 | 3,500 | 7,000 | 0% | 0 |
| Travel | 38,000 | 12,819 | 36,000 | 2,000 | 38,000 | 0% | 0 |
| Seminars, Conferences, Training, Employee Recognition | 20,000 | 4,823 | 18,000 | 2,000 | 20,000 | 0% | 0 |
| Utilities | 15,520 | 14,933 | 17,919 | (2,399) | 15,520 | 0% | 0 |
| Election Expense | 12,000 | 0 | 0 | 12,000 | 12,000 | 0% | 0 |
| Computer Service & Maintenance | 30,000 | 5,355 | 6,425 | 23,575 | 30,000 | 0% | 0 |
| Lease/Rentals | 1,000 | 501 | 750 | 250 | 1,000 | 0% | 0 |
| Consulting Services | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Biosolids Hauling | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Professional Services | 134,000 | 73,729 | 50,000 | 84,000 | 134,000 | 0% | 0 |
| Other Expense | 20,000 | 6,331 | 6,331 | 13,669 | 20,000 | 0% | 0 |
| <i>Subtotal</i> | 419,625 | 216,402 | 255,418 | 164,207 | 413,305 | -2% | (6,320) |
| Total Personnel and Operating Expenses | 1,420,808 | 1,099,685 | 1,220,600 | 200,208 | 1,486,336 | 5% | 65,528 |
| DEPRECIATION FUNDING | | | | | | | |
| Replacement Reserve | 61,500 | 56,338 | 56,338 | 5,162 | 57,400 | -7% | (4,100) |
| <i>Subtotal</i> | 61,500 | 56,338 | 56,338 | 5,162 | 57,400 | -7% | |
| CAPITAL OUTLAY | | | | | | | |
| Machinery and Equipment | 10,000 | 0 | 0 | 10,000 | 10,000 | 0% | 0 |
| Capital Projects - Replacement Reserve Fund (4655) | 0 | | 0 | 0 | 0 | 0% | 0 |
| Capital Projects - Capital Reserve Fund (4650) | 0 | | 0 | 0 | 0 | 0% | 0 |
| Debt Service | 0 | | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 10,000 | 0 | 0 | 10,000 | 10,000 | 0% | 0 |
| Total Operating & Non-Operating w/o Depreciation | 1,430,808 | 1,099,685 | 1,220,600 | 210,208 | 1,496,336 | 5% | 65,528 |
| Total Operating & Non-Operating with Depreciation | 1,492,308 | 1,156,024 | 1,276,938 | | 1,553,736 | 4% | 61,428 |

ADMINISTRATION

I. **Personnel:**

This account has been based on projected labor needs that are anticipated for administrative duties, which provides for six positions.

- 1 - General Manager/District Engineer
- 0 – Assistant General Manager/Assistant District Engineer
- 1 – Finance and Human Resources Manager
- 1 – Management Analyst
- 1 – Administrative Supervisor
- 1 – Accounting Technician
- 1 – Administration Assistant
- 1 – Outreach Intern (Temp. prorated to all departments)

II. **Operating Expenses:**

- A. Public Education
This account provides for expenses incurred to inform the public about the District.
- B. Vehicle Repairs and Maintenance Expense
This account provides for fuel and the maintenance and operation of the vehicles used for administration.
- C. Liability & Property Insurance
This account provides for allocation of the insurance coverage applicable to the administration department.
- D. Dues and Memberships
This account provides for memberships in various organizations such as CASA, CSDA, SBCSDA, WEF, CWEA, SCAP, etc.
- E. Office Supplies
This account provides for office supplies such as letterhead, copy paper, postage, office machine and computer supplies, etc.
- F. Attorney Fees
This account provides for legal counsel to handle the District's legal matters as well as to research, prepare for and attend Governing Board meetings.
- G. Printing and Publication
This account provides for various publications of legal notices and recruitment ads.
- H. Repairs and Maintenance
This account provides for general repair and maintenance of the administration building.

COLLECTION SYSTEM

| Description | Budgeted | To Date | Projected | Under(Over) | Proposed | Percent | \$ Change |
|--|------------------|------------------|-------------------|-------------------|-------------------|---------------------------|--------------------|
| | 2021-22 | 6/3/2022 | Actual 2021-22 | Budget 2021-22 | Budget 2022-23 | Change from last FY | from FY 2021-22 |
| PERSONNEL | | | | | | | |
| Basic Salaries | 612,594 | 542,719 | 597,911 | 14,683 | 657,010 | 7% | 44,416 |
| Overtime | 2,000 | 89 | 98 | 1,902 | 2,000 | 0% | 0 |
| Temporary | 2,296 | 601 | 662 | 1,634 | 2,647 | 15% | 351 |
| Directors Compensation | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Workers' Compensation | 12,959 | 12,979 | 12,979 | (20) | 14,555 | 12% | 1,596 |
| Retirement | 130,825 | 125,832 | 138,629 | (7,804) | 142,738 | 9% | 11,913 |
| Active Employee Insurance-Health/Dental/Vision/Disability | 155,014 | 195,253 | 213,004 | (57,990) | 179,268 | 16% | 24,254 |
| Retiree Health Insurance OPEB Funding | 61,189 | 61,373 | 61,373 | (184) | 62,829 | 3% | 1,640 |
| FICA | 37,362 | 33,130 | 36,499 | 863 | 40,055 | 7% | 2,694 |
| Medicare | 8,945 | 7,748 | 8,536 | 409 | 9,594 | 7% | 649 |
| Unemployment Insurance | 972 | 793 | 874 | 98 | 1,047 | 8% | 74 |
| <i>Subtotal</i> | 1,024,156 | 980,517 | 1,070,565 | (46,408) | 1,111,743 | 9% | 87,587 |
| OPERATING EXPENSES | | | | | | | |
| Public Education | 12,000 | 5,644 | 6,773 | 5,227 | 12,000 | 0% | 0 |
| Janitorial Service & Supplies | 13,300 | 10,707 | 12,849 | 451 | 13,300 | 0% | 0 |
| Uniforms | 3,675 | 2,846 | 3,415 | 260 | 3,675 | 0% | 0 |
| Licenses & Permits | 4,100 | 0 | 0 | 4,100 | 4,100 | 0% | 0 |
| Freight & Postage | 600 | 1,270 | 1,524 | (924) | 600 | 0% | 0 |
| Subscriptions | 1,100 | 963 | 1,155 | (55) | 1,100 | 0% | 0 |
| Vehicle Repairs & Maintenance | 45,000 | 38,341 | 46,009 | (1,009) | 45,000 | 0% | 0 |
| Liability & Property Insurance | 53,400 | 55,527 | 55,527 | (2,127) | 72,620 | 36% | 19,220 |
| Dues & Memberships | 2,858 | 2,655 | 3,186 | (328) | 2,858 | 0% | 0 |
| Office Supplies | 2,700 | 964 | 1,157 | 1,543 | 2,700 | 0% | 0 |
| Analysis & Monitoring | 1,000 | 0 | 0 | 1,000 | 1,000 | 0% | 0 |
| Operating Supplies | 8,000 | 6,126 | 7,351 | 649 | 8,000 | 0% | 0 |
| Attorney Fees | 8,600 | 2,732 | 3,278 | 5,322 | 8,600 | 0% | 0 |
| Printing & Publications | 800 | 101 | 121 | 679 | 800 | 0% | 0 |
| Repairs and Maintenance | 85,000 | 40,663 | 85,000 | 0 | 85,000 | 0% | 0 |
| Travel | 9,400 | 3,519 | 7,050 | 2,350 | 9,400 | 0% | 0 |
| Seminars, Conferences and Training | 12,770 | 4,056 | 9,578 | 3,193 | 12,770 | 0% | 0 |
| Utilities | 17,100 | 16,756 | 20,107 | (3,007) | 19,490 | 14% | 2,390 |
| Election Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Computer Service & Maintenance | 41,850 | 38,274 | 45,928 | (4,078) | 42,250 | 1% | 400 |
| Lease/Rentals | 1,500 | 905 | 1,086 | 414 | 1,500 | 0% | 0 |
| Biosolids Hauling | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Professional Services | 117,950 | 56,515 | 67,819 | 50,131 | 120,450 | 2% | 2,500 |
| Other Expense | 1,000 | (6,466) | (6,466) | 7,466 | 1,000 | 0% | 0 |
| <i>Subtotal</i> | 443,703 | 282,098 | 372,447 | 71,256 | 468,213 | 6% | 24,510 |
| Total Personnel and Operating Expenses | 1,467,859 | 1,262,615 | 1,443,012 | 24,848 | 1,579,956 | 8% | 112,097 |
| DEPRECIATION FUNDING | | | | | | | |
| Replacement Reserve | 696,166 | 692,732 | 693,032 | 3,134 | 697,200 | 0% | 1,034 |
| <i>Subtotal</i> | 696,166 | 692,732 | 693,032 | 3,134 | 697,200 | 0% | |
| CAPITAL OUTLAY | | | | | | | |
| Machinery and Equipment | 33,000 | 10,285 | 42,107 | (9,107) | 33,000 | 0% | 0 |
| Capital Projects - Replacement Reserve Fund (4655) | 756,881 | 129,605 | 160,000 | 596,881 | 454,935 | -40% | (301,945) |
| Capital Projects - Capital Reserve Fund (4650) | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Debt Service | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 789,881 | 139,890 | 202,107 | 587,774 | 487,935 | -38% | (301,945) |
| Total Operating & Non-Operating w/o Depreciation | 2,257,740 | 1,402,505 | 1,645,118 | 612,622 | 2,067,892 | -8% | (189,848) |
| Total Operating & Non-Operating with Depreciation | 2,953,906 | 2,095,237 | 2,338,150 | | 2,765,092 | -6% | (188,814) |

COLLECTION SYSTEM

I. **Personnel:**

This account has been based on projected labor needs that are anticipated for proper and efficient sewer line maintenance. The projections for labor requirements have been based on past experience and modified for projected efforts. The following seven are the personnel included in this area.

- 1 - Collections Maintenance Manager
- 1 - Collections Maintenance Supervisor (Tech III)
- 2 - Collections Maintenance Technician II
- 3 - Collections Maintenance Technician I

Projections for overtime have been made to provide for emergency response required during non-working hours and holidays.

II. **Operating Expenses:**

- A. Public Education
This account provides for the collection system share of expenses incurred in order to inform the public about the District.
- B. Vehicle Repairs and Maintenance
This account provides for fuel and the maintenance and operation of the vehicles used to maintain the sewer collection system. This includes the large commercial trucks.
- C. Liability & Property Insurance
This account provides for the allocation of insurance costs that are associated with the collection system department.
- D. Dues and Memberships
This account provides for costs associated with certifications, CWEA/WEF membership, and Class B licenses.
- E. Office Supplies
This account provides for codebooks and office, computer, and map room supplies.
- F. Operating Supplies
This account provides for the purchase of chemicals, safety equipment, calibration supplies, employee boot allowances, employee uniforms and supplies for special events.
- G. Attorney Fees
This account provides for legal counsel for matters pertaining specifically to the collection system such as legal research or personnel matters.

- H. Printing and Publication
This account provides for miscellaneous legal notices as required.
- I. Repair and Maintenance
This account provides for routine repair and maintenance of the sewer line system and related facilities, including manhole rising relative to the Santa Barbara County chip seal and overlay program. In addition, this account provides for root control services. This account also provides for numerous repairs of various sewer lines and rental of necessary equipment.
- J. Travel
This account provides for travel to attend traffic safety/defensive driving courses, training conferences and relative education courses.
- K. Seminar and Conference Registration
This account provides for fees paid in order for collection system staff to attend conferences and seminars such as those hosted by CWEA.
- L. Utilities
This account provides for power costs associated with the two lift stations within the sewage collection system, in addition to other proportionate costs for telephone service, mobile radios, pager service and drinking water.
- M. Computer Service and Maintenance
This account provides for computer software assistance, GIS, Lucity and Parcel Data Base system maintenance.
- N. Professional Services
This account provides for other miscellaneous professional services not mentioned above including but not limited to Collection System Master Plan updates, CPR/first aid training, Innoyze hydraulic model update, Sewer System Maintenance Plan (SSMP) updates and continuation of a competency-based training program.
- O. Replacement Reserve
As a result of the revenue program that has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation of \$696,166 will be added to the replacement reserve fund for adequate replacement of the collection system facilities.

III. **Capital Outlay:**

- A. Machinery and Equipment
Machinery and Equipment costs funded from Sewer Service Charge Revenue for FY 2022-23 include the following budgeted items:

| | |
|--------------------------------------|------------------|
| Manhole covers and frames | \$ 18,000 |
| Smart covers and flow meters | 15,000 |
| Total Machinery and Equipment | \$ 33,000 |

B. Capital Projects

This account provides for the construction of capital improvement projects for the collection system facilities.

1. The following projects are budgeted for FY 2022-23 and funded from replacement reserve fund #4655.

| | |
|----------------------------|--------|
| a. Manhole Raising Program | 20,000 |
|----------------------------|--------|

2. The following projects are budgeted for FY 2021-22 and funded from replacement reserve fund #4655.

| | |
|--------------------------------|------------|
| a. GSD 2021 Lines CIP projects | \$ 434,935 |
|--------------------------------|------------|

| | |
|------------------------|-------------------|
| Fund 4655 Total | \$ 454,935 |
|------------------------|-------------------|

| | |
|-------------------------------|-------------------|
| Total Capital Projects | \$ 487,935 |
|-------------------------------|-------------------|

FIRESTONE PUMP STATION

| Description | Budgeted | To Date | Projected | Under(Over) | Proposed | Percent | \$ Change |
|--|----------------|----------------|----------------|---------------|----------------|------------|--------------|
| | 2021-22 | 6/3/2022 | Actual | Budget | Budget | Change | |
| | | | 2021-22 | 2021-22 | 2022-23 | from last | from FY |
| | | | | | | FY | 2021-22 |
| PERSONNEL | | | | | | | |
| Basic Salaries | 17,878 | 16,561 | 18,245 | (367) | 20,261 | 13% | 2,383 |
| Overtime | 100 | 0 | 0 | 100 | 100 | 0% | 0 |
| Temporary | 144 | 38 | 42 | 102 | 165 | 15% | 22 |
| Directors Compensation | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Workers' Compensation | 378 | 379 | 379 | (1) | 449 | 19% | 71 |
| Retirement | 3,786 | 3,678 | 4,052 | (266) | 4,272 | 13% | 486 |
| Active Employee Insurance-Health/Dental/Vision/Disability | 4,524 | 4,861 | 5,303 | (779) | 5,528 | 22% | 1,004 |
| Retiree Health Insurance OPEB Funding | 1,786 | 1,791 | 1,791 | (6) | 1,938 | 9% | 152 |
| FICA | 1,049 | 968 | 1,066 | (17) | 1,191 | 14% | 142 |
| Medicare | 263 | 226 | 249 | 14 | 298 | 13% | 35 |
| Unemployment Insurance | 28 | 32 | 35 | (7) | 34 | 20% | 6 |
| <i>Subtotal</i> | 29,936 | 28,533 | 31,162 | (1,226) | 34,237 | 14% | 4,301 |
| OPERATING EXPENSES | | | | | | | |
| Public Education | 750 | 353 | 423 | 327 | 750 | 0% | 0 |
| Janitorial Service & Supplies | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Uniforms | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Licenses & Permits | 500 | 830 | 830 | (330) | 500 | 0% | 0 |
| Freight & Postage | 15 | 0 | 15 | 0 | 15 | 0% | 0 |
| Subscriptions | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Vehicle Repairs & Maintenance | 600 | 0 | 600 | 0 | 600 | 0% | 0 |
| Liability & Property Insurance | 5,520 | 5,186 | 5,186 | 334 | 7,600 | 38% | 2,080 |
| Dues & Memberships | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Office Supplies | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Analysis & Monitoring | 100 | 646 | 776 | (676) | 100 | 0% | 0 |
| Operating Supplies | 1,000 | 0 | 0 | 1,000 | 1,000 | 0% | 0 |
| Attorney Fees | 300 | 65 | 78 | 222 | 300 | 0% | 0 |
| Printing & Publications | 20 | 0 | 0 | 20 | 20 | 0% | 0 |
| Repairs and Maintenance | 20,000 | 3,376 | 4,051 | 15,949 | 20,000 | 0% | 0 |
| Travel | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Seminars, Conferences and Training | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Utilities | 4,200 | 5,135 | 6,162 | (1,962) | 4,599 | 9% | 399 |
| Election Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Computer Service & Maintenance | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Lease/Rentals | 100 | 45 | 54 | 46 | 100 | 0% | 0 |
| Consulting Services | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Biosolids Hauling | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Professional Services | 0 | 7,640 | 9,168 | (9,168) | 0 | 0% | 0 |
| Other Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 33,105 | 23,275 | 27,343 | 5,761 | 35,584 | 7% | 2,479 |
| Total Personnel and Operating Expenses | 63,041 | 51,808 | 58,506 | 4,535 | 69,820 | 11% | 6,780 |
| DEPRECIATION FUNDING | | | | | | | |
| Replacement Reserve | 84,546 | 84,546 | 84,546 | 0 | 84,546 | 0% | 0 |
| <i>Subtotal</i> | 84,546 | 84,546 | 84,546 | 0 | 84,546 | 0% | |
| CAPITAL OUTLAY | | | | | | | |
| Machinery and Equipment | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Capital Projects - Replacement Reserve Fund (4655) | 50,000 | 0 | 0 | 50,000 | 50,000 | 0% | 0 |
| Capital Projects - Capital Reserve Fund (4650) | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Debt Service | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 50,000 | 0 | 0 | 50,000 | 50,000 | 0% | 0 |
| Total Operating & Non-Operating w/o Depreciation | 113,041 | 51,808 | 58,506 | 54,535 | 119,820 | 6% | 6,780 |
| Total Operating & Non-Operating with Depreciation | 197,587 | 136,354 | 143,051 | | 204,366 | 3% | 6,780 |

FIRESTONE PUMP STATION

I. Personnel:

This account has been projected based on labor requirements anticipated for the operation of the Firestone pump station. The projections for labor requirements have been based on past experience and modified for projected efforts.

II. Operating Expenses:

The major operating expenses which are budgeted in this area provide for the utilities account and the repair and maintenance account.

A. Utilities

This account provides for power costs and telephone service associated with the Firestone pump station.

B. Repair and Maintenance

This account provides for the purchase of spare parts and continual work required in the repair and maintenance of the pump station.

III. Replacement Reserve

As a result of the revenue program, which has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation for the Firestone pump station is included in the Wastewater Treatment Facilities replacement reserve fund. This will provide adequate funding for replacement of the pump station facilities

IV. Capital Outlay:

A. Machinery and Equipment

This account provides for the purchase of equipment for the Firestone pump station.

B. Capital Projects

This account provides for the construction of capital improvement projects for the Firestone pump station facilities.

1. The following projects are budgeted for FY 2021-22 and funded from replacement reserve fund #4655.

| | | |
|----|-----------------------------|-----------|
| a. | Jocky Pump to regulate flow | \$ 50,000 |
|----|-----------------------------|-----------|

| | | |
|--|--|------------------|
| | Total 655 Fund Capital Projects | \$ 50,000 |
|--|--|------------------|

MAIN PUMP STATION

| Description | Budgeted | To Date | Projected | Under(Over) | Proposed | Percent | \$ Change |
|--|------------------|----------------|-------------------|-------------------|-------------------|---------------------------|----------------|
| | 2021-22 | 6/3/2022 | Actual 2021-22 | Budget 2021-22 | Budget 2022-23 | Change from last FY | |
| PERSONNEL | | | | | | | |
| Basic Salaries | 59,882 | 72,629 | 80,015 | (20,133) | 65,492 | 9% | 5,610 |
| Overtime | 300 | 402 | 443 | (143) | 300 | 0% | 0 |
| Temporary | 144 | 38 | 42 | 102 | 165 | 15% | 22 |
| Directors Compensation | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Workers' Compensation | 1,267 | 1,269 | 1,269 | (2) | 1,451 | 15% | 184 |
| Retirement | 14,404 | 16,528 | 18,209 | (3,805) | 15,602 | 8% | 1,198 |
| Active Employee Insurance-Health/Dental/Vision/Disability | 15,153 | 13,235 | 14,438 | 715 | 17,870 | 18% | 2,717 |
| Retiree Health Insurance OPEB Funding | 5,981 | 5,999 | 5,999 | (18) | 6,263 | 5% | 282 |
| FICA | 3,600 | 4,457 | 4,910 | (1,310) | 3,932 | 9% | 331 |
| Medicare | 875 | 1,042 | 1,148 | (273) | 956 | 9% | 82 |
| Unemployment Insurance | 95 | 88 | 97 | (2) | 102 | 8% | 7 |
| <i>Subtotal</i> | 101,701 | 115,686 | 126,570 | (24,869) | 112,134 | 10% | 10,433 |
| OPERATING EXPENSES | | | | | | | |
| Public Education | 750 | 353 | 423 | 327 | 750 | 0% | 0 |
| Janitorial Service & Supplies | 100 | 66 | 79 | 21 | 100 | 0% | 0 |
| Uniforms | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Licenses & Permits | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Freight & Postage | 100 | 24 | 100 | 0 | 100 | 0% | 0 |
| Subscriptions | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Vehicle Repairs & Maintenance | 200 | 0 | 0 | 200 | 200 | 0% | 0 |
| Liability & Property Insurance | 5,210 | 4,897 | 4,897 | 313 | 7,200 | 38% | 1,990 |
| Dues & Memberships | 100 | 0 | 100 | 0 | 100 | 0% | 0 |
| Office Supplies | 200 | 36 | 200 | 0 | 200 | 0% | 0 |
| Analysis & Monitoring | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Operating Supplies | 250 | 111 | 250 | 0 | 250 | 0% | 0 |
| Attorney Fees | 400 | 4,595 | 400 | 0 | 400 | 0% | 0 |
| Printing & Publications | 50 | 0 | 0 | 50 | 50 | 0% | 0 |
| Repairs and Maintenance | 20,000 | 6,945 | 20,000 | 0 | 20,000 | 0% | 0 |
| Travel | 100 | 0 | 0 | 100 | 100 | 0% | 0 |
| Seminars, Conferences and Training | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Utilities | 65,000 | 58,527 | 70,233 | (5,233) | 71,175 | 10% | 6,175 |
| Election Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Computer Service & Maintenance | 4,000 | 664 | 1,200 | 2,800 | 4,000 | 0% | 0 |
| Lease/Rentals | 250 | 134 | 161 | 89 | 250 | 0% | 0 |
| Consulting Services | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Biosolids Hauling | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Professional Services | 1,000 | 215 | 258 | 742 | 1,000 | 0% | 0 |
| Other Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 97,710 | 76,566 | 98,301 | (591) | 105,875 | 8% | 8,165 |
| Total Personnel and Operating Expenses | 199,411 | 192,253 | 224,871 | (25,460) | 218,009 | 9% | 18,598 |
| DEPRECIATION FUNDING | | | | | | | |
| Replacement Reserve | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 0 | 0 | 0 | 0 | 0 | 0% | |
| CAPITAL OUTLAY | | | | | | | |
| Machinery and Equipment | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Capital Projects - Replacement Reserve Fund (4655) | 3,417,492 | 112,452 | 122,245 | 3,295,247 | 3,988,554 | 17% | 571,062 |
| Capital Projects - Capital Reserve Fund (4650) | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Debt Service | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 3,417,492 | 112,452 | 122,245 | 3,295,247 | 3,988,554 | 17% | 571,062 |
| Total Operating & Non-Operating w/o Depreciation | 3,616,902 | 304,705 | 347,116 | 3,269,786 | 4,206,562 | 16% | 589,660 |
| Total Operating & Non-Operating with Depreciation | 3,616,902 | 304,705 | 347,116 | | 4,206,562 | 16% | 589,660 |

MAIN PUMP STATION

I. Personnel:

This account has been projected based on labor requirements anticipated for the operation of the District's pump station. This budget projection and allocation of personnel will be closely monitored and adjusted as necessary.

II. Operating Expenses:

The major operating expenses which are budgeted in this area provide for the utilities account and the repair and maintenance account.

A. Utilities

This account provides for power costs associated with the plant pump station.

B. Repair and Maintenance

This account provides for the purchase of spare parts and continual work required in the repair and maintenance of the facility and the maintenance of the odor reduction tower (ORT).

III. Replacement Reserve

As a result of the revenue program, which has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation for the pump station is included in the Wastewater Treatment Facilities replacement reserve fund. This will provide adequate funding for replacement of the pump station facilities

IV. Capital Outlay:

A. Machinery and Equipment

This account provides for the purchase of equipment for the plant pump station.

B. Capital Projects

This account provides for the construction of capital improvement projects for the plant pump station facilities.

1. The following project is budgeted for Fiscal Year 2022-23 and funded from replacement reserve fund #4655.

| | |
|--|------------|
| 2019 Lift Station Rehabilitation Construction Management | \$ 456,072 |
| 2019 Lift Station Rehabilitation Project additional | 237,235 |

2. The following projects were budgeted in prior Fiscal Years and funded from replacement reserve fund #4655.

| | |
|---|--------------|
| 2019 Lift Station Rehabilitation Project additional | \$ 3,295,246 |
|---|--------------|

Total Capital Projects **\$ 3,988,554**

INDUSTRIAL WASTE CONTROL

| Description | Budgeted | To Date | Projected | Under(Over) | Proposed | Percent | \$ Change |
|--|----------------|----------------|-------------------|-------------------|-------------------|---------------------------|---------------|
| | 2021-22 | 6/3/2022 | Actual 2021-22 | Budget 2021-22 | Budget 2022-23 | Change from last FY | |
| PERSONNEL | | | | | | | |
| Basic Salaries | 108,058 | 95,280 | 104,969 | 3,089 | 115,700 | 7% | 7,642 |
| Overtime | 200 | 0 | 0 | 200 | 200 | 0% | 0 |
| Temporary | 15,785 | 376 | 414 | 15,371 | 18,197 | 15% | 2,412 |
| Directors Compensation | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Workers' Compensation | 2,286 | 2,289 | 2,289 | (3) | 2,563 | 12% | 277 |
| Retirement | 33,964 | 31,134 | 34,300 | (336) | 37,156 | 9% | 3,192 |
| Active Employee Insurance-Health/Dental/Vision/Disability | 27,344 | 26,719 | 29,148 | (1,804) | 31,569 | 15% | 4,226 |
| Retiree Health Insurance OPEB Funding | 10,793 | 10,825 | 10,825 | (32) | 11,064 | 3% | 271 |
| FICA | 7,565 | 5,876 | 6,474 | 1,091 | 8,177 | 8% | 612 |
| Medicare | 1,799 | 1,374 | 1,514 | 285 | 1,944 | 8% | 146 |
| Unemployment Insurance | 319 | 124 | 137 | 182 | 557 | 75% | 238 |
| <i>Subtotal</i> | 208,112 | 173,997 | 190,070 | 18,042 | 227,127 | 9% | 19,015 |
| OPERATING EXPENSES | | | | | | | |
| Public Education | 7,500 | 3,528 | 4,233 | 3,267 | 7,500 | 0% | 0 |
| Janitorial Service & Supplies | 1,100 | 885 | 1,062 | 38 | 1,100 | 0% | 0 |
| Uniforms | 500 | 458 | 550 | (50) | 500 | 0% | 0 |
| Licenses & Permits | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Freight & Postage | 100 | 24 | 29 | 71 | 100 | 0% | 0 |
| Subscriptions | 450 | 206 | 248 | 202 | 450 | 0% | 0 |
| Vehicle Repairs & Maintenance | 1,000 | 1,027 | 800 | 200 | 1,000 | 0% | 0 |
| Liability & Property Insurance | 3,160 | 3,120 | 3,120 | 40 | 570 | -82% | (2,590) |
| Dues & Memberships | 600 | 480 | 576 | 24 | 600 | 0% | 0 |
| Office Supplies | 1,100 | 509 | 650 | 450 | 1,100 | 0% | 0 |
| Analysis & Monitoring | 9,000 | 383 | 460 | 8,540 | 9,000 | 0% | 0 |
| Operating Supplies | 1,000 | 271 | 362 | 638 | 1,000 | 0% | 0 |
| Attorney Fees | 3,400 | 3,769 | 4,112 | (712) | 3,400 | 0% | 0 |
| Printing & Publications | 500 | 142 | 100 | 400 | 500 | 0% | 0 |
| Repairs and Maintenance | 3,000 | 0 | 3,400 | (400) | 3,000 | 0% | 0 |
| Travel | 1,500 | 1,689 | 1,500 | 0 | 1,500 | 0% | 0 |
| Seminars, Conferences and Training | 1,400 | 99 | 132 | 1,268 | 1,400 | 0% | 0 |
| Utilities | 1,125 | 491 | 589 | 536 | 1,232 | 10% | 107 |
| Election Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Computer Service & Maintenance | 1,000 | (460) | 600 | 400 | 1,000 | 0% | 0 |
| Lease/Rentals | 300 | 305 | 407 | (107) | 300 | 0% | 0 |
| Consulting Services | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Biosolids Hauling | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Professional Services | 0 | 657 | 0 | 0 | 0 | 0% | 0 |
| Other Expense | 150 | (4,684) | (4,684) | 4,834 | 150 | 0% | 0 |
| <i>Subtotal</i> | 37,885 | 12,900 | 18,246 | 19,639 | 35,402 | -7% | (2,483) |
| Total Personnel and Operating Expenses | 245,997 | 186,898 | 208,316 | 37,681 | 262,529 | 7% | 16,532 |
| DEPRECIATION FUNDING | | | | | | | |
| Replacement Reserve | 0 | 0 | 1,678 | (1,678) | 4,026 | +100% | 4,026 |
| <i>Subtotal</i> | 0 | 0 | 0 | 0 | 0 | 0% | |
| CAPITAL OUTLAY | | | | | | | |
| Machinery and Equipment | 0 | 40,262 | 40,262 | (40,262) | 0 | 0% | 0 |
| Capital Projects - Replacement Reserve Fund (4655) | 10,000 | 0 | 0 | 10,000 | 0 | -100% | (10,000) |
| Capital Projects - Capital Reserve Fund (4650) | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Debt Service | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 10,000 | 40,262 | 40,262 | (30,262) | 0 | -100% | (10,000) |
| Total Operating & Non-Operating w/o Depreciation | 255,997 | 227,159 | 248,578 | 7,419 | 262,529 | 3% | 6,532 |
| Total Operating & Non-Operating with Depreciation | 255,997 | 227,159 | 248,578 | | 262,529 | | 6,532 |

INDUSTRIAL WASTE CONTROL

I. **Personnel:**

This account has been based on projected labor needs that are anticipated for implementation of the expanded Industrial Waste Control Program, which now includes permitting, inspecting, and monitoring restaurants.

This account provides for three positions as follows:

- 1 - Industrial Waste Control Officer
- 1 - Intern (Temporary part-time)

II. **Operating Expenses:**

- A. Vehicle Repairs and maintenance
This account provides for fuel and the maintenance and operation of the vehicles used for Industrial Waste Control Program operations.
- B. Dues and Memberships
This account provides for CWEA membership and for fees associated with the CWEA technical certification program.
- C. Office Supplies
This account provides for office supplies such as folders, binders, pens, paper, etc. It also provides for purchase of necessary regulatory books, manuals, handbooks, subscriptions, etc.
- D. Operating Supplies
This account provides for the purchase of equipment and supplies necessary for program implementation.
- E. Attorney Fees
This account provides for District counsel legal services.
- F. Printing and Publication
This account provides for publication of legal notices for significant noncompliance, in addition to outside printing of Industrial Waste Control Program material such as educational newsletters.
- G. Repair and Maintenance
This account provides for general repair and maintenance of Industrial Waste Control Program equipment, and for the purchase of tools and materials for in-house maintenance.
- H. Travel
This account provides for travel to seminars and conferences related to the Industrial Waste Control Program.

- I. Consulting Services – This account provides for special project consulting services such as local limit development and updates for industrial dischargers.

III. **Capital Outlay:**

- A. Machinery and Equipment

This account provides for purchase of equipment used for the IWC program. The IWC Truck and equipment was delivered during FY21-22.

- B. Capital Projects

This account provides for the construction of capital improvement projects for the IWC program. The rehabilitation of the Old-lab facility has been on hold for a number of years and remains on hold for the foreseeable future and has been removed until such time as the work will be performed.

LABORATORY

| Description | Budgeted | To Date | Projected | Under(Over) | Proposed | Percent | \$ Change |
|--|----------------|----------------|-------------------|-------------------|-------------------|---------------------------|--------------------|
| | 2021-22 | 6/3/2022 | Actual 2021-22 | Budget 2021-22 | Budget 2022-23 | Change from last FY | from FY 2021-22 |
| PERSONNEL | | | | | | | |
| Basic Salaries | 294,779 | 262,366 | 289,048 | 5,731 | 308,753 | 5% | 13,975 |
| Overtime | 3,000 | 1,674 | 1,845 | 1,155 | 3,000 | 0% | 0 |
| Temporary | 718 | 188 | 207 | 511 | 827 | 15% | 110 |
| Directors Compensation | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Workers' Compensation | 6,236 | 6,246 | 6,246 | (10) | 6,840 | 10% | 604 |
| Retirement | 96,642 | 88,660 | 97,677 | (1,035) | 105,348 | 9% | 8,706 |
| Active Employee Insurance-Health/Dental/Vision/Disability | 74,592 | 89,389 | 97,515 | (22,923) | 84,245 | 13% | 9,652 |
| Retiree Health Insurance OPEB Funding | 29,444 | 29,533 | 29,533 | (89) | 29,526 | 0% | 82 |
| FICA | 18,358 | 16,298 | 17,955 | 403 | 19,207 | 5% | 850 |
| Medicare | 4,328 | 3,812 | 4,199 | 129 | 4,532 | 5% | 204 |
| Unemployment Insurance | 468 | 350 | 385 | 83 | 483 | 3% | 15 |
| <i>Subtotal</i> | 528,564 | 498,515 | 544,610 | (16,045) | 562,761 | 6% | 34,197 |
| OPERATING EXPENSES | | | | | | | |
| Public Education | 4,000 | 1,764 | 2,117 | 1,883 | 4,000 | 0% | 0 |
| Janitorial Service & Supplies | 3,800 | 3,395 | 4,074 | (274) | 3,800 | 0% | 0 |
| Uniforms | 1,820 | 1,559 | 1,871 | (51) | 1,820 | 0% | 0 |
| Licenses & Permits | 13,735 | 4,538 | 5,445 | 8,290 | 10,585 | -23% | (3,150) |
| Freight & Postage | 750 | 330 | 396 | 354 | 750 | 0% | 0 |
| Subscriptions | 850 | 412 | 495 | 355 | 850 | 0% | 0 |
| Vehicle Repairs & Maintenance | 240 | 0 | 0 | 240 | 240 | 0% | 0 |
| Liability & Property Insurance | 10,110 | 9,503 | 9,503 | 607 | 1,680 | -83% | (8,430) |
| Dues & Memberships | 3,070 | 2,147 | 2,576 | 494 | 3,070 | 0% | 0 |
| Office Supplies | 800 | 276 | 332 | 468 | 800 | 0% | 0 |
| Analysis & Monitoring | 50,000 | 23,099 | 27,719 | 22,281 | 50,000 | 0% | 0 |
| Operating Supplies | 48,200 | 34,622 | 41,547 | 6,653 | 48,200 | 0% | 0 |
| Attorney Fees | 2,400 | 518 | 622 | 1,778 | 2,400 | 0% | 0 |
| Printing & Publications | 490 | 0 | 0 | 490 | 490 | 0% | 0 |
| Repairs and Maintenance | 6,622 | 0 | 0 | 6,622 | 6,622 | 0% | 0 |
| Travel | 4,000 | 99 | 119 | 3,881 | 4,000 | 0% | 0 |
| Seminars, Conferences and Training | 2,200 | 301 | 361 | 1,839 | 2,700 | 23% | 500 |
| Utilities | 7,960 | 7,652 | 9,183 | (1,223) | 8,800 | 11% | 840 |
| Election Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Computer Service & Maintenance | 3,990 | 329 | 395 | 3,595 | 5,130 | 29% | 1,140 |
| Lease/Rentals | 700 | 495 | 593 | 107 | 700 | 0% | 0 |
| Consulting Services | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Biosolids Hauling | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Professional Services | 10,705 | 4,479 | 5,375 | 5,330 | 10,705 | 0% | 0 |
| Other Expense | 200 | (2,141) | (2,141) | 2,341 | 200 | 0% | 0 |
| <i>Subtotal</i> | 176,642 | 93,377 | 110,582 | 66,060 | 167,542 | -5% | (9,100) |
| Total Personnel and Operating Expenses | 705,206 | 591,892 | 655,191 | 50,015 | 730,303 | 4% | 25,097 |
| DEPRECIATION FUNDING | | | | | | | |
| Replacement Reserve | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 0 | 0 | 0 | 0 | 0 | 0% | |
| CAPITAL OUTLAY | | | | | | | |
| Machinery and Equipment | 9,500 | 0 | 9,500 | 0 | 12,500 | 32% | 3,000 |
| Capital Projects - Replacement Reserve Fund (4655) | 40,000 | 0 | 0 | 40,000 | 160,000 | 300% | 120,000 |
| Capital Projects - Capital Reserve Fund (4650) | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Debt Service | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 49,500 | 0 | 9,500 | 40,000 | 172,500 | 248% | 123,000 |
| Total Operating & Non-Operating w/o Depreciation | 754,706 | 591,892 | 664,691 | 90,015 | 902,803 | 20% | 148,097 |
| Total Operating & Non-Operating with Depreciation | 754,706 | 591,892 | 664,691 | | 902,803 | 20% | 148,097 |

FISCAL YEAR 2022-23

LABORATORY

I. Personnel:

This account has been based on projected labor needs that are anticipated for proper plant operations and reporting program requirements. The following three personnel are included in this area.

- 1 - Technical Services/Lab Manager
- 0 - Lab Analyst II
- 2 - Lab Analyst I

II. Operating Expense:

In prior fiscal years the Laboratory was a cost center under the Treatment Plant Department and beginning last fiscal year an additional department was created with its own departmental budget. The prior year values are included on the summary page for this department.

A. Vehicle Repairs and Maintenance

This account provides for fuel and the maintenance and operation of vehicles used for laboratory operations.

B. Liability & Property Insurance

This account provides for the allocation of the insurance coverage applicable to the lab operations and facilities.

C. Analysis & Monitoring

This account provides for outside professional services such as laboratory analysis and ocean monitoring.

| | |
|--|-----------|
| OEC/ABC Labs, Bioassay, Ocean monitoring | \$ 45,000 |
| Outside Laboratories | 5,000 |

Total Analysis & Monitoring **\$ 50,000**

D. Operating Supplies

This account provides for the purchase of laboratory supplies, and other related items as follows:

| | |
|--|-----------|
| Laboratory Supplies | \$ 20,000 |
| Safety Equipment | 2,500 |
| Bacteriological Analysis Supplies | 12,000 |
| Lab DI water | 4,000 |
| Other Miscellaneous Operating Supplies | 9,700 |

Total Operating Supplies **\$ 48,200**

- E. Printing and Publication
This account provides for miscellaneous legal notices as required.
- F. Professional Services
This account provides for the other professional services not included in other line items.
- G. Seminar and Conference Registration
This account provides for registration and attendance at training conferences and seminars such as those hosted by CWEA for assigned plant personnel.
- H. Utilities
This account provides for utilities used in the lab facilities, with electric power being the major cost factor.

III. **Capital Outlay:**

- A. Machinery and Equipment
This account provides for the purchase of equipment for use in the Treatment Plant.

| | |
|--|-----------|
| 24 Hour Refrigerated Composite Sampler | \$ 12,500 |
|--|-----------|
- B. Capital Projects
This account provides for the construction of capital improvement projects for the Lab.
 1. The following project is budgeted for Fiscal Year 2022-23 and funded from replacement reserve fund #4655.

| | |
|------------------------------|------------|
| HVAC Air Scrubber additional | \$ 120,000 |
|------------------------------|------------|
 2. The following project is budgeted for Fiscal Year 2020-21 and funded from replacement reserve fund #4655.

| | |
|-------------------|-----------|
| HVAC Air Scrubber | \$ 40,000 |
|-------------------|-----------|

| | |
|-------------------------------|-------------------|
| Total Capital Projects | \$ 160,000 |
|-------------------------------|-------------------|

PLANT

| Description | Budgeted | To Date | Projected | Under(Over) | Proposed | Percent | \$ Change |
|--|------------------|------------------|------------------|------------------|-------------------|---------------------|------------------|
| | 2021-22 | 6/3/2022 | Actual | Budget | Budget | Change from last FY | from FY 2021-22 |
| PERSONNEL | | | | | | | |
| Basic Salaries | 1,535,741 | 1,250,310 | 1,377,460 | 158,281 | 1,577,809 | 3% | 42,068 |
| Overtime | 9,000 | 6,821 | 7,515 | 1,485 | 9,000 | 0% | 0 |
| Temporary | 5,453 | 4,086 | 4,501 | 952 | 6,286 | 15% | 833 |
| Directors Compensation | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Workers' Compensation | 32,488 | 32,539 | 32,539 | (51) | 34,953 | 8% | 2,465 |
| Retirement | 376,969 | 340,580 | 375,215 | 1,754 | 387,710 | 3% | 10,741 |
| Active Employee Insurance-Health/Dental/Vision/Disability | 388,612 | 333,438 | 363,750 | 24,862 | 430,512 | 11% | 41,900 |
| Retiree Health Insurance OPEB Funding | 153,397 | 153,857 | 153,857 | (459) | 150,885 | -2% | (2,513) |
| FICA | 93,403 | 76,493 | 84,272 | 9,131 | 95,672 | 2% | 2,269 |
| Medicare | 22,478 | 17,890 | 19,709 | 2,769 | 23,100 | 3% | 622 |
| Unemployment Insurance | 2,552 | 1,652 | 1,820 | 732 | 2,513 | -2% | (40) |
| <i>Subtotal</i> | 2,620,094 | 2,217,664 | 2,420,638 | 199,456 | 2,718,440 | 4% | 98,346 |
| OPERATING EXPENSES | | | | | | | |
| Public Education | 29,000 | 13,405 | 16,086 | 12,914 | 29,000 | 0% | 0 |
| Janitorial Service & Supplies | 23,500 | 20,018 | 24,021 | (521) | 23,500 | 0% | 0 |
| Uniforms | 11,180 | 6,895 | 9,194 | 1,986 | 11,180 | 0% | 0 |
| Licenses & Permits | 88,682 | 92,150 | 70,000 | 18,682 | 128,682 | 45% | 40,000 |
| Freight & Postage | 1,100 | 542 | 800 | 300 | 1,100 | 0% | 0 |
| Subscriptions | 4,600 | 2,269 | 2,723 | 1,877 | 4,600 | 0% | 0 |
| Vehicle Repairs & Maintenance | 13,750 | 8,766 | 13,750 | 0 | 15,046 | 9% | 1,296 |
| Liability & Property Insurance | 143,485 | 136,362 | 136,362 | 7,123 | 163,928 | 14% | 20,443 |
| Dues & Memberships | 6,900 | 5,743 | 6,892 | 8 | 6,900 | 0% | 0 |
| Office Supplies | 5,900 | 3,196 | 4,036 | 1,864 | 5,900 | 0% | 0 |
| Analysis & Monitoring | 86,000 | 17,223 | 21,755 | 64,245 | 98,900 | 15% | 12,900 |
| Operating Supplies | 580,761 | 446,445 | 595,259 | (14,498) | 564,490 | -3% | (16,271) |
| Attorney Fees | 17,100 | 14,009 | 18,679 | (1,579) | 17,100 | 0% | 0 |
| Printing & Publications | 3,500 | 200 | 500 | 3,000 | 3,500 | 0% | 0 |
| Repairs and Maintenance | 300,000 | 230,298 | 335,000 | (35,000) | 310,000 | 3% | 10,000 |
| Travel | 13,000 | 4,468 | 8,900 | 4,100 | 13,000 | 0% | 0 |
| Seminars, Conferences and Training | 20,600 | 952 | 13,900 | 6,700 | 20,600 | 0% | 0 |
| Utilities | 416,600 | 478,457 | 574,149 | (157,549) | 539,400 | 29% | 122,800 |
| Election Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Computer Service & Maintenance | 89,347 | 56,542 | 88,000 | 1,347 | 108,800 | 22% | 19,453 |
| Lease/Rentals | 317,000 | 281,814 | 78,000 | 239,000 | 125,000 | -61% | (192,000) |
| Consulting Services | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Biosolids Hauling | 650,000 | 556,369 | 650,000 | 0 | 654,810 | 1% | 4,810 |
| Professional Services | 228,300 | 50,098 | 200,000 | 28,300 | 233,300 | 2% | 5,000 |
| Other Expense | 400 | (16,309) | (16,309) | 16,709 | 400 | 0% | 0 |
| <i>Subtotal</i> | 3,050,705 | 2,409,912 | 2,851,697 | 199,008 | 3,079,136 | 1% | 28,431 |
| Total Personnel and Operating Expenses | 5,670,798 | 4,627,575 | 5,272,334 | 398,464 | 5,797,576 | 2% | 126,777 |
| DEPRECIATION FUNDING | | | | | | | |
| Replacement Reserve | 2,264,670 | 2,257,615 | 2,262,615 | 2,055 | 2,268,615 | 0% | 3,945 |
| <i>Subtotal</i> | 2,264,670 | 2,257,615 | 2,262,615 | 2,055 | 2,268,615 | 0% | |
| CAPITAL OUTLAY | | | | | | | |
| Machinery and Equipment | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Capital Projects - Replacement Reserve Fund (4655) | 537,573 | 144,352 | 184,465 | 353,107 | 436,008 | -19% | (101,565) |
| Capital Projects - Capital Reserve Fund (4650) | 1,167,500 | 689,015 | 800,100 | 367,400 | 5,228,079 | 348% | 4,060,579 |
| Debt Service | 0 | 0 | 0 | 0 | 472,025 | +100% | 472,025 |
| <i>Subtotal</i> | 1,705,073 | 833,367 | 984,566 | 720,507 | 6,136,111 | 260% | 4,431,039 |
| Total Operating & Non-Operating w/o Depreciation | 7,375,871 | 5,460,943 | 6,256,900 | 1,118,971 | 11,933,687 | 62% | 4,557,816 |
| Total Operating & Non-Operating with Depreciation | 9,640,541 | 7,718,558 | 8,519,515 | | 14,202,302 | 47% | 4,561,761 |

PLANT

I. Personnel:

This account has been based on projected labor needs that are anticipated for proper plant operations and reporting program requirements. The following 19 personnel are included in this area.

- 1 – Plant Operations Manager
- 1 - Treatment Plant Operations Supervisor
- 1 - Senior Operator (Grade IV)
- 1 – Senior Project Engineer
- 1 – Safety & Regulatory Compliance Manager
- 4 - Treatment Plant Operator Grade III
- 1 - Treatment Plant Operator Grade II
- 1 - Treatment Plant Operator Grade I
- 1 - Treatment Plant Operator in Training (OIT-III)
- 1 - Facility Maintenance Supervisor
- 1 - Instrumentation Technician
- 1 - Maintenance Technician III
- 1 - Electrician
- 1 - Maintenance Technician II
- 1 - Maintenance Technician I
- 2 - Maintenance Workers

Projections for overtime have been made to provide for emergency response required during non-working hours and holidays. In addition, temporary help has been budgeted to implement approved maintenance and repair programs.

II. Operating Expense:

A. Vehicle Repairs and Maintenance

This account provides for fuel and the maintenance and operation of vehicles used for plant operations.

B. Liability & Property Insurance

This account provides for the allocation of the insurance coverage applicable to the treatment facilities.

C. Analysis & Monitoring

This account provides for outside professional services such as laboratory analysis and ocean monitoring.

| | |
|--|-----------|
| Annual Flow and Gas meter Calibration | \$ 13,800 |
| Investigation Analysis and outside labs | 74,692 |
| APCD Annual Source Testing / Certification | 10,408 |

Total Analysis & Monitoring **\$ 98,900**

D. Operating Supplies

This account provides for the purchase of chemicals for the plant operations, uniforms, laboratory supplies, and other related items as follows:

| | |
|--|-----------|
| Sodium Hypochlorite | \$ 70,000 |
| Sodium Bisulfite | 50,000 |
| Ferric Chloride | 100,000 |
| Polymer for Sludge Dewatering and thickening | 230,000 |
| Grease, Oils, Lubrication | 6,000 |
| Generator/Tractor Diesel Fuel | 25,000 |
| Herbicides/Lawn Products | 2,500 |
| Solvents/Degreasers/Make-up Water Inhibitors | 600 |
| Boiler Chemical Inhibitors | 4,500 |
| Boiler water softener tanks | 5,000 |
| Deodorizers/Grit Dumpster at head works | 1,500 |
| Safety Boot Allowance | 4,790 |
| Safety Equipment and fall protection | 15,000 |
| Welding Gases and supplies | 3,500 |
| H2S Gas Detector Tubes (Dräger Tubes) | 1,700 |
| Bio-augmentation | 36,000 |
| Fuel/Oil/Propane | 8,400 |

Total Operating Supplies **\$ 564,490**

E. Printing and Publication

This account provides for miscellaneous legal notices as required.

F. Repairs and Maintenance

This account provides for the general repair and maintenance of the plant facilities as outlined below:

| | |
|--|----------|
| Area Signs and Pipe Identification Signs | \$ 5,000 |
| Pipe and Fittings | 50,000 |
| Steel | 15,000 |
| Flow Meter Parts | 15,000 |
| Paint Supplies | 15,000 |
| Mower Parts | 2,000 |
| Miscellaneous Parts | 15,000 |
| Electrical Parts/Equipment | 20,000 |
| Safety Equipment Repairs | 8,000 |
| O&M Cleaning supplies | 1,500 |
| Waste Oil | 1,500 |
| Landscape Supplies | 6,000 |
| Heavy Equip. Repair (Tractors/Loaders) | 15,000 |
| Repair Services/Machine Shop | 6,000 |
| Misc. Pumps, Process Equip. Mechanical Parts | 50,000 |
| Dredge Repairs | 8,000 |
| Outside Contractor Repairs | 15,000 |
| Tree removal & chipping | 8,000 |
| Flygt Parts for RAS Station | 18,000 |
| Vogelsang WSS Pump Spare wear parts | 8,000 |

| | |
|-------------------------------|--------|
| Huber Thickener Parts | 8,000 |
| Generac Generator Spare Parts | 20,000 |

Total Repairs and Maintenance: \$ 310,000

G. Seminar and Conference Registration
This account provides for registration and attendance at training conferences and seminars such as those hosted by CWEA for assigned plant personnel.

H. Utilities
This account provides for utilities used in the treatment facilities, with electric power being the major cost factor.

I. Biosolids Hauling
This account provides for Biosolids disposal and hauling **\$ 654,810**

J. Professional Services
This account provides for other professional services not included in other line items such as emergency generator service; Boiler Maintenance; Competency Based Training, SDS Management; Engineering Services; Cathodic Protection Study; Plant Model; Lucity Training and Instruction; Health physicals and testing.

K. Replacement Reserve
As a result of the revenue program that has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation of \$1,084,206 will be added to the replacement reserve fund for adequate replacement of all the wastewater treatment facilities.

III. Capital Outlay:

A. Machinery and Equipment
This account provides for the purchase of equipment for use in the Treatment Plant.

B. Capital Projects
This account provides for the construction of capital improvement projects for the treatment facilities.

1. The following projects are budgeted for FY 2022-23 and funded from replacement reserve fund #4650.

| | |
|--|-----------|
| Biosolids & Energy Strategic Plan Design | |
| Phase 1 additional | \$ 58,079 |
| Biosolids & Energy Strategic Phase 1 Construction | 3,000,000 |
| Biosolids & Energy Strategic Phase 1 Construction Management | 400,000 |
| Biosolids & Energy Strategic Phase 2 Design | 1,120,000 |

2. The following projects are budgeted for FY 2021-22 and funded from replacement reserve fund #4650.

| | |
|--|---------|
| Biosolids & Energy Strategic Plan Design | |
| Regulatory requirements | 150,000 |

| | |
|--|---------------------|
| Biosolids Reduction Sludge Treatment (Lystek) | 250,000 |
| 3. The following projects are budgeted for FY 2020-21 and funded from replacement reserve fund #4650. | |
| Advanced Water Treatment Plant Preliminary Engineering | \$ 250,000 |
| Fund 4650 Total | \$ 5,228,079 |
| 1. The following projects are budgeted for FY 2022-23 and funded from replacement reserve fund #4655. | |
| Chemical Storage Discharge Pump | \$ 40,000 |
| Vehicle Lift | 40,000 |
| Fire System Isolation Valve replacement | 20,000 |
| 2. The following projects are budgeted for FY 2021-22 and funded from replacement reserve fund #4655 | |
| SS Air Valves on HW additional | \$ 25,000 |
| Solids Building Polymer Blend Unit | 10,000 |
| Hoffman Blower Motor 50 hp | 10,000 |
| PM Building AHU Replacement | 50,000 |
| Wemco Grit Pump CCW | 35,000 |
| Solids Conveyor Motor/Gearbox 5620 | 20,000 |
| Solids Conveyor Motor/Gearbox 5610 | 5,704 |
| Air Relief Valves Plantwide | 25,000 |
| 3. The following projects are budgeted for FY 2020-21 and funded from replacement reserve fund #4655. | |
| Solids Building Transfer Pumps | 60,000 |
| Hypochlorite Feed Pipe Additional | 25,000 |
| Replacement Pump | 25,000 |
| 4. The following projects were budgeted for FY 2018-19 and funded from replacement reserve fund #4655. | |
| SS Air Valves at Headworks | \$ 35,304 |
| Hypochlorite Feed Piping | 10,000 |
| Fund 4655 Total | \$ 436,008 |
| Loan payment | \$ 472,025 |
| Total Capital Projects | \$ 6,136,111 |

OUTFALL

| Description | Budgeted | To Date | Projected | Under(Over) | Proposed | Percent | \$ Change |
|--|----------------|----------------|-------------------|-------------------|-------------------|---------------------------|---------------|
| | 2021-22 | 6/3/2022 | Actual 2021-22 | Budget 2021-22 | Budget 2022-23 | Change from last FY | |
| PERSONNEL | | | | | | | |
| Basic Salaries | 6,440 | 2,953 | 3,254 | 3,186 | 9,775 | 52% | 3,335 |
| Overtime | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Temporary | 287 | 75 | 83 | 204 | 331 | 15% | 44 |
| Directors Compensation | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Workers' Compensation | 136 | 136 | 136 | 0 | 217 | 59% | 80 |
| Retirement | 855 | 734 | 809 | 46 | 1,785 | 109% | 930 |
| Active Employee Insurance-Health/Dental/Vision/Disability | 1,630 | 614 | 670 | 960 | 2,667 | 64% | 1,037 |
| Retiree Health Insurance OPEB Funding | 643 | 645 | 645 | (2) | 935 | 45% | 292 |
| FICA | 380 | 158 | 175 | 205 | 586 | 54% | 206 |
| Medicare | 98 | 37 | 41 | 57 | 147 | 50% | 49 |
| Unemployment Insurance | 10 | 5 | 5 | 5 | 22 | 112% | 11 |
| <i>Subtotal</i> | 10,479 | 5,359 | 5,818 | 4,661 | 16,464 | 57% | 5,985 |
| OPERATING EXPENSES | | | | | | | |
| Public Education | 1,125 | 706 | 847 | 278 | 1,125 | 0% | 0 |
| Janitorial Service & Supplies | 60 | 44 | 53 | 7 | 60 | 0% | 0 |
| Uniforms | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Licenses & Permits | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Freight & Postage | 50 | 16 | 25 | 25 | 50 | 0% | 0 |
| Subscriptions | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Vehicle Repairs & Maintenance | 100 | 0 | 0 | 100 | 100 | 0% | 0 |
| Liability & Property Insurance | 2,610 | 2,449 | 2,449 | 161 | 9,130 | 250% | 6,520 |
| Dues & Memberships | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Office Supplies | 100 | 36 | 60 | 40 | 100 | 0% | 0 |
| Analysis & Monitoring | 8,000 | 0 | 0 | 8,000 | 8,000 | 0% | 0 |
| Operating Supplies | 75 | 0 | 0 | 75 | 75 | 0% | 0 |
| Attorney Fees | 1,300 | 281 | 337 | 963 | 1,300 | 0% | 0 |
| Printing & Publications | 48 | 0 | 0 | 48 | 48 | 0% | 0 |
| Repairs and Maintenance | 2,000 | 15 | 2,000 | 0 | 2,000 | 0% | 0 |
| Travel | 150 | 0 | 0 | 150 | 150 | 0% | 0 |
| Seminars, Conferences and Training | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Utilities | 600 | 104 | 125 | 475 | 657 | 10% | 57 |
| Election Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Computer Service & Maintenance | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Lease/Rentals | 200 | 89 | 107 | 93 | 200 | 0% | 0 |
| Consulting Services | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Biosolids Hauling | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Professional Services | 25,000 | 5,519 | 5,519 | 19,482 | 25,000 | 0% | 0 |
| Other Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 41,418 | 9,259 | 11,522 | 29,897 | 47,995 | 16% | 6,577 |
| Total Personnel and Operating Expenses | 51,897 | 14,617 | 17,339 | 34,558 | 64,459 | 24% | 12,562 |
| DEPRECIATION FUNDING | | | | | | | |
| Replacement Reserve | 106,200 | 106,141 | 106,141 | 59 | 106,141 | 0% | (59) |
| <i>Subtotal</i> | 106,200 | 106,141 | 106,141 | 59 | 106,141 | 0% | |
| CAPITAL OUTLAY | | | | | | | |
| Machinery and Equipment | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Capital Projects - Replacement Reserve Fund (4655) | 53,200 | 0 | 0 | 53,200 | 53,200 | 0% | 0 |
| Capital Projects - Capital Reserve Fund (4650) | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Debt Service | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 53,200 | 0 | 0 | 53,200 | 53,200 | 0% | 0 |
| Total Operating & Non-Operating w/o Depreciation | 105,097 | 14,617 | 17,339 | 87,758 | 117,659 | 12% | 12,562 |
| Total Operating & Non-Operating with Depreciation | 211,297 | 120,758 | 123,480 | | 223,800 | 6% | 12,503 |

OUTFALL

Goleta Sanitary District, Goleta West Sanitary District, University of California, Santa Barbara Municipal Airport, and the County of Santa Barbara all share in the costs associated with the maintenance of the outfall facility based on their contractual outfall capacity percentage. The following is a summary of the costs associated with the maintenance of the outfall facility:

I. Personnel:

This account has been projected based on labor requirements anticipated for the maintenance of the District's outfall. This budget projection and allocation of personnel will be closely monitored and adjusted as necessary.

II. Operating Expenses:

- A. **Analysis and Monitoring**
This account provides for inspecting the impressed current cathodic protection system and underwater inspection of the outfall.
- B. **Repair and Maintenance**
This account provides for miscellaneous repairs to electrical box and access vault.
- C. **Professional Services**
This account provides for services related to inspection services of both the interior and exterior of the outfall line.

III. Replacement Reserve

As a result of the revenue program that has been prepared in accordance with Clean Water Grant guidelines, the annual replacement reserve allocation of \$59,331 will be added to the replacement reserve fund, the District's share, for adequate replacement of the outfall facility.

IV. Capital Outlay

- A. *Machinery and Equipment*
This account provides for purchase of equipment for use in the ocean outfall facilities. No equipment was specified for this operation.
- B. *Capital Projects*
This account provides for the construction of capital projects for the Ocean Outfall Facilities.

| | |
|-----------------------------------|------------------|
| Cathodic Well Replacement Project | \$ 53,200 |
| Total Capital Projects | \$ 53,200 |

RECLAMATION OPERATIONS

| Description | Budgeted | To Date | Projected | Under(Over) | Proposed | Percent | \$ Change |
|--|------------------|----------------|-------------------|-------------------|-------------------|---------------------------|-----------------|
| | 2021-22 | 6/3/2022 | Actual 2021-22 | Budget 2021-22 | Budget 2022-23 | Change from last FY | |
| PERSONNEL | | | | | | | |
| Basic Salaries | 153,611 | 137,543 | 151,531 | 2,080 | 172,829 | 13% | 19,217 |
| Overtime | 2,100 | 875 | 964 | 1,136 | 2,100 | 0% | 0 |
| Temporary | 1,148 | 301 | 331 | 817 | 1,323 | 15% | 175 |
| Directors Compensation | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Workers' Compensation | 3,250 | 3,255 | 3,255 | (5) | 3,829 | 18% | 579 |
| Retirement | 41,936 | 36,915 | 40,669 | 1,267 | 44,069 | 5% | 2,132 |
| Active Employee Insurance-Health/Dental/Vision/Disability | 38,871 | 31,871 | 34,768 | 4,103 | 47,157 | 21% | 8,286 |
| Retiree Health Insurance OPEB Funding | 15,343 | 15,389 | 15,389 | (46) | 16,527 | 8% | 1,184 |
| FICA | 9,548 | 8,586 | 9,459 | 89 | 10,704 | 12% | 1,155 |
| Medicare | 2,274 | 2,008 | 2,212 | 62 | 2,556 | 12% | 281 |
| Unemployment Insurance | 244 | 211 | 232 | 12 | 289 | 18% | 45 |
| <i>Subtotal</i> | 268,326 | 236,953 | 258,810 | 9,516 | 301,382 | 12% | 33,056 |
| OPERATING EXPENSES | | | | | | | |
| Public Education | 6,000 | 2,822 | 3,386 | 2,614 | 6,000 | 0% | 0 |
| Janitorial Service & Supplies | 1,400 | 1,377 | 1,652 | (252) | 1,640 | 17% | 240 |
| Uniforms | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Licenses & Permits | 1,500 | 227 | 273 | 1,227 | 1,500 | 0% | 0 |
| Freight & Postage | 150 | 40 | 100 | 50 | 150 | 0% | 0 |
| Subscriptions | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Vehicle Repairs & Maintenance | 100 | 0 | 100 | 0 | 100 | 0% | 0 |
| Liability & Property Insurance | 12,920 | 12,140 | 12,140 | 780 | 38,070 | 195% | 25,150 |
| Dues & Memberships | 100 | 0 | 0 | 100 | 100 | 0% | 0 |
| Office Supplies | 100 | 36 | 80 | 20 | 100 | 0% | 0 |
| Analysis & Monitoring | 1,000 | 1,965 | 2,358 | (1,358) | 2,000 | 100% | 1,000 |
| Operating Supplies | 28,000 | 10,535 | 27,000 | 1,000 | 28,000 | 0% | 0 |
| Attorney Fees | 1,300 | 281 | 337 | 963 | 1,300 | 0% | 0 |
| Printing & Publications | 150 | 0 | 0 | 150 | 150 | 0% | 0 |
| Repairs and Maintenance | 35,270 | 68,334 | 82,000 | (46,730) | 35,270 | 0% | 0 |
| Travel | 200 | 0 | 0 | 200 | 200 | 0% | 0 |
| Seminars, Conferences and Training | 100 | 0 | 0 | 100 | 100 | 0% | 0 |
| Utilities | 92,000 | 85,521 | 102,626 | (10,626) | 100,740 | 10% | 8,740 |
| Election Expense | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Computer Service & Maintenance | 1,545 | 382 | 510 | 1,035 | 1,545 | 0% | 0 |
| Lease/Rentals | 213 | 5,952 | 7,936 | (7,723) | 60,213 | 28169% | 60,000 |
| Consulting Services | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Biosolids Hauling | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Professional Services | 1,000 | 51,356 | 51,356 | (50,356) | 1,000 | 0% | 0 |
| Other Expense | 1,000 | 0 | 0 | 1,000 | 1,000 | 0% | 0 |
| <i>Subtotal</i> | 184,048 | 240,969 | 291,854 | (107,806) | 279,178 | 52% | 95,130 |
| Total Personnel and Operating Expenses | 452,374 | 477,921 | 550,665 | (98,291) | 580,560 | 28% | 128,186 |
| DEPRECIATION FUNDING | | | | | | | |
| Replacement Reserve | 423,355 | 420,644 | 420,644 | 2,711 | 420,644 | -1% | (2,711) |
| <i>Subtotal</i> | 423,355 | 420,644 | 420,644 | 2,711 | 420,644 | -1% | |
| CAPITAL OUTLAY | | | | | | | |
| Machinery and Equipment | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Capital Projects - Replacement Reserve Fund (4655) | 314,206 | 19,882 | 23,000 | 291,206 | 178,103 | -43% | (136,103) |
| Capital Projects - Capital Reserve Fund (4650) | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| Debt Service | 0 | 0 | 0 | 0 | 0 | 0% | 0 |
| <i>Subtotal</i> | 314,206 | 19,882 | 23,000 | 291,206 | 178,103 | -43% | (136,103) |
| Total Operating & Non-Operating w/o Depreciation | 766,580 | 497,804 | 573,665 | 192,916 | 758,663 | -1% | (7,918) |
| Total Operating & Non-Operating with Depreciation | 1,189,935 | 918,447 | 994,309 | | 1,179,306 | -1% | (10,629) |

RECLAMATION FACILITIES

All costs associated with the operation and maintenance of the wastewater reclamation facilities are reimbursed by the Goleta Water District as per the agreement for construction and operation of the wastewater reclamation facilities between the Goleta Sanitary District and the Goleta Water District. The following is a summary of the costs associated with the operation and maintenance of the reclamation facilities:

I. Personnel:

This account has been projected based on labor requirements anticipated for the operation of the reclamation facilities. This budget projection and allocation of personnel was based on full operation of the facilities to reclaim the production volume projected by the Goleta Water District.

II. Operating Expenses:

The major operating expenses that are budgeted in this area provide for the following accounts based on full operation as projected by the Goleta Water District.

A. Operating Supplies

This account provides for the purchase of chemicals and lab supplies for the reclamation facilities.

Reclaimed Water Production:

| | |
|---|------------------|
| Coagulant and Polymer: | \$ 28,000 |
| Sodium Hypochlorite (free to GWD in exchange for Irrigation water (3W) | |
| Total | \$ 28,000 |

B. Repair and Maintenance

This account provides for the general repair and maintenance of the reclamation facilities.

| | |
|---------------------------------|------------------|
| Electrical Parts/Circuit Boards | \$ 17,500 |
| Mechanical Parts | 15,270 |
| Lubricants & Misc. | 800 |
| Paint | 700 |
| Miscellaneous | <u>1,000</u> |
| Total | \$ 35,270 |

C. Utilities

This account provides for utilities used in the reclamation facilities, including water and electricity for distribution system pumps.

D. Professional Services

This account provides for professional services not included in other line items.

III. **Capital Outlay:**

A. Machinery and Equipment

This account provides for the purchase of equipment for use in the reclamation plant:

B. Capital Projects

This account provides for the construction of capital projects for the wastewater reclamation facilities.

The following projects were budgeted for FY 2020-21.

| | |
|-------------------------|------------|
| Filter PLC and Controls | \$ 131,143 |
|-------------------------|------------|

The following projects were budgeted for FY 2020-21.

| | |
|---------------------------|-------|
| Spare Backwash Air Blower | 5,500 |
|---------------------------|-------|

| | |
|----------------------------|--------|
| Backwash Pump Check Valves | 41,460 |
|----------------------------|--------|

| | |
|-------------------------------|-------------------|
| Total Capital Projects | \$ 178,103 |
|-------------------------------|-------------------|

**CAPITAL PROJECTS SUMMARY
FISCAL YEAR 2022-23**

The following projects will be funded from the replacement reserve fund #4655.

Collection System:

| | | |
|---|--------------|-------------------|
| 1. Capital Improvement Projects Budgeted for FY 2022-23 | | |
| a. Manhole raising program | \$ | 20,000 |
| 2. Capital Improvement Projects Budgeted for FY 2021-22 | | |
| a. GSD 2021 Lines CIP projects | \$ | 434,935 |
| | Total | \$ 454,935 |

Firestone Lift Station:

| | | |
|---|--------------|------------------|
| 1. Capital Improvement Projects Budgeted for FY 2021-22 | | |
| a. Jocky pump to regulate flows | \$ | 50,000 |
| | Total | \$ 50,000 |

Main Pump Station:

| | | |
|---|--------------|---------------------|
| 1. Capital Improvement Projects Budgeted for FY 2022-23 | | |
| a. 2019 Lift Station Rehabilitation Construction Management | \$ | 456,072 |
| b. 2019 Lift Station Rehabilitation Construction additional | | 237,235 |
| 2. Capital Improvement Projects Budgeted for prior years | | |
| a. 2019 Lift Station Rehabilitation Construction Phase 1 | \$ | 3,295,246 |
| | Total | \$ 3,988,554 |

Laboratory:

| | | |
|--|--------------|-------------------|
| 1. Capital Improvement Projects Budgeted included in FY 2022-23 Budget | | |
| a. HVAC Air Scrubber additional | \$ | 120,000 |
| 2. Capital Improvement Projects Budgeted included in FY 2020-21 Budget | | |
| b. HVAC Air Scrubber | \$ | 40,000 |
| | Total | \$ 160,000 |

Wastewater Treatment Facilities:

The following projects will be funded from the capacity reserve fund #4650.

| | | |
|--|----|-----------|
| 1. Capital Improvement Projects Budgeted for FY 2022-23 | | |
| a. Biosolids & Energy Strategic Plan Phase I Design additional | \$ | 58,079 |
| b. Biosolids & Energy Strategic Plan Construction | | 3,000,000 |
| c. Biosolids & Energy Strategic Plan Construction Management | | 400,000 |
| d. Biosolids & Energy Strategic Plan Phase 2 Design | | 1,120,000 |

| | | |
|---|--------------|---------------------|
| 2. Capital Improvement Projects Budgeted for FY 2021-22 | | |
| a. Biosolids & Energy Strategic Plan Regulatory requirements | | 150,000 |
| b. Biosolids Reduction Sludge Treatment (Lystek) | | 250,000 |
| 3. Capital Improvement Projects included in FY 2020-21 Budget | | |
| a. Advanced water Treatment Plant Preliminary Engineering | \$ | 250,000 |
| Loan Payment in FY 2022-23 | \$ | 472,025 |
| | Total | \$ 5,700,103 |

The following projects will be funded from the replacement reserve fund #4655.

Plant:

| | | |
|---|--------------|-------------------|
| 1. Capital Improvement Projects Budgeted for FY 2022-23 | | |
| a. Chemical Storage Discharge Pump | \$ | 40,000 |
| b. Vehicle Lift | | 40,000 |
| c. Fire System Isolation Valve Replacement | | 20,000 |
| 2. Capital Improvement Projects Budgeted for FY 2021-22 | | |
| a. SS Air Valves on HW additional | \$ | 25,000 |
| b. Solids Building Polymer Blend Unit | | 10,000 |
| c. Hoffman Blower Motor 50 hp | | 10,000 |
| d. PM Building AHU Replacement | | 50,000 |
| e. Wemco Grit Pump CCW | | 35,000 |
| f. Solids Conveyor Motor/Gearbox 5620 | | 20,000 |
| g. Solids Conveyor Motor/Gearbox 5620 | | 5,704 |
| h. Air Relief Valves Plantwide | | 25,000 |
| 3. Capital Improvement Projects included in FY 2020-21 Budget | | |
| a. Solids Building Transfer Pumps | | 60,000 |
| b. Hypochlorite Feed Pipe Additional | | 25,000 |
| c. Replacement Pump | | 25,000 |
| 4. Capital Improvement Projects included in FY 2018-19 Budget | | |
| a. SS Air Valves on HW | \$ | 35,304 |
| b. Hypochlorite Feed Piping | | 10,000 |
| | Total | \$ 436,008 |

Outfall:

| | | |
|---|--------------|------------------|
| 1. Capital Improvement Projects Budgeted | | |
| a. Cathodic Well Replacement Project additional | \$ | 53,200 |
| | Total | \$ 53,200 |

Reclamation Facilities:

| | |
|---|----------------------|
| 1. Capital Improvement Projects Budgeted for FY 2021-22 | |
| a. Filter PLC and Controls | \$ 131,143 |
| 2. Capital Improvement Projects included in FY 2020-21 Budget | |
| a. Spare Backwash Air Blower | \$ 5,500 |
| b. Backwash Pump Check Valves | 41,460 |
| | Total |
| | \$ 178,103 |
| Total District Capital Projects FY 2022-23 | \$ 10,548,878 |

AGENDA ITEM #2

AGENDA ITEM: 2

MEETING DATE: June 20, 2022

I. NATURE OF ITEM

Consideration and Adoption of Resolution No. 22-688 Approving Revised Organization Chart and Employee Pay Schedule

II. BACKGROUND INFORMATION

The current employee pay schedule and organizational chart for the District was adopted by Resolution No. 21-655 on June 21, 2021. On April 20, 2022 the Governing Board approved a cost of living adjustment (COLA) of 5.5% for Fiscal Year 2022-23 (FY22-23) for eligible employees, and that adjustment is reflected in the FY22-23 Pay Schedule attached as Exhibit B to Resolution No. 22-688.

The adoption of a formal resolution relating to changes to employee compensation is necessary to comply with existing regulations (Title 2, California Code of Regulations Section 570.5), which set forth specific requirements pertaining to publicly available pay schedules.

III. COMMENTS AND RECOMMENDATIONS

Included in the resolution are two exhibits, both exhibits include changes. The pay schedule shows the changes as discussed in the review of the draft FY22-23 Budget. In order to meet the above-referenced requirements associated with the approval of public employee pay schedules, and to reflect the personnel costs to be included in the FY22-23 Budget, it is recommended that the Board adopt Resolution No. 22-688 approving and adopting a revised organizational chart and revised employee pay schedule.

IV. REFERENCE MATERIAL

Resolution No. 22-688 with Exhibits A and B

RESOLUTION NO. 22-688

**RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA
SANITARY DISTRICT APPROVING AND ADOPTING A REVISED
ORGANIZATION CHART AND REVISED EMPLOYEE PAY SCHEDULE**

WHEREAS, on June 21, 2021, the Governing Board (the “Board”) of the Goleta Sanitary District (the “District”) adopted Resolution No. 21-665 approving and adopting a revised organization chart (the “Current Organization Chart”) and a revised pay schedule (the “Current Pay Schedule”) relating to the District’s employees; and

WHEREAS, on April 18, 2022 the Board approved a 5.5% cost of living adjustment to the rate of pay of all eligible employees, effective as of July 1, 2022 (the “Approved COLA”); and

WHEREAS, on June 20, 2022 the Board adopted the Fiscal Year 2022-23 (FY22-23) budget that included changes to the District’s organization and the Approved COLA; and

WHEREAS, the Board desires to revise the Current Organization Chart and the Current Pay Schedule to reflect the approved FY22-23 Budget.

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of the Goleta Sanitary District as follows:

1. Organization Chart. The Board hereby approves the revised organization chart attached hereto as Exhibit “A” and incorporated herein by this reference to reflect the changes included in the approved FY22-23 Budget.

2. Adoption of Revised Pay Schedule. The Board hereby approves and adopts the revised pay schedule attached hereto as Exhibit “B” and incorporated herein by this reference to reflect the approved COLA (the “2022-23 Pay Schedule”), effective as of July 1, 2022.

3. Requirements Applicable to Revised Pay Schedule. The 2022-23 Pay Schedule shall be immediately accessible and available for public review from the District during normal business hours and shall be retained by the District and available for public inspection for not less than five years.

4. Future Revisions. Any revisions that are made to the 2022-23 Pay Schedule in the future shall be approved by the Board in accordance with the requirements of applicable public meetings laws, and shall comply in all other respects with Title 2, California Code of Regulations Section 570.5. Further, pursuant to Resolution No. 14-579, (i) any future increases in Board member compensation shall be approved in accordance with Health & Safety Code Section 6489, Chapter 2 of Division 10 of the Water Code, and other applicable provisions of law, and (ii) Board member compensation shall not be subject to Resolution No. 11-522, which

sets forth the procedure for calculating cost of living adjustments to the salary scale for employees of the District.

PASSED AND ADOPTED this 20st day of June, 2022, by the following vote of the Governing Board of the Goleta Sanitary District:

AYES:

NOES: None

ABSENT: None

ABSTAIN: None

Steven T. Majoewsky,
President of the Governing Board

COUNTERSIGNED:

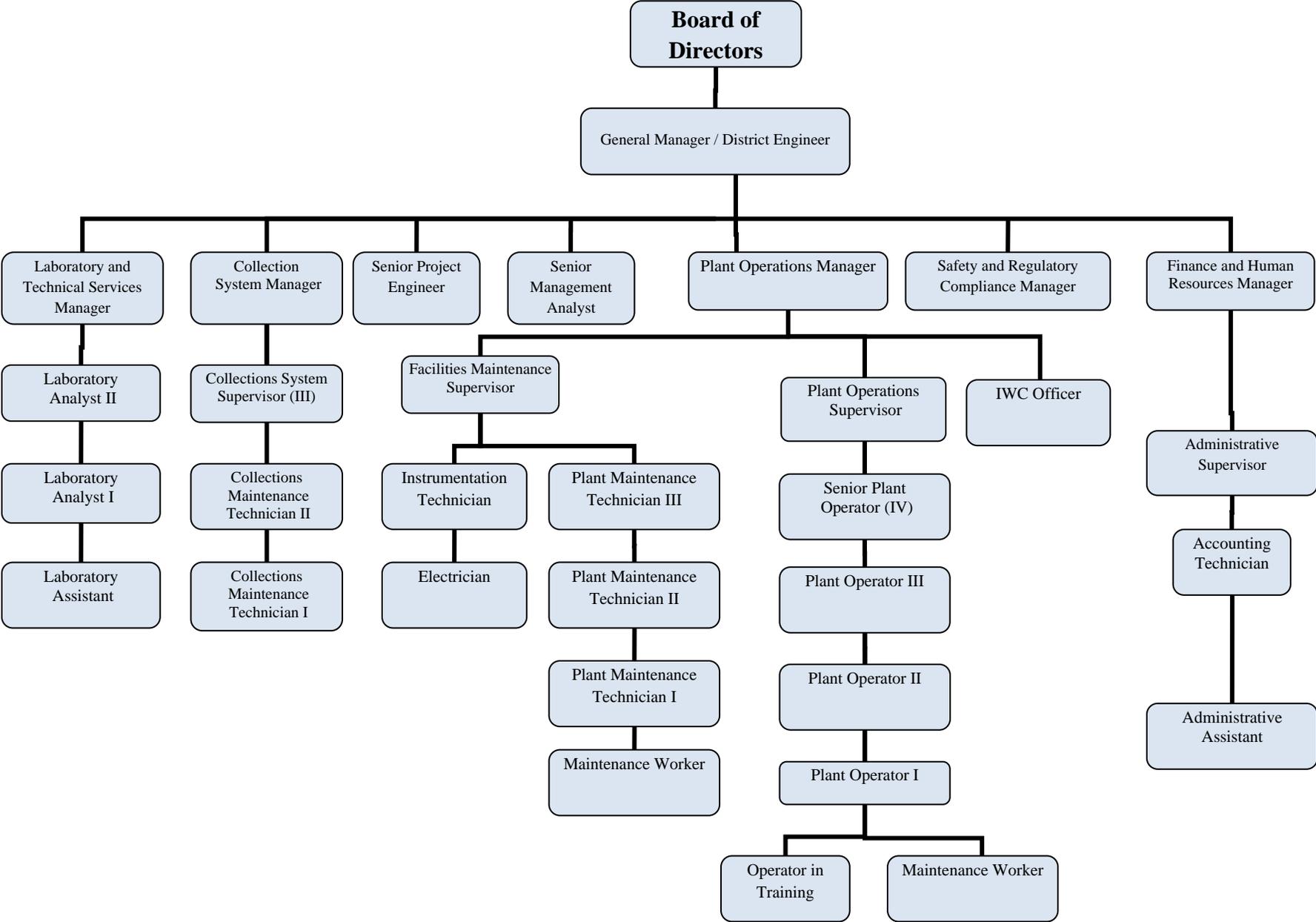
Robert O. Mangus, Jr.,
Secretary of the Governing Board

CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a meeting of the Goleta Sanitary District Governing Board held on June 20, 2022.

ATTEST:

Robert O. Mangus, Jr.,
Secretary of the Governing Board
of the Goleta Sanitary District



PAY SCHEDULE

Approved by the GSD Board 06/20/22.

5.5

Annually / Monthly / Biweekly / Hourly

GSD Board approved COLA 04/18/22:

5.50% Effective 07/01/22

| POSITION | RANGE | AA | A | B | C | D | E |
|--|-------|--------|--------|--------|--------|--------|--------|
| Part-time, Hourly Maintenance/Intern; but meet or exceed CA Minimum wage | 100 | 15.27 | 16.03 | 16.83 | 17.67 | 18.56 | 19.48 |
| Administrative Assistant | 300 | 49,608 | 52,083 | 54,683 | 57,408 | 60,278 | 63,286 |
| | | 4,134 | 4,340 | 4,557 | 4,784 | 5,023 | 5,274 |
| | | 1,908 | 2,003 | 2,103 | 2,208 | 2,318 | 2,434 |
| | | 23.85 | 25.04 | 26.29 | 27.60 | 28.98 | 30.43 |
| Maintenance Worker | 320 | 52,416 | 55,037 | 57,782 | 60,676 | 63,710 | 66,893 |
| | | 4,368 | 4,586 | 4,815 | 5,056 | 5,309 | 5,574 |
| | | 2,016 | 2,117 | 2,222 | 2,334 | 2,450 | 2,573 |
| | | 25.20 | 26.46 | 27.78 | 29.17 | 30.63 | 32.16 |
| Collection System Maintenance Technician I | 460 | 58,760 | 61,693 | 64,771 | 68,016 | 71,406 | 74,982 |
| | | 4,897 | 5,141 | 5,398 | 5,668 | 5,951 | 6,249 |
| | | 2,260 | 2,373 | 2,491 | 2,616 | 2,746 | 2,884 |
| | | 28.25 | 29.66 | 31.14 | 32.70 | 34.33 | 36.05 |
| Accounting Technician | 500 | 59,405 | 62,379 | 65,499 | 68,765 | 72,197 | 75,816 |
| | | 4,950 | 5,198 | 5,458 | 5,730 | 6,016 | 6,318 |
| | | 2,285 | 2,399 | 2,519 | 2,645 | 2,777 | 2,916 |
| | | 28.56 | 29.99 | 31.49 | 33.06 | 34.71 | 36.45 |
| Plant Maintenance Technician I | 540 | 62,192 | 65,312 | 68,578 | 72,010 | 75,608 | 79,394 |
| | | 5,183 | 5,443 | 5,715 | 6,001 | 6,301 | 6,616 |
| | | 2,392 | 2,512 | 2,638 | 2,770 | 2,908 | 3,054 |
| | | 29.90 | 31.40 | 32.97 | 34.62 | 36.35 | 38.17 |
| Laboratory Analyst I | 560 | 63,856 | 67,038 | 70,387 | 73,902 | 77,605 | 81,478 |
| | | 5,321 | 5,587 | 5,866 | 6,159 | 6,467 | 6,790 |
| | | 2,456 | 2,578 | 2,707 | 2,842 | 2,985 | 3,134 |
| | | 30.70 | 32.23 | 33.84 | 35.53 | 37.31 | 39.17 |
| Operator in Training III | 565 | 63,981 | 67,184 | 70,533 | 74,069 | 77,771 | 81,655 |
| | | 5,332 | 5,599 | 5,878 | 6,172 | 6,481 | 6,805 |
| | | 2,461 | 2,584 | 2,713 | 2,849 | 2,991 | 3,141 |
| | | 30.76 | 32.30 | 33.91 | 35.61 | 37.39 | 39.26 |
| Treatment Plant Operator I | 570 | 64,106 | 67,309 | 70,678 | 74,214 | 77,917 | 81,806 |
| | | 5,342 | 5,609 | 5,890 | 6,185 | 6,493 | 6,817 |
| | | 2,466 | 2,589 | 2,718 | 2,854 | 2,997 | 3,146 |
| | | 30.82 | 32.36 | 33.98 | 35.68 | 37.46 | 39.33 |
| Collection System Maintenance Technician II | 620 | 68,141 | 71,552 | 75,130 | 78,894 | 82,846 | 86,986 |
| | | 5,678 | 5,963 | 6,261 | 6,575 | 6,904 | 7,249 |
| | | 2,621 | 2,752 | 2,890 | 3,034 | 3,186 | 3,346 |
| | | 32.76 | 34.40 | 36.12 | 37.93 | 39.83 | 41.82 |
| Accounting/Administration Specialist | 660 | 68,786 | 72,218 | 75,837 | 79,622 | 83,595 | 87,776 |
| | | 5,732 | 6,018 | 6,320 | 6,635 | 6,966 | 7,315 |
| | | 2,646 | 2,778 | 2,917 | 3,062 | 3,215 | 3,376 |
| | | 33.07 | 34.72 | 36.46 | 38.28 | 40.19 | 42.20 |
| Treatment Plant Operator II | 690 | 71,802 | 75,400 | 79,165 | 83,117 | 87,277 | 91,639 |
| | | 5,984 | 6,283 | 6,597 | 6,926 | 7,273 | 7,637 |
| | | 2,762 | 2,900 | 3,045 | 3,197 | 3,357 | 3,525 |
| | | 34.52 | 36.25 | 38.06 | 39.96 | 41.96 | 44.06 |

| POSITION | RANGE | AA | A | B | C | D | E |
|---|-------|--------|--------|--------|---------|---------|---------|
| Plant Maintenance Technician II | 700 | 72,010 | 75,608 | 79,394 | 83,366 | 87,526 | 91,901 |
| | | 6,001 | 6,301 | 6,616 | 6,947 | 7,294 | 7,658 |
| | | 2,770 | 2,908 | 3,054 | 3,206 | 3,366 | 3,535 |
| | | 34.62 | 36.35 | 38.17 | 40.08 | 42.08 | 44.18 |
| Electrician | 740 | 74,630 | 78,354 | 82,264 | 86,382 | 90,709 | 95,237 |
| | | 6,219 | 6,530 | 6,855 | 7,199 | 7,559 | 7,936 |
| | | 2,870 | 3,014 | 3,164 | 3,322 | 3,489 | 3,663 |
| | | 35.88 | 37.67 | 39.55 | 41.53 | 43.61 | 45.79 |
| Collection System Maintenance Technician III | 760 | 74,922 | 78,666 | 82,597 | 86,736 | 91,083 | 95,632 |
| | | 6,244 | 6,556 | 6,883 | 7,228 | 7,590 | 7,969 |
| | | 2,882 | 3,026 | 3,177 | 3,336 | 3,503 | 3,678 |
| | | 36.02 | 37.82 | 39.71 | 41.70 | 43.79 | 45.98 |
| Laboratory Analyst II | 800 | 76,398 | 80,226 | 84,240 | 88,462 | 92,893 | 97,542 |
| | | 6,367 | 6,686 | 7,020 | 7,372 | 7,741 | 8,129 |
| | | 2,938 | 3,086 | 3,240 | 3,402 | 3,573 | 3,752 |
| | | 36.73 | 38.57 | 40.50 | 42.53 | 44.66 | 46.90 |
| Industrial Waste Control Officer | 840 | 77,168 | 81,016 | 85,072 | 89,336 | 93,808 | 98,507 |
| | | 6,431 | 6,751 | 7,089 | 7,445 | 7,817 | 8,209 |
| | | 2,968 | 3,116 | 3,272 | 3,436 | 3,608 | 3,789 |
| | | 37.10 | 38.95 | 40.90 | 42.95 | 45.10 | 47.36 |
| Plant Maintenance Technician III | 900 | 79,227 | 83,179 | 87,339 | 91,707 | 96,283 | 101,096 |
| | | 6,602 | 6,932 | 7,278 | 7,642 | 8,024 | 8,425 |
| | | 3,047 | 3,199 | 3,359 | 3,527 | 3,703 | 3,888 |
| | | 38.09 | 39.99 | 41.99 | 44.09 | 46.29 | 48.60 |
| Instrumentation Technician | 910 | 79,248 | 83,221 | 87,381 | 91,749 | 96,346 | 101,163 |
| | | 6,604 | 6,935 | 7,282 | 7,646 | 8,029 | 8,430 |
| | | 3,048 | 3,201 | 3,361 | 3,529 | 3,706 | 3,891 |
| | | 38.10 | 40.01 | 42.01 | 44.11 | 46.32 | 48.64 |
| Treatment Plant Operator III | 950 | 80,267 | 84,282 | 88,504 | 92,934 | 97,573 | 102,457 |
| | | 6,689 | 7,024 | 7,375 | 7,745 | 8,131 | 8,538 |
| | | 3,087 | 3,242 | 3,404 | 3,574 | 3,753 | 3,941 |
| | | 38.59 | 40.52 | 42.55 | 44.68 | 46.91 | 49.26 |
| Administrative Supervisor | 970 | 81,453 | 85,530 | 89,814 | 94,316 | 99,029 | 103,979 |
| | | 6,788 | 7,128 | 7,485 | 7,860 | 8,252 | 8,665 |
| | | 3,133 | 3,290 | 3,454 | 3,628 | 3,809 | 3,999 |
| | | 39.16 | 41.12 | 43.18 | 45.34 | 47.61 | 49.99 |
| Senior Plant Operator (IV) | 1150 | 86,341 | 90,667 | 95,202 | 99,965 | 104,957 | 110,203 |
| | | 7,195 | 7,556 | 7,934 | 8,330 | 8,746 | 9,184 |
| | | 3,321 | 3,487 | 3,662 | 3,845 | 4,037 | 4,239 |
| | | 41.51 | 43.59 | 45.77 | 48.06 | 50.46 | 52.98 |
| Safety & Regulatory Compliance Manager | 1200 | 87,318 | 91,686 | 96,262 | 101,067 | 106,122 | 111,432 |
| | | 7,277 | 7,641 | 8,022 | 8,422 | 8,844 | 9,286 |
| | | 3,358 | 3,526 | 3,702 | 3,887 | 4,082 | 4,286 |
| | | 41.98 | 44.08 | 46.28 | 48.59 | 51.02 | 53.57 |

PAY SCHEDULE

Approved by the GSD Board 06/20/22.

5.5

Annually / Monthly / Biweekly / Hourly

GSD Board approved COLA 04/18/22:

5.50% Effective 07/01/22

| POSITION | RANGE | AA | A | B | C | D | E |
|---|--|---|---------|---------|---------|---------|---------|
| Senior Management Analyst | 1250 | 91,686 | 96,262 | 101,067 | 106,122 | 111,432 | 117,000 |
| | | 7,641 | 8,022 | 8,422 | 8,844 | 9,286 | 9,750 |
| | | 3,526 | 3,702 | 3,887 | 4,082 | 4,286 | 4,500 |
| | | 44.08 | 46.28 | 48.59 | 51.02 | 53.57 | 56.25 |
| Facilities Maintenance Supervisor | 1330 | 96,138 | 100,942 | 105,997 | 111,301 | 116,875 | 122,712 |
| | | 8,012 | 8,412 | 8,833 | 9,275 | 9,740 | 10,226 |
| | | 3,698 | 3,882 | 4,077 | 4,281 | 4,495 | 4,720 |
| | | 46.22 | 48.53 | 50.96 | 53.51 | 56.19 | 59.00 |
| Plant Operations Supervisor | 1350 | 96,866 | 101,712 | 106,787 | 112,133 | 117,749 | 123,633 |
| | | 8,072 | 8,476 | 8,899 | 9,344 | 9,812 | 10,303 |
| | | 3,726 | 3,912 | 4,107 | 4,313 | 4,529 | 4,755 |
| | | 46.57 | 48.90 | 51.34 | 53.91 | 56.61 | 59.44 |
| Laboratory and Technical Services Manager | 1400 | 100,547 | 105,581 | 110,864 | 116,418 | 122,242 | 128,351 |
| | | 8,379 | 8,798 | 9,239 | 9,702 | 10,187 | 10,696 |
| | | 3,867 | 4,061 | 4,264 | 4,478 | 4,702 | 4,937 |
| | | 48.34 | 50.76 | 53.30 | 55.97 | 58.77 | 61.71 |
| Collection System Manager | 1600 | 103,459 | 108,638 | 114,067 | 119,771 | 125,757 | 132,038 |
| | | 8,622 | 9,053 | 9,506 | 9,981 | 10,480 | 11,003 |
| | | 3,979 | 4,178 | 4,387 | 4,607 | 4,837 | 5,078 |
| | | 49.74 | 52.23 | 54.84 | 57.58 | 60.46 | 63.48 |
| Senior Project Engineer | 1700 | 123,406 | 129,584 | 136,074 | 142,875 | 150,010 | 157,518 |
| | | 10,284 | 10,799 | 11,340 | 11,906 | 12,501 | 13,127 |
| | | 4,746 | 4,984 | 5,234 | 5,495 | 5,770 | 6,058 |
| | | 59.33 | 62.30 | 65.42 | 68.69 | 72.12 | 75.73 |
| Plant Operations Manager | 1800 | 129,584 | 136,074 | 142,875 | 150,010 | 157,518 | 165,402 |
| | | 10,799 | 11,340 | 11,906 | 12,501 | 13,127 | 13,784 |
| | | 4,984 | 5,234 | 5,495 | 5,770 | 6,058 | 6,362 |
| | | 62.30 | 65.42 | 68.69 | 72.12 | 75.73 | 79.52 |
| Finance and Human Resources Manager | 1900 | 141,086 | 148,138 | 155,542 | 163,322 | 171,496 | 180,072 |
| | | 11,757 | 12,345 | 12,962 | 13,610 | 14,291 | 15,006 |
| | | 5,426 | 5,698 | 5,982 | 6,282 | 6,596 | 6,926 |
| | | 67.83 | 71.22 | 74.78 | 78.52 | 82.45 | 86.57 |
| Assistant General Manager / Assistant District Engineer | 2500 | 175,677 | 184,454 | 193,669 | 203,362 | 213,533 | 224,201 |
| | | 14,640 | 15,371 | 16,139 | 16,947 | 17,794 | 18,683 |
| | | 6,757 | 7,094 | 7,449 | 7,822 | 8,213 | 8,623 |
| | | 84.46 | 88.68 | 93.11 | 97.77 | 102.66 | 107.79 |
| General Manager / District Engineer | GM | General Manager's compensation is set annually by the Board in accordance with an employment contract dated 07/01/2015. | | | | | 254,422 |
| Governing Board Members | Governing Board Members are compensated on a per meeting basis, compensation is limited to six meetings per month. The rate of per meeting increased August 1, 2020 to \$225.00. | | | | | 225.00 | |

Note, employees, by job title, will fall within the range values, from AA to E.

CalPERS Compliance Reviewers have verified that as long as an employee, by job title, fall within the range of values from AA to E, the compensation rate meets the CalPERS requirements. An individual does not have to fall on the exact value, or cog, only between the lowest and highest values in the range.

AGENDA ITEM #3

AGENDA ITEM: 3

MEETING DATE: June 20, 2022

I. NATURE OF ITEM

Consideration of Approval of Resolution No. 22-689 Adopting Findings, Approving Preliminary Environmental Review Form and Environmental Impact Assessment, and Ratifying and Approving Preparation of a Mitigated Negative Declaration for the BESP Phase 2 Project

II. BACKGROUND INFORMATION

In November 2020 the District hired Hazen and Sawyer Inc. (Hazen) to perform preliminary engineering design of the Biosolids and Energy Strategic Plan (BESP) Phase 2 project. This effort is nearing completion.

The District's Environmental Committee has reviewed the project and determined that the project is subject to review pursuant to the California Environmental Quality Act (CEQA) and, based on an environmental assessment, the preparation of a mitigated negative declaration is required.

The District has adopted the State's California Environmental Quality Act (CEQA) guidelines and has also adopted its own environmental review procedures to adapt the CEQA guidelines to the specific operations of the District. The attached environmental assessment confirms that the proposed project is subject to CEQA and recommends the preparation of a mitigated negative declaration to confirm that the project will not have a significant impact on the environment.

III. COMMENTS AND RECOMMENDATIONS

Staff recommends the Board approve Resolution 22-689 to adopt the findings, approving the Preliminary Environmental Review Form and Environmental Impact Assessment, and approve the preparation of a mitigated negative declaration for the BESP Phase 2 Project.

IV. REFERENCE MATERIAL

Resolution No. 22-689 Adopting Findings, Approving the Preliminary Environmental Review Form and Environmental Impact Assessment, and Ratifying and Approving the Preparation of a Mitigated Negative Declaration for the BESP Phase 2 Project

RESOLUTION NO. 22-689

**RESOLUTION OF THE GOVERNING BOARD OF THE GOLETA
SANITARY DISTRICT ADOPTING FINDINGS, APPROVING PRELIMINARY
ENVIRONMENTAL REVIEW FORM AND ENVIRONMENTAL IMPACT
ASSESSMENT, AND RATIFYING AND APPROVING PREPARATION OF A
MITIGATED NEGATIVE DECLARATION FOR THE BIOSOLIDS AND
ENERGY STRATEGIC PLAN PHASE 2 PROJECT**

WHEREAS, the Goleta Sanitary District's Environmental Committee has conducted a preliminary review of the Biosolids and Energy Strategic Plan Phase 2 Project (the "Project") and has concluded that (i) the District is the lead agency under the California Environmental Quality Act ("CEQA"), (ii) this activity is a project which has the potential for causing a significant effect on the environment, and (iii) the Project requires further evaluation under CEQA of the possible significant environmental effects. Said conclusions are set forth in the Preliminary Environmental Review form prepared by the Environmental Committee, a copy of which is attached hereto as Exhibit "A".

WHEREAS, based on the results of the preliminary review, the Environmental Committee conducted an initial study which determined that the Project may have a significant effect on the environment. The Environmental Committee therefore recommended the preparation of a mitigated negative declaration ("MND") for the Project. Said recommendation is set forth in the Environmental Impact Assessment prepared by the Environmental Committee, a copy of which is attached hereto as Exhibit "B". The Environmental Committee also arranged for the preparation of an MND, a draft copy of which has been presented to the District's Governing Board.

WHEREAS, the District's Governing Board desires to (i) set forth its findings with respect to the Project, (ii) approve the Preliminary Environmental Review form and the Environmental Impact Assessment, and (iii) ratify and approve the preparation of the MND.

NOW, THEREFORE, BE IT RESOLVED by the Governing Board of the Goleta Sanitary District as follows:

1. The Governing Board hereby finds that the Project is subject to environmental review pursuant to CEQA and that the District is the lead agency.
2. The Governing Board hereby approves the Preliminary Environmental Review form attached hereto as Exhibit "A" and the Environmental Impact Assessment attached hereto as Exhibit "B".

3. The Governing Board hereby ratifies and approves the preparation of the MND for the Project.

PASSED AND ADOPTED this 20th day of June 2022, by the following vote of the Governing Board of the Goleta Sanitary District:

AYES:

NOES:

ABSENT:

ABSTAIN:

Steven T. Majoewsky,
Governing Board President

ATTEST:

Robert O. Mangus, Jr.,
Governing Board Secretary

EXHIBIT "A"
PRELIMINARY ENVIRONMENTAL REVIEW
GOLETA SANITARY DISTRICT

One William Moffett Place
Goleta, CA 93117
(805) 967-4519

Name of Project: BESP Phase 2 Project

Location: 1 William Moffett Place, Goleta CA 93117

Entity or Person Undertaking Project: (Check appropriate box)

- Goleta Sanitary District
- Other: Name: _____
Address: _____

Environmental Committee Determination:

The District's Environmental Committee, having undertaken and completed a preliminary review of this proposed activity in accordance with the California Quality Act Guidelines ("CEQA Guidelines") has concluded that:

- A. The activity does not require further environmental assessment because:
- 1. The proposed action does not constitute a project under the CEQA Guidelines Section 15378 or is statutorily exempt.
 - 2. The project constitutes a feasibility or planning study under CEQA Guidelines Section 15262.
 - 3. The project is an Emergency Project under CEQA Guidelines Section 15269.
 - 4. The project is a Ministerial Project under CEQA Guidelines Section 15268.
 - 5. The project is Categorical Exempt under CEQA Guidelines Section _____.
 - 6. The project involves another public agency which constitutes the lead agency.
Name of Lead Agency _____
- B. The District is the lead agency and the activity is a project which requires further evaluation of the possible significant effects on the environment.

Date: 6/20/22_____

Authorized Person
General Manager/District Engineer
Title

EXHIBIT "B"
ENVIRONMENTAL IMPACT ASSESSMENT
GOLETA SANITARY DISTRICT

One William Moffett Place
Goleta, CA 93117
(805) 967-4519

Name of Project: BESP Phase 2 Project

Location: 1 William Moffett Place, Goleta CA 93117

Entity or Person Undertaking Project: (Check appropriate box)

- Goleta Sanitary District
- Other: Name: _____
Address: _____

Environmental Committee Determination:

The District's Environmental Committee, having undertaken and completed an initial study of this project for the purpose of ascertaining whether the proposed project might have a significant effect on the environment, has reached the following conclusion:

1. The project will not have a significant effect on the environment; therefore, a negative declaration should be prepared.
2. The project, if modified in accordance with certain mitigation measures, will not have a significant effect on the environment. Upon completion of such procedures as may be necessary to assure such modification, a negative declaration should be prepared.
3. The project may have a significant effect on the environment; therefore, an EIR will be required.

Date: 6/20/22

Authorized Person

General Manager/District Engineer
Title

AGENDA ITEM #4

AGENDA ITEM: 4

MEETING DATE: June 20, 2022

I. NATURE OF ITEM

Review and Consideration of Proposal for Regulatory and Permitting Support Services for the Biosolids and Energy Strategic Plan Phase 2 Improvements

II. BACKGROUND INFORMATION

Over the last several years, the District has worked with Hazen and Sawyer Inc. (Hazen) to develop and implement a Biosolids and Energy Strategic Plan (BESP). The goal of the BESP was to determine the most appropriate combination of biosolids treatment, disposal and energy recovery improvements that once implemented would help the District achieve its vision of long-term energy sustainability.

The final list of recommended BESP improvements was grouped into the following 3 phases:

1. Install a new digester to resolve firm capacity issue and install 1st phase of a CHP system to convert the existing biogas to energy
2. Install a high strength waste receiving station to increase biogas production and install 2nd phase of CHP system to convert additional biogas to energy
3. Install a thermal dryer to produce class A biosolids and reduce hauling costs.

Since adoption of the BESP in 2019, staff has been working closely with the Hazen team to complete the design and environmental review of the Phase 1 improvement project and put it out to bid. The design is now complete and the project is scheduled to go out to construction in 2023 once all regulatory permits are obtained.

As originally envisioned, Phase 2 of the BESP was to be implemented approximately 4 years after Phase 1 and Phase 3 would follow some 3 -7 years after Phase 2, depending on market conditions.

However, recent financial analysis of Phases 2 and 3 of the BESP has shown that combining the 2 phases into 1 project and accelerating their start could have a significant positive economic impact to the District in terms of reduced overall project costs and operation cost savings.

In February, 2022 the Board approved a professional services agreement with Hazen to initiate preliminary design of the BESP Phase 2 project. The design information generated during preliminary design is typically used as the basis for the environmental review and permitting of the project pursuant to the California Environmental Quality Act (CEQA) guidelines. Now that the preliminary design of the BESP Phase 2 project is nearing completion the environmental review of the project can proceed.

A proposal for the regulatory and permitting support (CEQA environmental review services) for the BESP Phase 2 project is presented herein for Board consideration.

III. COMMENTS AND RECOMMENDATIONS

Since the Hazen team has recently completed a mitigated negative declaration (MND) for the BESP Phase 1 project, they are uniquely qualified to provide the environmental review services required for the BESP Phase 2 project. Much of the information gathered during the development of the Phase 1 MND can be used for the environmental review of the BESP Phase 2 project.

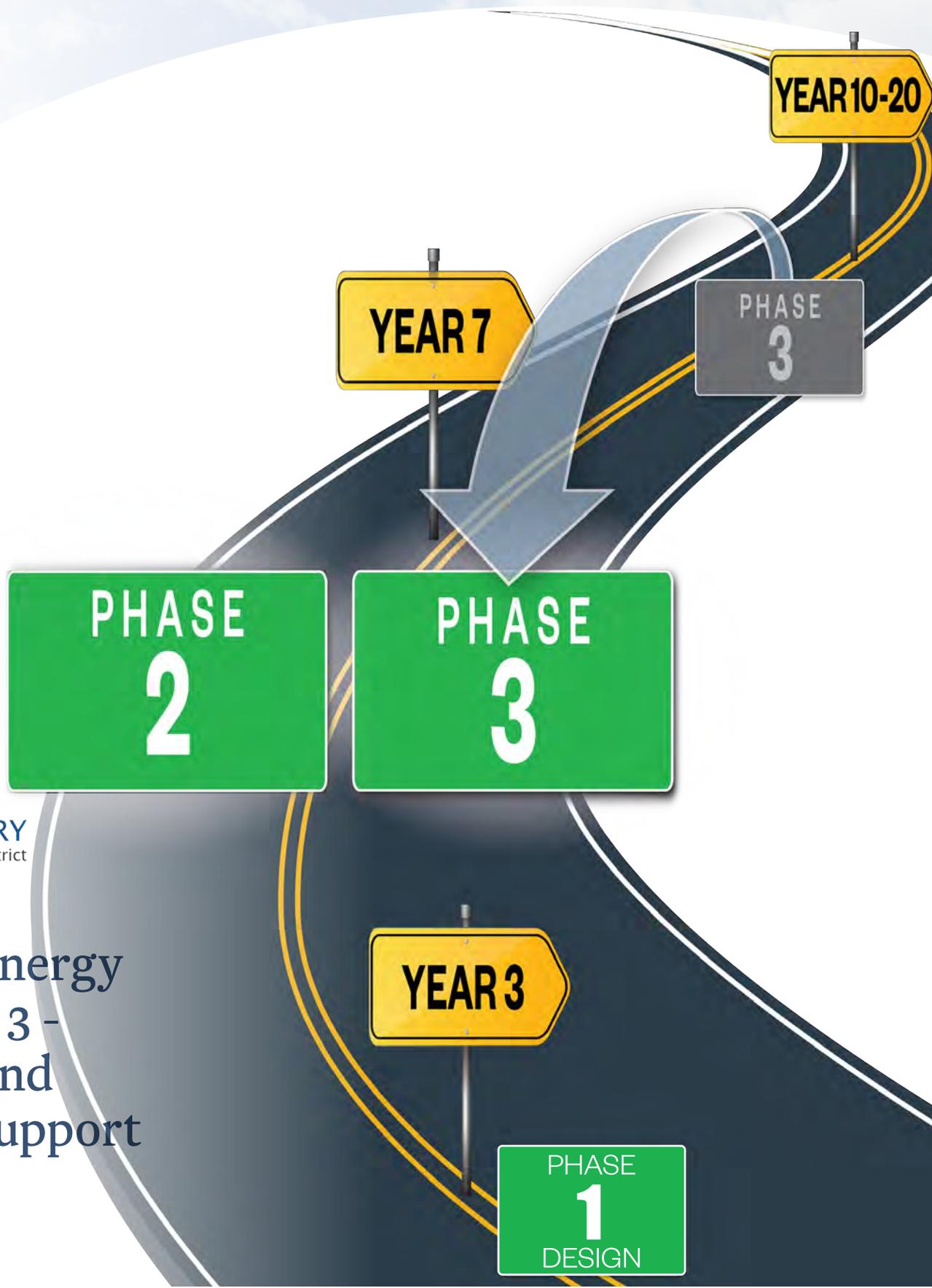
The attached proposal includes the preparation of a supplemental MND for the BESP Phase 2 project that builds upon the information gathered for the Phase 1 project MND. The proposal also includes permitting support for the various regulatory agencies that will have permit authority over the projects. This includes, but is not limited to, the County of Santa Barbara and the Santa Barbara County Air Pollution Control District.

The total estimated cost for the proposed services is \$200,800 including a contingency reserve of \$30,000. Actual costs paid will be on a time and materials basis and no contingency funds will be used without the District's written approval. Funds for this effort are included in the proposed Fiscal Year 2022-23 budget in the Capital Reserve fund.

Staff recommends the Board authorize the General Manager to execute an agreement with Hazen for Regulatory and Permitting Support Services associated with the BESP Phase 2 project as included in the attached proposal in an amount not to exceed \$200,800 in the form of an addendum to proposal.

IV. REFERENCE MATERIAL

Hazen Proposal dated June 10, 2022, for Regulatory and Permitting Support Services Associated with the BESP Phase 2 project



Proposal for

Biosolids & Energy Phases 2 and 3 – Regulatory and Permitting Support

June 10, 2022

Table of Contents

- 1 Project Understanding and Scope of Services
- 2 Firm and Project Team Qualifications
- 3 Project Fee

Appendix

- A Resumes



Hazen and Sawyer
90 New Montgomery Street, Suite 333
San Francisco, CA 94105 • 628.242.0042

June 10, 2022

Mr. Steve Wagner, PE
General Manager
Goleta Sanitary District
One William Moffett Place
Goleta, CA 93117

Ref: Biosolids and Energy Strategic Plan Phase 2 & 3 – Regulatory and Permitting Support

Dear Steve,

The Goleta Sanitary District (GSD) and Hazen have been working together to implement the vision developed as part of the *Biosolids and Energy Strategic Plan*. Phase 2 and 3 have been combined and Hazen is currently working on a 30% design of a high-strength waste receiving facility and thermal dryer facility. Recognizing that permitting will have an important impact on project schedule, GSD has requested that Hazen provide a proposal for Regulatory and Permitting Support.

The Hazen team looks forward to the continued collaboration with GSD. Our team includes the same people that are delivering Phase 1 as well as Phase 2 and 3. Rion Merlo will serve as our project manager and will work closely with Marc Solomon, who has over 30 years of experience with permitting support. We have also included Sara Head (Yorke Engineering) and Heather McDevitt (Dudek) who have also worked with GSD.

Throughout this project, Hazen and our team partners will continue to collaborate with GSD to continue to turn the BESP vision into reality. Hazen is committed to providing the leadership and resources necessary to ensure a successful outcome for your project. Should you have any questions about this proposal, please do not hesitate to contact Rion Merlo at (510) 499-7466 or rmerlo@hazenandsawyer.com.

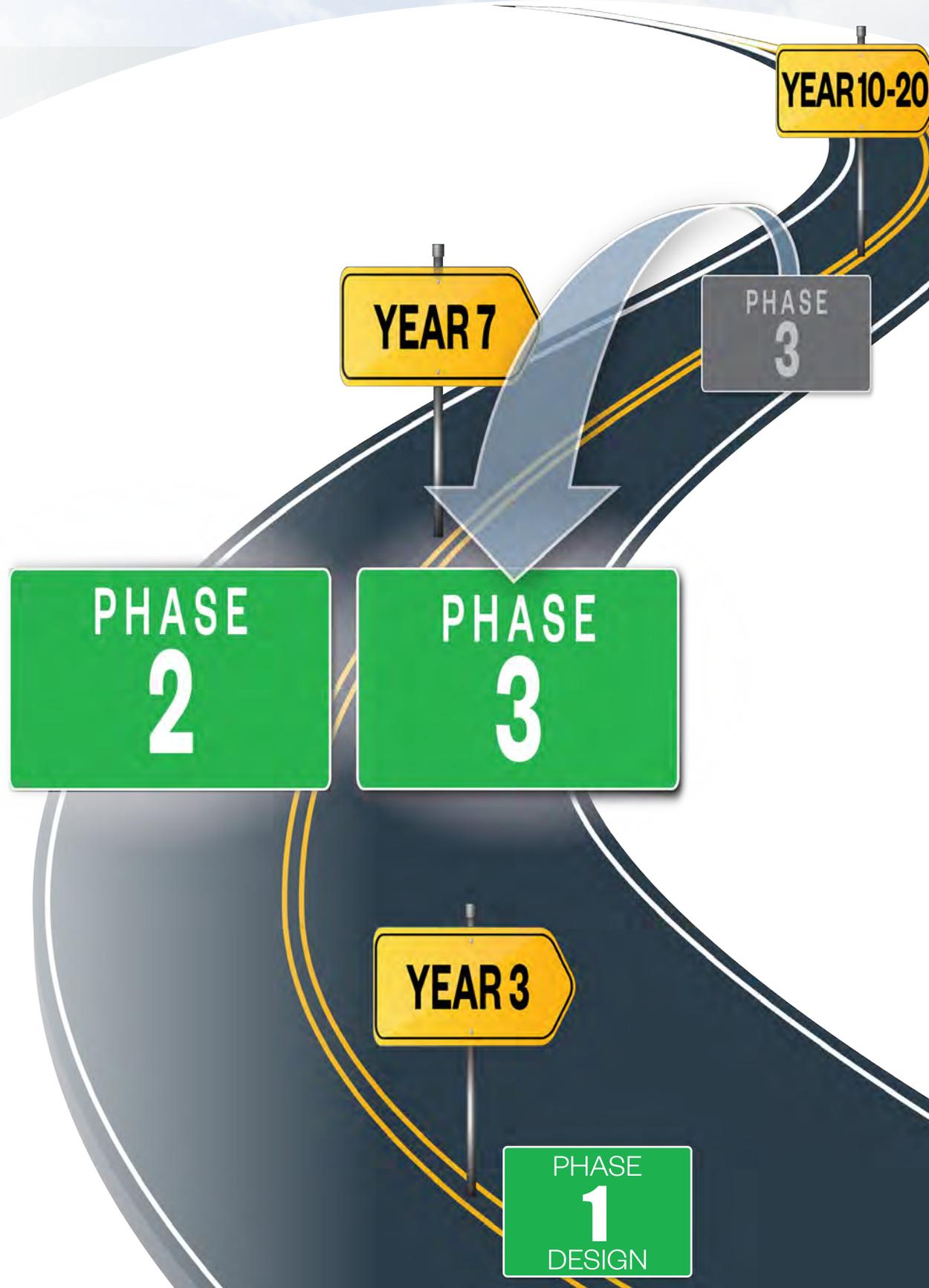
Sincerely,

Marc Solomon, PE, BCEE, D.WRE
Project Director

Rion Merlo, PhD, PE, PMP
Project Manager

Section 1

Project Understanding and Scope of Services



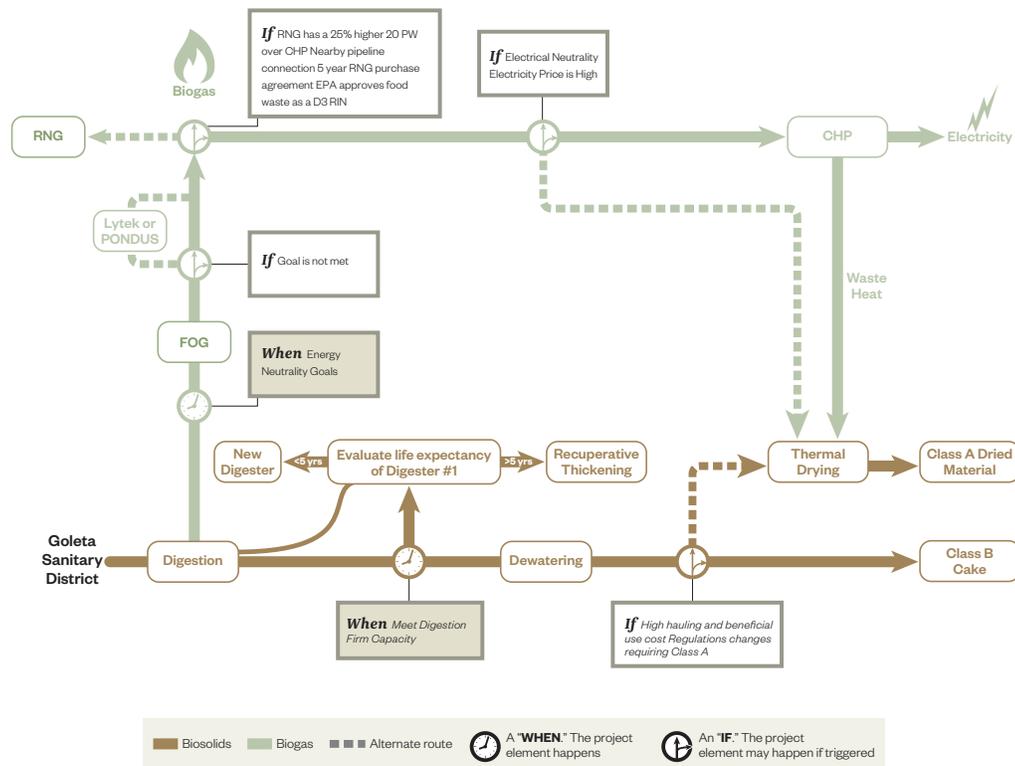
Section No. 1

Project Understanding and Scope of Services

The drivers for owners of water resource recovery facilities (WRRF) to re-evaluate their practices of managing biosolids and energy continue to evolve in response to changing regulations, including land application restrictions, diversion of organic waste to WRRFs due to landfill bans, air pollutant mitigation rules, and greenhouse gas emission requirements as well as other externalities. These issues can be particularly challenging for smaller utilities with limited resources and economies of scale, such as Goleta Sanitary District (GSD).

One advantage of being a small utility that solely treats wastewater and recovers the resources is the ability to be nimble and progressive in pursuing innovative solutions to evolving challenges. The Biosolids and Energy Strategic Plan (BESP) that was completed in 2019 established a 10-year phased for roadmap for implementation of the BESP, along with a trigger map (shown below) should events change over time.

Changing market conditions for hauling biosolids to landfills is causing GSD to consider accelerating the schedule for phases 2 and 3 of the BESP which includes a fats, oil and grease (FOG) receiving station and thermal dryer.



For the Phase 2 & 3 Regulatory and Permitting project, we will deliver the project with the same team that have been working with you on the Phase 1 and Phase 2&3 design projects. We will leverage that experience to effectively work through the permitting and regulatory requirements of Phase 2 & 3.

1014-317

Scope of Services

Task 1 - Project Management and Administration

Upon award of contract, Hazen's Project Manager will submit an updated Project schedule to the GSD for review. We understand the importance of schedule and budget management on your Project and will use our project controls expertise to track and control budget and schedule. This enables us to identify issues and options for resolution as early as possible to ensure that high quality deliverables are submitted on time and within budget. Hazen will develop and execute the subcontracts, manage the subconsultants, update scheduling, conduct internal progress meetings, and associated communications.

Our Project Manager, Rion Merlo, will submit Monthly Progress Reports and Invoices. The Progress Reports include information related to work completed that month, work expected for the next month, important upcoming milestones, and updates on schedule and budget. The actual percent complete, budget expended and any scope, budget, or schedule issues for each task would be included. Invoices will include billing for work completed in the prior month

Task 2 - Regulatory and Permitting

Hazen and our subconsultants Yorke and Dudek, will work with GSD on the regulatory and permitting aspects of the Biosolids and Energy Phase 2&3 project. Each subtask is s

Task 2.1 Santa Barbara County Air Pollution Control District Permit Application

Subject to confirmation, an ATC application package will be prepared for the following new equipment:

- Increased digester gas production;
- A new thermal dryer facility, consisting of a new building, dewatering centrifuges, and thermal dryer unit(s); and
- One or two new or modified enclosed flare(s); model and throughput ratings to be determined.

Task 2.1.1 - Collect Data

Yorke will review the data on the proposed equipment and facility. Dryer and flare specifications and qualitative data for the permit application package will be required. Additional information needed for the HRA described in Task 2.1.4 will also be needed. We will prepare a data request upon initiation of this work.

Task 2.1.2 - Pre-Application Meetings with the SBCAPCD

Based on input from GSD, we propose to coordinate and attend up to two pre-application meetings with GSD, Hazen, and the SBCAPCD. The primary purpose of the meeting(s) will be to present the plans for the Project and obtain input on proposed equipment and emissions control planned and to obtain concurrence to the extent possible that the planned equipment will meet SBCAPCD's Best Available Control Technology (BACT) requirements.

Task 2.1.3 - Calculate Emissions and Determine BACT Requirements

Using the data collected, we will quantify the criteria pollutant emissions on an hourly, daily, and annual basis for use in the permit applications. We will also calculate emissions of toxic air contaminants (TACs) from the proposed Project. It is expected that the emission calculations will indicate that BACT is triggered. From the

Phase 1 permitting, we expect that there could be issues related to BACT for the dryer and potential replacement flare. If these uncertainties are not resolved during the Phase 2/3 permitting feasibility analyses, additional discussion with the SBCAPCD may be necessary.

We are assuming that a facility-wide HRA will not be required, so facility-wide TAC emissions for the existing facility operation will not be estimated.

Task 2.1.4 – Prepare Project Health Risk Assessment

Yorke will prepare an HRA for the proposed new equipment noted above in accordance with SBCAPCD guidelines. The primary goal of the HRA is to quantify health risk values that are compliant with SBCAPCD methodology and criteria. The HRA will include the use of AERMOD for the air dispersion modeling. AERMOD is recommended by both the U.S. Environmental Protection Agency (EPA) and the SBCAPCD for stationary source air dispersion modeling projects. AERMOD, like most dispersion models, uses mathematical formulas to characterize the atmospheric processes that disperse pollutants emitted by a source. AERMOD is used to calculate pollutant concentrations at selected downwind receptor locations based on emission rates, exhaust parameters, terrain characteristics, and meteorological inputs. The results are then used as inputs into the HRA calculation tool, along with pollutant specific toxicity data, dose/response factors, and multi-pathway exposure adjustments.

The HRA calculation tool that will be utilized for this Project is the Hotspots Analysis and Reporting Program, version 2 (HARP2), which is distributed by the California Air Resources Board (CARB) and is intended to facilitate the completion of HRAs. HARP2 is a multi-pollutant, multi-pathway health risk program that utilizes the calculation procedures set forth in CARB guidelines. HARP2, in conjunction with AERMOD, calculates theoretical cancer risks, chronic risks, and acute risks at the nearest residential receptor, the nearest workplace receptor, at the point of maximum impact, and throughout the Cartesian coordinate receptor grid. The HRA will include inhalation and non inhalation exposure pathways. The residential/sensitive receptor analysis will include a 30 year exposure duration, and the off-site workplace receptor analysis will include a 25-year exposure duration.

For the Phase 1 Project, we discussed with the SBCAPCD whether a project-only HRA would be sufficient or if the SBCAPCD would require that a facility-wide HRA be performed for the existing facility, as well as for the proposed new TAC emissions from the project. Completing a facility wide HRA would be a substantial undertaking and we were successful in getting agreement from the SBCAPCD that a facility-wide HRA would not be required. For this Phase 2/3 Project, we expect that the HRA would need to also include TAC emissions from Phase 1 as a cumulative analysis. Although health risk impacts will be much higher if a flare is included, we are hopeful that a combined Phase 1 and Phase 2/3 result will be sufficient and a facility-wide HRA will not be required. Should a facility-wide HRA be required in addition to an HRA for the new equipment, a supplemental cost proposal will be provided.

As part of the ATC application package, Yorke will summarize the methodology used and results for the HRA, including the Cancer Risk, Chronic Hazard Index (HIC), and Acute Hazard Index (HIC) for the nearest residential and off-site workplace receptors.

Task 2.1.5 – Prepare ATC Permit Application Package

Yorke will prepare an ATC permit application package to SBCAPCD standards. The application package will include the BACT determinations and emission calculations prepared in Task 1c, the HRA from Task 2.1.4, and an analysis of SBCAPCD regulations to show compliance with the relevant rules. New Source Review (NSR) requirements, including BACT, offsets, and air quality impact analysis (AQIA) modeling, will be discussed. Based

on SBCAPCD thresholds, we assume Project emissions will not trigger the need for offsets or AQIA, and that BACT requirements will be met by the proposed configuration. Yorke will complete the SBCAPCD application forms, including general and source-specific forms. These forms include information on the facility, owner/operator, equipment specifications, and emissions.

A draft permit application package will be submitted to GSD for review and comment. Following incorporation of comments, a final application document will be provided to GSD for signature and submittal to the SBCAPCD. It is assumed that payment of the application fees will be provided by GSD.

Deliverable: A Draft and Final Permit Application Package for the New and Modified Equipment

Task 2.1.6 – Follow-Up with the SBCAPCD

After application submittal, we will follow up with the SBCAPCD to answer questions and track the status of the applications. We will work closely with GSD and SBCAPCD staff to facilitate processing of the permit applications. We will also review the draft ATC permit to ensure correctness. Since the required level of effort is difficult to estimate at this stage, this effort is limited to the hours listed in Table 1. Should additional effort be needed to negotiate permit conditions or address more detailed SBCAPCD questions, we will propose that effort separately for your approval.

Task 2.2 - Addendum or Supplement to the IS/MND

For the proposed Phase 2/3 Project, only some of the CEQA checklist topics, such as air quality, greenhouse gas (GHG) emissions, noise, and biological and cultural resources for the additional areas disturbed, should be required. Therefore, we propose to prepare a focused CEQA document that only analyzes the topics that change from Phase 1. If no changes to the significance findings or the Mitigation, Monitoring, and Reporting Plan (MMRP) are needed, we will propose preparing an Addendum to the previously prepared MND. If some of the findings change or additional mitigation is needed, then a Supplement to the MND will be prepared. In either case, to qualify as an MND, impacts must be determined to have No Impact, Less Than Significant Impact, or Less Than Significant Impact with Mitigation Incorporated for all topics.

Task 2.2.1 - Air Quality and GHG Emissions Analyses

The technical analyses and significance discussions will be prepared for air quality and GHG emissions. The air quality impact analysis will include both construction and operational emissions, health risk analysis (based on the HRA discussed in Task 2.1.4), odor impact assessment, regulatory analysis, and consistency with air quality plans. The GHG analysis will include both construction and operational emissions and a discussion of consistency with GHG reduction plans, if needed.

Yorke will estimate Project demolition and construction emissions using CalEEMod, a public domain software developed by the California Air Pollution Control Officers Association (CAPCOA) in collaboration with the 35 California air districts specifically for land use development projects, with the capability to include pre-calculated stationary source equipment emissions rates. This software program provides air basin-specific emissions estimates of air pollutants generated from construction activities, including dust from demolition and earth-moving, diesel fuel combustion, and vehicle traffic. The emissions estimates will include criteria pollutants [i.e., volatile organic compounds (VOCs), nitrogen oxides (NOx), carbon monoxide (CO), sulfur oxides (SOx), fine and respirable particulate matter] and GHG emissions [carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), and carbon dioxide equivalents (CO₂e)].

Operational criteria pollutant emissions from Task 2.1.3 will be used and operational GHG emissions will be estimated as needed. To address the four air quality related CEQA Checklist questions, the Project emissions will be compared to the CEQA significance thresholds. The SBCAPCD considers all construction emissions to be significant and requires that various best management practices and dust control measures be implemented. Odor impacts will be addressed qualitatively and the results of the HRA from Task 1d will be summarized.

In addition to the above air quality discussion in the IS/MND section, relevant appendices (e.g., emission calculations, technical reports, CalEEMod print outs, etc.) will be prepared to provide the detailed emission calculations and analyses, as needed.

Deliverable: Air Quality and GHG CEQA Documentation Including Appendices

Task 2.2.2 – Noise Analysis

The CEQA checklist and significance discussions for noise will be prepared. Yorke will perform a screening-level noise analysis for Project construction based on methodology developed by the U.S. Department of Transportation (DOT) Federal Highway Administration (FHWA) at the John A. Volpe National Transportation Systems Center and other technical references. The DOT FHWA methodology uses actual noise measurement data collected during the Boston “Big Dig” project (1991-2006) as reference levels for a wide variety of construction equipment in common use. Equipment types will be selected based on the CalEEMod construction equipment list determined in Task 2a, thus ensuring continuity between the air quality and noise analyses.

For operational noise, published reference data will be used to assess localized impacts from stationary equipment, streets, roads, and highways. For projects located in urban settings, the incremental effect of project operation (possibility of a slight increase in traffic) may not be quantifiable against existing traffic noise (background) in the project vicinity. This is due to the logarithmic nature of sound attenuation.

Noise impacts for construction will be evaluated against applicable zoning thresholds to determine whether the Project would have a significant impact at nearby receptors. Since the Project site is an existing heavy industrial land use, no significant operational noise impacts are expected with regard to stationary source equipment, i.e., plant noise will be about the same and there will be no new receptors. Furthermore, since this is an existing land use, we assume that an analysis of the noise from the airport on the facility will not be needed.

Task 2.2.3 – Other CEQA Topic Analyses

As noted above, it is expected that most of the other CEQA topics, including Aesthetics, Agriculture and Forestry, Hazards and Hazardous Materials, Land Use/Planning, Recreation, Population/Housing, Public Services, Transportation/Traffic, and Wildfires will have minimal if any changes from the Phase 1 MND. Energy and Utilities/Service Systems (which includes potential waste generation/soil from excavation) may need minor updates related to the additional construction activities. We will rely on information provided in the Project description to determine if any updates to the Phase 1 MND are needed to address these topics.

Task 2.2.4 – Draft CEQA Document Preparation

Dudek will prepare the biological resources section of the IS/MND. Dudek understands that the current Project will occur within the existing GSD facility, within a developed and landscaped portion of the facility that is distant from natural habitats in the vicinity. The project site is located immediately adjacent and south of the Phase I project site; therefore, the biological resources section for the Preliminary Analysis Memo and MND document would be very similar to that completed for the Phase I MND. Information from that report would be

incorporated into the biological resources section of the MND, which will describe the literature review, survey methods, survey results, and the potential for impacts to biological resources. Results will include descriptions of any vegetation communities and land covers in the survey area, and a brief discussion of the potential for special-status plant and wildlife species to occur in the survey area. The discussion of potential impacts will include recommendations of avoidance, minimization, and mitigation measures, if necessary, based on the impact analysis.

The project site is located immediately adjacent to the Phase I project site; therefore, the geology and soils section for the Preliminary Analysis Memo and MND section would be very similar to that completed for the Phase I MND. It is anticipated that a project specific geotechnical investigation, including soil borings, would be completed as part of the proposed project. Information from that report would be incorporated into the geology and soils section of the Preliminary Analysis Memo and MND section. It is anticipated the remainder of the section would be very similar to the Phase I MND section.

The project site is located immediately adjacent to the Phase I project site; therefore, the Preliminary Analysis Memo and hydrology and water quality section for the MND would be very similar to that completed for the Phase I MND. Similar to Phase I, the proposed project would be outside the 100-year flood zone of San Pedro Creek. It is anticipated that a project specific geotechnical investigation, including soil borings, would be completed as part of the proposed project. Depth to groundwater information (if any) would be incorporated into the Preliminary Analysis Memo and hydrology and water quality section of the MND. It is anticipated the remainder of the section would be similar to the Phase I MND section.

The project site is located immediately adjacent to the Phase I project site; therefore, the Preliminary Analysis Memo and mineral resources section for the MND would be identical to that completed for the Phase I MND.

Dudek will prepare a Paleontological resources write-up within the Preliminary Analysis Memo and geology and soils chapter of the IS/MND that will satisfy CEQA and Society of Vertebrate Paleontology requirements. The paleontological portion of the CEQA document will summarize the results of the paleontological resources records search and geological map and paleontological literature review, regulatory framework, and recommendations for appropriate management. For the purposes of this scope of work and cost estimate, Dudek assumes that the write-up for the Preliminary Analysis Memo and MND section will be sufficient to document the negative results. Should resources be encountered requiring recordation and a stand-alone technical report be necessary, Dudek will work with you to augment this scope and cost as appropriate in order to prepare a full paleontological survey report.

Dudek will prepare the cultural resources and Tribal cultural resources sections of the IS/MND, describing the records search results, literature review, survey methods and results, all Tribal consultation efforts and communication and the potential for impacts to cultural and Tribal cultural resources. The discussion of potential impacts will include recommendations of avoidance, minimization, and mitigation measures based on the impact analysis.

Yorke will incorporate the information, sections, appendices, and technical reports prepared by Yorke, Hazen, and Dudek into the complete preliminary draft CEQA document, including updates to the MMRP as needed. The complete draft will be provided to Hazen and GSD for review. Comments from Hazen/GSD will be incorporated as needed and a final draft CEQA document will be prepared. If an Addendum is prepared, then distribution to the public is not required. If a Supplemental focused MND is prepared, Yorke will assist with preparation of required notices and distribution to the Responsible Agencies and the public for a 30 day public comment period, as needed.

Deliverable: Initial Draft and Final Draft CEQA Document

Task 2.2.5 - Response to Public Comments

The Hazen team will work with GSD to address Responsible Agency and public comments on the CEQA document following the public comment period. Attendance for one staff member at up to one public meeting/hearing has been included. A final CEQA document that incorporates necessary changes identified during the public comment period will be prepared. As noted previously, only very minor comments were received on the Phase 1 MND, so extensive public comments or controversy are not expected for Phase 2/3. Since it is unknown to what extent other agency or public comments will be received, the time allotted to this task is limited to the hours shown in Table 1.

Deliverable: Final CEQA Document

Task 2.3 - Archaeological Data Recovery Plan

Task 2.3.1 - Fieldwork

Since the proposed Project location is outside the area originally surveyed in 2020 an intensive pedestrian survey will be conducted using no greater than 10-meter (30-foot) parallel transects. We anticipate vegetation and hardscape to obscure a majority of the ground surface throughout the proposed project area. All barren ground and exposed subsoils exposed as a result of burrowing animals will be examined carefully. To overcome visibility issues, a shovel will be used to scrape away vegetation to reveal the ground surface. If necessary, shovel scrapes will occur in 10-meter intervals, or subjectively as appropriate.

Task 2.3.2 - Tribal Consultation Support

Since this proposed Project is outside the Biosolids and Energy Phase I project, a separate tribal consultation will be required. Additionally, since the tribes have already been involved in tribal consultation for the previous project early outreach and consultation is highly recommended. Dudek will, upon the client's authorization, initiate project coordination with local tribal representatives pursuant to AB-52 Tribal Consultation requirements. This coordination shall be conducted in support of the GSD but will be limited to those task that will not jeopardize the formal government-to-government consultation process as specified by AB 52. These efforts will be accomplished by the following:

- Contact the California State Native American Heritage Commission (NAHC) to request a review of their Sacred Lands and obtain a list of tribal representatives with potential knowledge of cultural resources within the project area.
- Compose notification letters subject to the GSD's approval and placement on GSD letterhead for dissemination to each of the tribal entities that have requested formal notification of projects under the GSD's jurisdiction. The letter will include but may not be limited to the following: location of proposed Project site and associated figure, a summary of the proposed Project and objectives including extent of ground disturbing activities (if known), results of background research including the CHRIS and NAHC SLF records search results, agency contact information, and a clear statement requesting all communication within 30 days of receipt of notification.
- If the GSD desires, Dudek will compile print and mail (USPS certified mail) all notification letter packets to the eligible tribal representatives upon the GSD's request and authorization. Notification should also include email communication; however, in order to retain the government-to-government consultation process, the GSD will need to send the notification emails from a GSD email server. As such, tribal notification emails are not included in this scope and cost.

- Attend tribal consultation meetings to provide support and information regarding the cultural resource investigation conducted for the proposed Project. This scope assumes no more than a total of 3 hours will be required to attend meetings.

Native American consultation is the responsibility of CEQA lead agency, in this case the GSD. Dudek's Native American coordination efforts will be completed in support of the GSD. Dudek will provide all information on coordination efforts at the time of request by the lead agency, and with appropriate permission, will coordinate with the GSD to ensure their Native American consultation obligations are fulfilled.

Task 2.4 - Coastal Commission Permitting

The proposed project is located entirely within the County of Santa Barbara's (County) Coastal Development Permit (CDP) jurisdiction (and the California Coastal Commission's (CCC) appeals jurisdiction). Therefore, the standard of review for this project is the County's certified Local Coastal Program (LCP). Dudek will coordinate with GSD and County staff throughout the CDP application process. Dudek will assemble the CDP application package, including completing the CDP application form, compiling all required attachments and public noticing materials, and preparing a submittal letter that summarizes environmental information and technical studies to demonstrate compliance with applicable LCP policies. This submittal letter is utilized by County staff to write their staff report and thereby ensures a more efficient review process and hearing scheduling. As part of this effort, Dudek coastal planners will review project information, any correspondence between GSD and the County, CCC, or other regulatory agencies, and other relevant documents provided by GSD and the County, including technical studies and information generated in support of past CDP's. Dudek coastal planners will print and mail a hard copy of the application submittal to the County planning office and can either (1) provide an electronic version (PDF) for GSD to submit to County staff, or (2) submit the electronic version to County staff on GSD's behalf.

Following County staff's initial review of the application submittal, Dudek coastal planners will review any requests for additional project information and provide recommendations to deem the application complete and prepare for a County Planning Commission (PC) hearing. Based on our understanding of the project, this scope assumes one 30-day County review cycle to thoroughly address staff requests for additional information and potential impacts to coastal resources.

After the CDP application is formally filed, Dudek will coordinate with County staff during development of the staff recommendation. Prior to the public PC hearing on the CDP application, Dudek will review the final County staff report/recommendation and discuss the findings with GSD. As needed, Dudek will support GSD in preparing a presentation to address the staff recommendation and any specific special conditions. In addition, Dudek will attend the PC hearing (remotely or in person) and be available to answer questions that come up during the hearing.

Assuming that the County approves the CDP and GSD is supportive of the approved conditions and wants to seek release of the permit, Dudek will help GSD compile all of the materials needed to satisfy the special conditions of the permit. Dudek will coordinate with County staff, as necessary, to oversee issuance of the permit.

Deliverable: CDP application package (hard copy and electronic)

Task 2.5 - Federal Aviation Administration (FAA) Permit

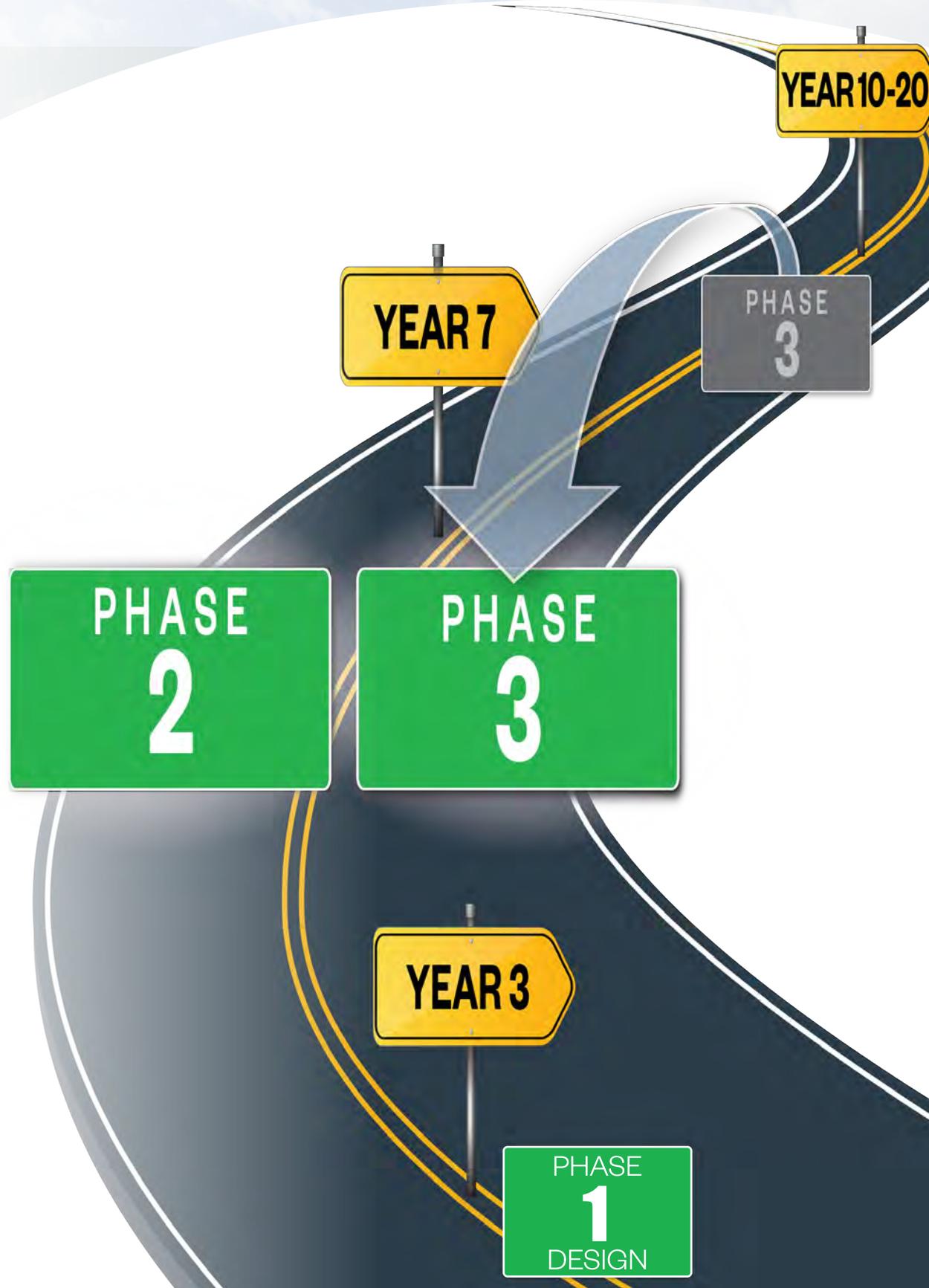
Hazen will assist GSD in the preparation of the FAA Form 7460-1 Notice of Proposed Construction or Alternation. This form must be submitted 45 days before proposed construction or alternation or the date an application for a construction permit has been filed, whichever is earliest.

Project Schedule

The draft ATC permit application for submittal to the SBCAPCD will be provided within 4 to 6 weeks from receipt of the 30% Preliminary Design Report. The draft CEQA document will also be provided in the same time frame presuming receipt of Dudek sections in a timely manner. Finals of these documents will be provided within 1 to 3 weeks from receipt of comments.

Section 2

Firm and Project Team Qualifications



Section No. 2

Firm and Project Team Qualifications

Hazen’s collaborative approach with a focus on the business/financial implications and delivery of technical expertise will continue to identify the best solutions for implementation of Phases 2 and 3 of Goleta Sanitary District’s Biosolids and Energy Management Strategic Plan.

Hazen will be the lead firm for the project. We will supply all management and technical leadership, leveraging our industry-leading expertise for GSD’s benefit. Our project partners have been selected to embody a focus on collaboration and leveraging of technical excellence.

The Hazen Team, including our Subconsultants, Yorke Engineering and Dudek, has the capabilities and capacity to meet the regulatory requirements, schedule milestones, and quality parameters necessary to realize your vision for a sustainable future.

Since 1951

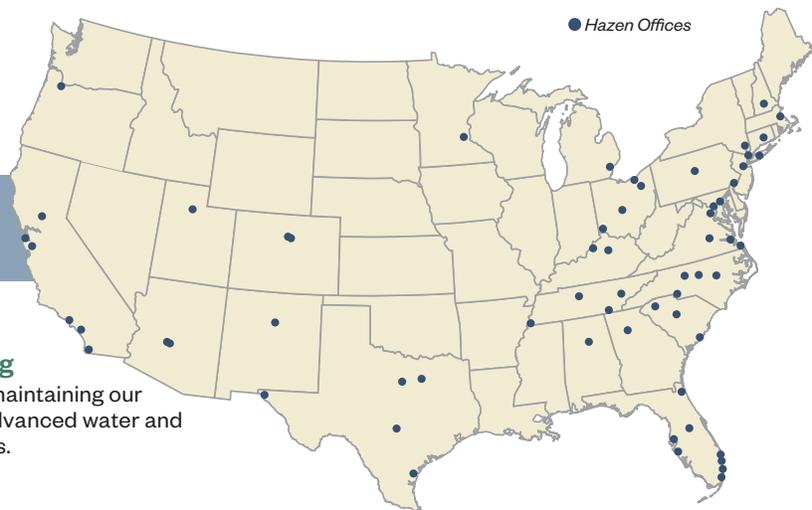
Hazen and Sawyer has been focused on **all aspects of water**.

We have grown to **1,300+** staff members



in Water Engineering

Hazen is committed to maintaining our position as a leader in advanced water and wastewater technologies.



Areas of Service

- Stormwater
- Water Resources
- Conveyance
- Drinking Water
- CSO
- Reuse
- Wastewater
- Environmental Planning
- Biosolids

Subconsultants



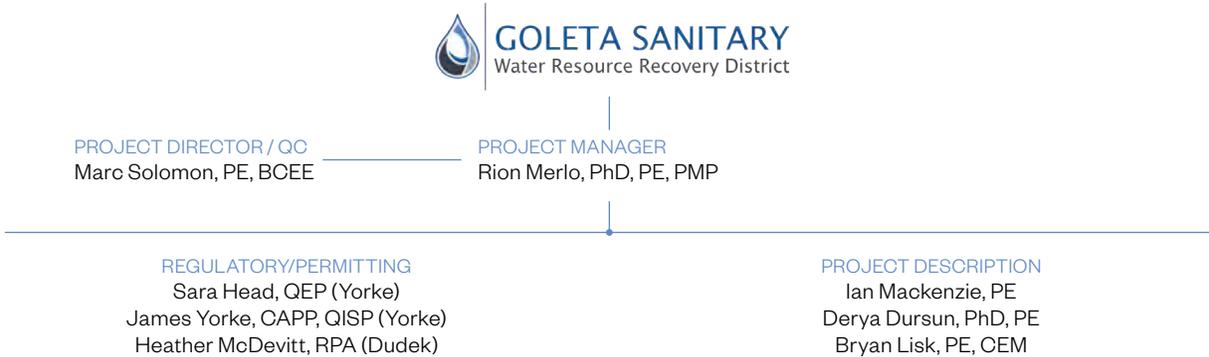
Yorke Engineering, LLC (Yorke) was founded in 1996 to provide professional air quality and environmental services to clients in government and industry. With offices in Los Angeles, Alameda, Kern, Fresno, Orange, Ventura, San Diego, and Riverside Counties. Yorke specializes in air quality and environmental permitting and compliance under the Santa Barbara County Air Pollution Control jurisdiction and other California air districts. Since Yorke's founding, they have served over 550 client organizations, including water and sanitation districts, waste-to-energy plants, biogas facilities, regional and municipal power plants, numerous cogeneration facilities, cities, counties and special districts.



Founded in 1980, Dudek is a California based firm that has grown to 600+ environmental planners, scientists and engineers who help clients plan, design and build projects that improve communities' built and natural infrastructure. Dudek's registered professional archaeologists (RPAs) specialize in identifying resources that may cause project constraints and understanding their historical significance. Their RPAs have decades of experience and are qualified consultants on many local agency lists.

Organizational Chart

The Hazen team is comprised of both local and national experts who welcome the opportunity to work on this project and further apply the knowledge gained of GSD’s treatment facility. Our project team’s key personnel, led by Rion Merlo and Marc Solomon. Our proposed organizational structure and staffing plan is shown below followed by capsule resumes of key project leaders. Detailed resumes can be found in the Appendix A.



Management Team

To ensure this project has the leadership needed to meet the project objectives on schedule and within budget, we are proposing a strong and experienced management team.



Rion Merlo, PhD, PE, PMP
Project Manager

Dr. Merlo has over 25 years of experience as a water and wastewater process engineer. He has served as project manager for numerous major wastewater treatment projects. His experience ranges from planning, pre-design and design services. A number of projects have included the coordination of multi-discipline, multi-location and multi-firm teams delivering complex projects on time and within budget.



Marc Solomon, PE, BCEE
Project Director

Mr. Solomon has successfully managed large wastewater projects for 35 years. His background managing diverse, complex, multi-discipline projects enables him to provide guidance and anticipate the needs of the team to successfully deliver this project for GSD. His experience and unique ability to engage technical and operational staff in the use of triple bottom line plus analysis for alternative evaluation and decision-making will help will help guide both the Hazen team and GSD staff to finding the most viable solutions.

Project Team

A Quality Culture is an attitude that touches the entire project team, establishes the technical and quality standards the team works to and builds on the technical experience and quality processes that guides the day-to-day work.



Ian Mackenzie, PE

Design Lead

Mr. Mackenzie has extensive experience in the design and construction of wastewater treatment facilities. Ian is currently the lead design engineer for the BESP Phase 1 Design and the Plant 3A Biosolids Handling Improvements project for Moulton Niguel Water District. He recently led to completion the design for SOCWA's J.B. Latham and Coastal Treatment Plant Facilities Improvement project.



Derya Dursun, PhD, PE

Process Engineer

Dr. Dursun specializes in biosolids treatment and handling and digester gas treatment and management with a focus on maximizing energy recovery. She has broad knowledge of anaerobic digestion, co-digestion, gas production and waste-to-energy facilities. She was the lead process engineer for the BESP and BESP Phase 1 Design projects. Derya is coauthor of Water Environment Federation's (WEF) Manual of Practice – Conditioning Section and Environmental Protection Agency's (EPA) Process Design Manual for Sludge Treatment and Disposal – Sludge Transport and Conveyance Section.



Bryan Lisk, PE

Cogeneration/Energy Balance

Mr. Lisk serves as Hazen's National Energy Services Lead, is a Certified Energy Manager with the Association of Energy Engineers (AEE) and has extensive experience in projects involving generating electricity from alternative renewable energy sources. These projects include Combined Heat and Power (CHP) studies and design, biogas utilization master planning, energy optimization studies and master planning, energy modeling, energy procurement optimizations, and electric utility interconnection coordination. Bryan led GSD's Biogas Utilization Preliminary Study and the basis of design for the combined heat and power (CHP) system for BESP Phase 1 Design.



Sara Head
Regulatory / Permitting

Ms. Head is an experienced air quality professional with years of experience working with a number of air quality control boards on Annual Emissions Report (AER) preparation, Continuous Emission Monitoring Systems (CEMS), New Source Review (NSR) permitting and Best Available Control Technology (BACT).

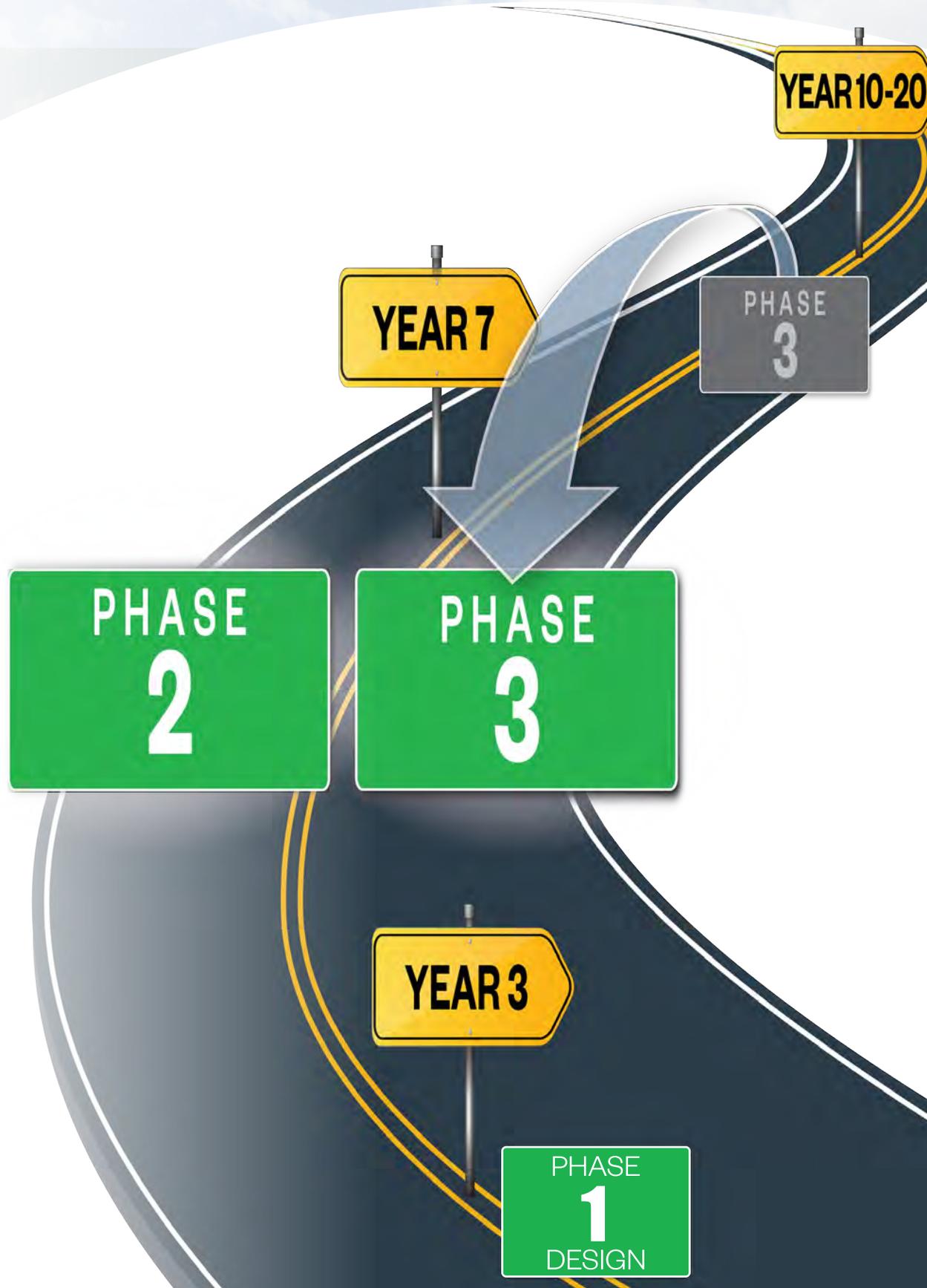


Heather McDaniel McDevitt
Archaeologist

Heather McDaniel McDevitt is an archaeologist and cultural resources lead with 13 years' cultural resource management (CRM) experience throughout California and Baja California. Ms. McDaniel McDevitt has served as a field supervisor, lab director, principal investigator and project manager on Phase I, Extended Phase I, Phase II, and Phase III projects conducting surveys, testing, site significance evaluations and recordation, data recovery and laboratory analysis. Her education encompasses archaeology, biological anthropology, and GIS.

Section 3

Project Fee



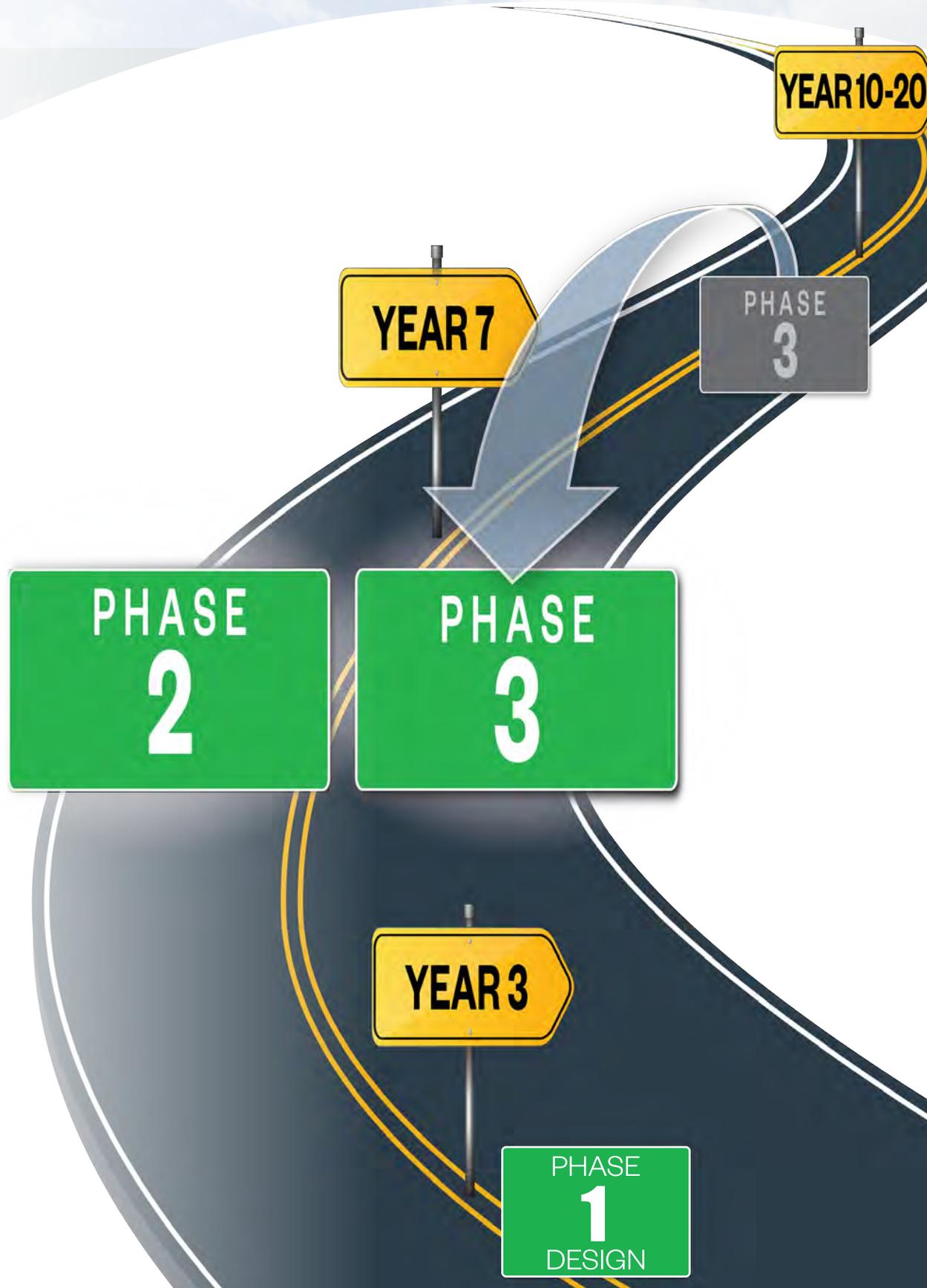
Section No. 3

Project Fee

|  | | PIC | PM | QA/QC | Design Manager | Thermal Dryer Task Lead | Process Lead | Energy Lead | Mechanical | Electrical | Structural | Cost Estimating | Support Engineer | Total Hours | Hazen Fee | Yorke | Dudek | Total |
|---|-----------------------------------|------------------|----------------|------------------|--------------------|-------------------------|-----------------|---------------|--------------------|--------------|-----------------|------------------|------------------|-------------|-----------|----------|----------|-----------|
| Task | Description | Solomon \$290 | Merlo \$290 | Abu-Orf \$290 | Mackenzie \$290 | Vavonese \$235 | Dursun \$255 | Lisk \$290 | Reisinger \$250 | Yao \$290 | DuPuis \$230 | Portner \$240 | Takada \$170 | | | | | |
| 1.0 | Project Management | 6 | 26 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 32 | \$9,280 | \$0 | \$0 | \$9,280 |
| 1.2 | Project Coordination | | 20 | | | | | | | | | | | | \$5,800 | | | \$5,800 |
| 1.3 | Monthly Progress Reports | 6 | 6 | | | | | | | | | | | | \$3,480 | | | \$3,480 |
| 2.0 | Regulatory/Permitting | 10 | 10 | 2 | 28 | 6 | 14 | 40 | 4 | 4 | 4 | 4 | 40 | 166 | \$41,920 | \$70,000 | \$49,600 | \$161,520 |
| 2.1 | SBAPCD Permit Application | 2 | 2 | | 4 | 2 | 2 | 20 | | | | | 8 | | \$10,460 | \$36,300 | | \$46,760 |
| 2.2 | Initial Study/MND | 2 | 2 | 2 | 12 | 2 | 12 | 20 | 4 | 4 | 4 | 4 | 10 | | \$20,290 | \$33,700 | \$15,600 | \$69,590 |
| 2.3 | Archaeological Data Recovery Plan | 2 | 2 | | 2 | | | | | | | | 10 | | \$3,440 | | \$9,000 | \$12,440 |
| 2.4 | Coastal Commission Permit | 2 | 2 | | 2 | 2 | | | | | | | 10 | | \$3,910 | | \$25,000 | \$28,910 |
| 2.5 | FAA Permit | 2 | 2 | | 8 | | | | | | | | 2 | | \$3,820 | | | \$3,820 |
| Contingency | | | | | | | | | | | | | | | \$0 | \$20,000 | \$10,000 | \$30,000 |
| Total | | 16 | 36 | 2 | 28 | 6 | 14 | 40 | 4 | 4 | 4 | 4 | 40 | 198 | \$51,200 | \$70,000 | \$49,600 | \$170,800 |
| Total with Contingency | | 16 | 36 | 2 | 28 | 6 | 14 | 40 | 4 | 4 | 4 | 4 | 40 | 198 | \$51,200 | \$90,000 | \$59,600 | \$200,800 |

Appendix A

Resumes





Rion Merlo, PhD, PE, PMP

Project Manager

Rion is an environmental engineering consultant with 25 years of experience in the water and wastewater sectors.

Education

Ph.D., Civil and Environmental Engineering, University of California, Berkeley

M.S., Civil and Environmental Engineering, University of California, Los Angeles

B.S., Microbiology, University of California, Santa Barbara

Certification/License

Professional Engineer

Project Management Professional

Areas of Expertise

- Wastewater treatment
- Water reuse

Professional Activities

- WEF, PMI

Rion began his career focusing on wastewater process engineering and has been involved in pilot studies, master planning, and detailed design. In recent years, Rion brings a wide range of experience in technical solutions and team leadership.

Enhanced Treatment & Site Upgrade (ETSU) Program, Union Sanitary District, Union City, CA

Process Engineer. The Union Sanitary District (District) has embarked on the \$335M Enhanced Treatment and Site Upgrade (ETSU) Program which will result in increased plant capacity, replace ageing infrastructure, future nutrient removal and provide flexibility for wet weather discharge to the San Francisco Bay. The program includes aeration basin modifications to convert from carbon removal to biological nutrient removal, a new eighth aeration basin, new secondary clarifiers, new RAS/WAS pump station, new effluent facilities (chlorination, dechlorination, effluent pump station, wet weather discharge pump station, recycled water pump station and elutriation water pump station) new carbon odor scrubbers, new primary effluent equalization and a new administration building. The project included extensive hardening of the electrical infrastructure to accommodate the future loads and provide electrical redundancy. In addition to design, Hazen is providing permitting, CEQA development, and financing application support for the multi-phase program.

Delta Diablo Master Plan, Antioch, CA

Technical Advisor for the development of a Master Plan for its Resource Recovery Facility (RRF). The scope of the master plan includes every facet of treatment at the RRF, including: influent conveyance, optimization of existing processes, biosolids processing and recycled water distribution. The goal of the plan is to identify near- and long-term capital improvement projects which achieve the requirements developed during the master plan.

Main Wastewater Treatment Plant Master Plan, East Bay Municipal Utility District, Oakland, CA

Technical Advisor. Rion directed the capacity assessment of all treatment processes at the Main Wastewater Treatment Plant. He developed both short-term and long-term solutions to improve performance and increase capacity. He helped develop a roadmap to the future that addresses future nutrient regulations and capacity limitation.

Advanced Treatment Technology Pilot Study, Sacramento Regional County Sanitation District, Elk Grove, CA

Process Engineer. SRCSD is required to meet stringent NPDES permit requirements by December 2021, specifically regarding ammonia and nutrients. The technologies that were tested included air activated sludge (AAS) for nitrogen removal, followed by tertiary filtration and disinfection. Granular media filtration (GMF), GMF with pre-ozonation and membrane filtration were identified as viable tertiary filtration technologies; and chlorination, ozonation and UV disinfection were the identified disinfection technologies. Rion led a team of eight operators, including a District operator, and oversaw all operations and data collection for the Pilot Project. Rion led weekly meetings with the District, District's consultants and BC team members to present results and discuss data interpretation. The findings from the pilot study have led to a program savings of over \$200 million. The pilot project was awarded the California Water Environment Association (CWEA) Sacramento Area Section Research Achievement Award, CWEA State 2013 Research Achievement Award and 2014 WERF Award for Excellence in Innovation.

Aeration Tanks Rehabilitation Condition Assessment and Alternatives Analysis, City of San José, CA

Process Task Lead. Rion led the alternatives analysis as part of the aeration tanks rehabilitation project at the Regional Wastewater Facility. The alternatives analysis included developing design criteria, field testing, process model development and a business case evaluation. Alternatives that were considered were selected to meet current and potential future regulations for nutrients and to provide flexibility for future unknowns.

Nitrate Reduction Study, City of Roseville, CA

Project Manager. Rion managed a study to evaluate optimization and upgrade alternatives to meet nutrient compliance requirements at the City of Roseville's Dry Creek WWTP for nitrate plus nitrite. The recommendations included an acetic acid system, modification to internal mixed liquor recycled pumps, aeration upgrades and control of solids processing return streams. These upgrades have been implemented and the facility is in compliance.

Main Wastewater Treatment Plan Master Plan, East Bay Municipal Utility District, Oakland, CA

Process Engineer. Rion directed the capacity assessment of all treatment processes at the Main Wastewater Treatment Plant. He developed both short-term and long-term solutions to improve performance and increase capacity. He helped develop a roadmap to the future that addresses future nutrient regulations and capacity limitation.

Truckee Meadows Water Reclamation Facility (TMWRF) Facilities Plan, City of Reno, NV

Process Engineer. The TMWRF discharges treated effluent to the Truckee River which requires low levels of nitrogen and phosphorus. Rion performed the capacity assessment of the TMWRF to identify capacity limitations. In addition, he helped to develop alternatives for all existing treatment facilities at the plant.

Master Plan Update, City of Hayward, CA

Process Engineer. The project provided an opportunity to evaluate existing operations and identify optimization opportunities. Rion performed a flows and loads evaluation and evaluated all major liquid stream processes at the plant. The plant includes primary clarification, trickling filter/solids contact process and chlorine disinfection. In addition, Rion performed preliminary sizing for future facilities for nitrification (nitrifying trickling filters) and denitrification (denitrification filters).



Marc S. Solomon, PE, BCEE, D.WRE Project Director/QC

Mr. Solomon is an accomplished project manager on a wide range of pump station projects.

Education

BS, Civil Engineering, Duke University, North Carolina

MS, Public Health, Tulane University, Louisiana

Certification/License

Professional Civil Engineer

Water Treatment Plant Operator

Water Distribution System Operator

AAEE Board Certified Environmental Engineer

ASCE Diplomat, Water Resource Engineer

Value Engineering Certification

OSHA Confined Space Entry

Professional Activities

Water Environment Federation

AWWA

American Society of Civil Engineers

American Academy of Environmental Engineers

WaterReuse Association

Marc's broad project experience has exposed him to all phases of project planning, design, system modeling, system controls, construction management, and operational reliability. This unique and diverse experience enhances his project management abilities and his ability to work effectively with project teams and externally with elected officials, engineers, operators, contractors, and the general public.

Goleta Biosolids & Energy Strategic Plan, Goleta Sanitary District, Goleta, CA

Marc provided Quality Control and Quality Assurance for Biosolids and Energy Plan. The project included the evaluation of High Strength Waste availability and capacity assessments for a 10-mgd facility for current and future demands including high strength waste additions. The assessment included the investigation of existing mesophilic digesters and dewatering units and biogas generation potential of the facility.

Goleta Asset Management Plan and 10 Yr CIP Project, Goleta, CA

Hazen prioritized the collection system rehabilitation and replacement (R&R) and CCTV activities for the District based on a risk-based approach considering desktop analysis of pipe condition, remaining useful life and consequence of failure. Services included reviewing the CCTV inspection database provided by the District and developing a mapping logic to convert Hazen and POSM coding to NASSCO PACP grades and developed a risk-based prioritization process that combines structural grades, service defects, remaining useful life and criticality of pipe segments. InfoMaster was used to verify the CCTV data conversion. The results of the risk-based prioritization of the District's sewer system pipe segments will be used to develop long term rehab and replacement funding needs. Marc served as the Quality Assurance/Quality Control for the 10 Yr CIP Development Project for both the collection system and wastewater treatment plant.

Southeast Water Pollution Control Plant Total Residual Chlorine Study, San Francisco Public Utilities Commission, CA

Marc served as Project Manager for the study of alternatives to manage total chlorine residuals at the Southeast WWTP, which treats up to 150-mgd secondary effluent and during wet weather up to an additional 100-mgd disinfected primary effluent. Alternatives evaluated in Phase 1 of the study included optimization of existing disinfection process with sodium hypochlorite and dechlorination with sodium bisulfite, bench scale testing of effectiveness of peracetic acid, bench scale tests of chlorine residual decay, and feasibility of UV disinfection.

Laguna Treatment Plant Disinfection Project, Santa Rosa, CA

Initially, the City hired Mr. Solomon as Project Manager to evaluate the disinfection options for the Laguna Treatment Plant, a 69-mgd Title 22 plant. As Project Manager and facilitator, Marc analyzed disinfection options (UV, Hypochlorite, Ozone, Peracetic Acid, and Pasteurization) using multi-criteria decision analysis. The process included 19 alternatives and 15 stakeholders, and utilized a Triple Bottom Line Plus BCE process.

After selection of two options, the City proceeded to pre-design of the options and pre-selection of the preferred UV system with Marc as Project Manager. Marc is currently serving as Project Manager for the detailed design. Once complete the new UV system will be the largest Title 22 UV system in the country.

Delta Diablo Master Plan, Antioch, CA

Marc is the Project Manager in charge for the development of a master plan for its Resource Recovery Facility (RRF). The scope of the master plan includes every facet of treatment at the RRF, including: influent conveyance, optimization of existing processes, biosolids processing and recycled water distribution. The goal of the plan is to identify near- and long-term capital improvement projects which achieve the requirements developed during the master plan.

Vallejo Flood and Wastewater District, Wastewater Treatment Plant Master Plan, Vallejo, CA

Marc is the Project Manager for the evaluation of biosolids alternatives and nutrient removal alternatives for the Vallejo Flood and Wastewater District. The project includes whole plant sampling, development of a calibrated process model and biosolids alternative scenarios. The goal was to understand the nutrient removal and biosolids options with the existing infrastructure and identify process needs to meet future limits.

Secondary Treatment Plant Upgrade Master Plan, Union Sanitary District, Union City, CA

Marc is the Project Manager for the Secondary Treatment Improvement Project. The purpose of the project is to develop a unified approach to secondary treatment upgrades at the Alvarado WWTP that will both increase capacity in the near-term while addressing anticipated nutrient limits to allow discharge to the Old Alameda Creek. Two alternative approaches were evaluated: conventional activated sludge and MBR along with side-stream treatment. Hazen is providing process analysis of the existing WWTP to confirm that additional capacity, with nutrient removal, can be obtained from the existing facility to meet the District's near-term needs. Hazen also determined the most efficient approach to expanding the treatment plant for long-term capacity and future nutrient requirements. This \$350M project is currently in the design phase.

Wastewater Treatment Plant Master Plan, Santa Rosa, CA

Santa Rosa owns and operates a 22-mgd Title 22 treatment plant and exports approximately 60% of the Title 22 recycled water to Calpine to recharge the Geysers Steamfield. Marc has been providing consulting services to Santa Rosa for over 20-years. Mr. Solomon provide oversight and facilitated a series of workshops for the WWTP Master Plan.

Skyfarm 'A' and Hansford Court Lift Station Reconstruction, City of Santa Rosa, CA

Hazen was selected to provide a condition assessment, alternative analysis, detailed design and design services during construction for reconstruction of two of the City of Santa Rosa's wastewater lift stations. The lift stations were destroyed in the 2017 Tubbs fire. The reconstruction included replacement of existing lift station structures, pumps, electrical service, and associated electrical, mechanical and control components along with provisions for temporary pumping and power to ensure uninterrupted wastewater service to the surrounding residents. Since these lift stations were destroyed as part of a natural disaster, the design also required collaboration and coordination with the City and FEMA to comply with federal funding requirements.



Ian Mackenzie, PE

Design Manager

Ian is a civil engineer with more than 30 years' experience in water and wastewater projects. He provided technical expertise to the condition assessment of the Rio Hondo Pumping Station which is the precursor to the present project. He has lead numerous design projects for water, wastewater and recycled water.

Education

B.Sc., Civil Engineering, Queen's University (Canada)

Certification/License

Professional Engineer

Areas of Expertise

- Design and construction of wastewater/water treatment plants
- Design and construction of wastewater collection systems
- Preparation of construction contracts

Professional Activities

California Water Environment Association – WEF Delegate Director

Biosolids Loadout Condition Assessment, Eastern Municipal Water District, Perris, CA

Project Manager. The biosolids loadout facility at the PVRWRRF has experienced failure of several components including loadout gates and loadout measurement cells. These failures have necessitated greatly increased operator involvement to keep the facility functioning. Hazen was appointed to evaluate current condition of the facility to recommend improvements that would restore it to reliable operation. Mr. Mackenzie is leading the Hazen team investigating these improvements.

Goleta Collection System Asset Management Program, Goleta Sanitary District, CA

Wastewater Engineer. This project is expanding Goleta Sanitary District's Asset Management program to include all assets in the District's wastewater collection system, including gravity pipelines, lift stations and forcemains. Mr. Mackenzie provided expertise for condition surveys and asset criticality ranking carried out under this project.

Solids Handling Improvements at Plant 3A, Moulton Niguel Water District, Aliso Viejo, CA

Design Manager for this project which will provide a comprehensive upgrade of the solids handling facilities at a 6 mgd wastewater facility. The scope includes digester rehabilitation and equipment replacement for solids thickening, dewatering, gas handling and digester heating as well as associated electrical and controls improvements. Mr. Mackenzie is leading the Hazen team designing these improvements.

Coastal Treatment Plant Facility Improvements, South Orange County Wastewater Authority, Dana Point, CA

Design Lead for final design of facility improvements at SOCWA's Coastal Treatment Plant. The improvements include upgrading the blowers; new Ferric Chloride storage and feed system; replacement of secondary sedimentation tank equipment; relocation of the drainage pump station;

implementation of new safety improvements including fall protection; and preparation of an CEQA documents. Project Engineer responsibilities include designing a new ferric chloride storage and feed system, overall site plan, and grading and paving plans

JB Latham Treatment Plant Miscellaneous Improvements, South Orange County Wastewater Authority, Dana Point, CA

Mr. Mackenzie was responsible for process mechanical design condition of improvements to this 13 mgd wastewater treatment facility. The project included improvements to the existing grit basins, replacement of the plant standby generator, effluent valves and effluent flow meters. The project was carefully coordinated with plant maintenance and operating staff to ensure that all improvements could be carried out with minimal impact on operations.

LASAN Modeling Roadmap

This project investigated available software to expand the capabilities of LASAN's hydraulic modelling group. New applications evaluated included odor modelling, sediment transport modelling, wastewater process modelling and collection system water quality modeling. Mr. Mackenzie served as Project Manager for this project and was responsible for coordinating the investigation and producing the final report.

Influent WetWell and Headworks Screening Project, Town of Windsor, CA

Mr. Mackenzie served as process lead for this project which upgraded the 2mgd Windsor Wastewater Reclamation Plant. The project evaluated replacement of the facility's existing fine screen and grit removal facilities as well additional upstream protection to resolve clogging issues at the influent pumping station.

Rio Hondo Recycled Water Pump Station Condition Assessment, Central Basin Municipal Water District, City of Pico Rivera, CA

Assessment Lead. Mr. Mackenzie was responsible for condition assessment of mechanical equipment and civil and structural components of this 15,000 gpm recycled water pumping station. The Condition Assessment included the pumps, pipes, valves, electrical equipment and the hydraulic performance of the pumps. The Condition Assessment used a matrix approach for each asset (86) to determine the remaining useful life and to prioritize the elements needing replacement immediately and over the next 5 years such as the large pump VFDs, one of the electrical transformers, some valves and a drain sump pump. CBMWD will use this Condition Assessment to evaluate their plans going forward to either update the pump station or replace it and add capacity for their future demands.

Vertical Facilities Asset Inventory and AM Framework Pilot Project, Laguna Hills, CA

Project Engineer. Assisted the team with the inventory and condition assessment of a lift station, a pump station, a reservoir and a pressuring regulating facility as part of the asset management pilot project. The purpose of the pilot project was to develop an asset inventory for a representative sample of Moulton Niguel Water District's vertical assets to provide a basis for planning the development of a broader asset management system.

Glenoaks Pump No. 1 Replacement Project, City of Glendale, CA

QA/QC for preparing the plans, specifications and estimates the replacement of Pump No. 1, a 125 hp, 4160 volt 875 gpm centrifugal pump that has outlived its useful life. The pump was replaced in kind in the Glenoaks Pump Station (2018). The pump serves the 1290 pressure zone in the Glenoaks Canyon area. Pump No. 1 serves the daily flow condition for the 1290 pressure zone. Pump No. 2, a 250 hp, 4160 volt, 2,000 gpm centrifugal pump, which was recently replaced, will serve as the high demand pump. The work included a hydraulic analysis Technical Memorandum used for pump selection and a review of the hydraulic performance of the pumping station. The work also included the engineering services during construction by doing the RFI and Submittal reviews for the City.



Derya Dursun Balci, PhD, PE

FOG Receiving Station

Dr. Dursun is Hazen's West Region Biosolids Lead. Her experience includes planning, process modeling, and preliminary and final design of solids handling facilities.

Education

Ph.D, Civil/Environmental Engineering, University of Delaware, Newark, DE

M.S., Environmental Engineering, Dokuz Eylul University, Izmir, Turkey

B.S., Environmental Engineering, Dokuz Eylul University, Izmir, Turkey

Certification/License

Professional Engineer

Areas of Expertise

- Solid/liquid separation
- Wastewater treatment
- Biosolids management

Professional Activities

Water Environment Federation (WEF)

International Water Association (IWA)

Book Chapters

Coauthor of Water Environment Federation's (WEF) Manual of Practice – Conditioning Section (2010)

Coauthor of Environmental Protection Agency's (EPA) Process Design Manual for Sludge Treatment and Disposal – Sludge Transport and Conveyance Section (2012)

Dr. Dursun has provided detailed process design for water and wastewater treatment plants, onsite testing and optimization studies by using process models, particularly the BioWin[®] process modeling, including anaerobic digester modeling and mass balances. She has several publications on conditioning and dewatering of biosolids, which include peer-reviewed papers, and presentations at scientific conferences, a thesis, and a PhD dissertation. She is also coauthor of Water Environment Federation's (WEF) Manual of Practice Conditioning Section and Environmental Protection Agency's (EPA) Process Design Manual for Sludge Treatment and Disposal – Sludge Transport and Conveyance Section.

Biosolids & Energy Strategic Plan, Goleta Sanitary District, Goleta, CA

Task Lead for Biosolids Plan working in collaboration with energy group. Evaluated High Strength Waste availability and conducted capacity assessments for 10-mgd facility for current and future demands including high strength waste additions. The assessment included the investigation of existing mesophilic digesters and dewatering units. Also evaluating alternative technologies to enhance capacity and energy generation for the District, and developing a strategic plan to advance the energy generation in this facility.

Biosolids Loadout Condition Assessment, Eastern Municipal Water District, Perris, CA

Technical Lead. The biosolids loadout facility at the PVRWRRF has experienced failure of several components including loadout gates and loadout measurement cells. These failures have necessitated greatly increased operator involvement to keep the facility functioning. Hazen was appointed to evaluate current condition of the facility to recommend improvements that would restore it to reliable operation.

Engineering Consulting Services for Biosolids Treatment and Disposal, Town of Windsor, CA

Dr. Dursun is a technical lead for this project. The project includes assessment of current trends to achieve Class A Material without using anaerobic digestion and sludge drying beds. Drying technologies, including thermal drying and biodrying are shortlisted. The project will provide materials to support upcoming design phase.

Refereed Journals

Dursun D., Ozkul S., Yuksel R., Unalan E. (2016) Enhancing capacitive deionization technology as an effective method for water treatment using commercially available graphene. *Water Science and Technology* 76(8),

Ebil M.T., Dursun D., Dentel S. K. (2014). Enhancement of Odor Removal and Dewaterability of Anaerobically Digested Sludge by Protease Addition. *Journal of Residuals Science and Technology* 11 (2), 55-64.

Dentel, S.K., Dursun, D. (2009). Shear Sensitivity of Digested Sludge: Comparison of Methods and Application in Conditioning and Dewatering. *Water Research* 43, 4617-4625.

Dursun D., Dentel S.K. (2009). Toward the Conceptual and Quantitative Understanding of Biosolids Conditioning: The Gel Approach. *Water Science and Technology* 59(9), 1679-1685.

Dursun D., Dentel S.K. (2007). The importance of structural and gel fractions in determining shear sensitivity of sludge. *Water Science and Technology* 56(9), 75-86.

Dursun, D., Turkmen, M., Abu-Orf M., Dentel S.K. (2006). Enhanced Sludge Conditioning by Enzyme Pretreatment: Comparison of Laboratory and Pilot Scale Dewatering Results. *Water Science and Technology*, 54(5), 33-41.

Dursun, D., Sengul, F. (2006). Waste Minimization Study in a Solvent Based Paint Manufacturing Study. *Resources, Conservation and Recycling*, 47(4), 316-331.

Dursun, D., Ayol, A., Dentel, S.K. (2004). Physical Characteristics of a Waste Activated Sludge. *Water Science and Technology*, 50 (9), 129-136.

Dr. Derya Dursun also has over 30 conference proceedings presented at international conferences.

Resource Recovery Facility Master Plan for Delta Diablo, CA

Dr. Dursun is leading biosolids management and energy recovery planning. The project conducted end use market study for the various biosolids product and high strength waste (HSW) market assessment to determine the available material for practicing co-digestion for increased biogas production. Reviewed the biosolids management regulatory landscape in CA. The project will investigate methods for increased digestion capacity and Class A producing options. Class A options will include evaluating thermal drying and eliminating reliance in land application practice through evaluating gasification and pyrolysis for producing biochar and other innovative technologies such as Super Critical Water Oxidation and Hydrothermal Liquifaction.

Plant 3A Solids Handling Facilities Improvements, Moulton Niguel Water District, Laguna Niguel, CA

Dr. Dursun is leading the Preliminary Design Task for Plant 3A Solids Handling Improvements Project. As an additional task, she has recently completed High Strength Waste (HSW) Evaluation Study that aims to assess HSW pretreatment options, capacity constraints and conceptual level layout and cost estimate. She has also been actively involved in process modelling, including supplemental sampling event. As part of Preliminary Design efforts, she is responsible to conduct capacity assessments along with process modelling, to evaluate alternative technologies to enhance capacity for Plant 3A and to develop a Preliminary Design Report (PDR) that would be used for the design of solids handling facilities at plant 3A.

Water Reclamation Facility 1110.2 Resultant Projects, City of San Bernardino Municipal Water Department, CA

Dr. Dursun is leading the Flare Replacement task working to enhance Digester Gas Management in the facility and meet ultra low emission (ULE) limits proposed in Rule 1118.1. She has evaluated current and future digester gas generation for 30 mgd facility and also impact of including high strength waste addition. Her tasks included identifying the design criteria for the ULE flares, evaluating the location for a new flare and also determining the upgrades in the existing digester gas system.

East Central Regional Water Reclamation Facility Biosolids Improvement Project, West Palm Beach, FL

Dr. Dursun provided technical support in the development of a start-up plan for mesophilic digesters. The 70 mgd facility includes TPAD process including co-digestion facility with FOG addition. The facility was designed and built by Hazen and currently in the development of methods to initiate the start up in new biosolids.

High Strength Waste Evaluations, City of Salem, OR

Investigated the impact of high strength waste (corn cuttings and silage squeeze) addition for co-digestion in anaerobic digesters. Analyses included the additional gas generation that may result from high strength waste addition, feeding regimes of the waste source.



Bryan R. Lisk, PE, CEM

CHP/Energy Balance

Mr. Lisk is the firm's Energy Management lead with 20 years of water and wastewater energy management and design experience. Mr. Lisk has been involved in nearly all of Hazen's water and wastewater energy management projects.

Education

B.S. Electrical Engineer, North Carolina State University

Certification/License

Professional Engineer

Certified Energy Manager (CEM)
– Association of Energy Engineers

Areas of Expertise

- Water and Wastewater Energy Management
- Water and Wastewater Electrical Engineering and Design

Professional Activities

Water Environment Federation
Association of Energy Engineers

Mr. Lisk's energy management experience includes biogas fueled combined heat and power (CHP) system evaluation and design, biogas to pipeline and vehicle fueling, biogas utilization modeling, interconnection and billing negotiations with natural gas and electric utilities, energy monitoring system, and energy management master planning. Mr. Lisk also has extensive experience with low- and medium-voltage power distribution systems, motor control systems, combined heat and power systems, standby power generation and peak shaving systems, lighting design, and variable frequency drive systems. Bryan is a Certified Energy Manager with the Association of Energy Engineers.

Biosolids and Energy Phase I: Preliminary Design, Goleta Sanitary District (GSD), Goleta, CA

CHP Lead. This project is developing a Preliminary Design Report that includes preliminary design of a new digester and CHP facility, develop cost estimate for these facilities, conduct regulatory and environmental assessment, and provide conceptual layout of all expected facilities for construction.

NapaSan Master Plan, Napa CA

Energy. The District selected Hazen to develop the Soscol Water Recycling Facility (SWRF) to provide NapaSan with strategic planning guidance and in-depth analysis of key focus areas. NapaSan intends to produce an actionable and strategic master plan that supports decision making over the next five-to-ten years while maintaining a 20-year planning horizon. The master Plan included key areas such as condition assessment, nutrients, biosolids, recycled water, capacity analysis. The Master Plan also includes an evaluation of vulnerabilities as well as susceptibility to climate change factors such as flood, wildfire risk and public safety power shutoffs.

Biogas Utilization Master Planning for the Eastern Municipal Water District (EMWD), CA

Mr. Lisk served as the project manager for a biogas utilization master plan for EMWD's four (4) water reclamation facilities. This project includes plant energy balance modeling to evaluate multiple long term biogas utilization strategies including CHP, RNG pipeline injection, fuel cells, and biogas fueled blowers. This project included a detailed assessment of current and future air emission regulations and renewable energy market assessments.

Technical Publications

Lisk, B. R., Dodson, J. J., and Bullard, C. M., "Coordinating Utility Billing Rate to Maximize the Benefit from On-Site Energy Generation and Combined Heat and Power Systems", Proceedings of the 2011 Water Environment Federation (WEF) Energy and Water Conference, Chicago, IL, August 2011.

Rohrabacher, J. W., Lisk, B. R., Szoch, C., Bullard, C. M., Whitaker, J., Wichser, R., and Frederick, T., "Bigger Savings From Biogas", WE&T Magazine, April 2012.

Bullard, C. M., Lisk, B. R., and Hardy, S. A., "Micro-constituents in Digester Gas – Sweating the Small Stuff", Proceedings of the 2011 Water Environment Federation (WEF) Energy and Water Conference, Chicago, IL, August 2011.

Bullard, C. M., Lisk, B. R., and Hardy, S. A., "Achieving Economic and Environmental Sustainability Objectives through On-Site Energy Production from Digester Gas", Ohio Water Environment Association Annual Conference, Sandusky, OH, June 2011.

Bullard, C. M., Fishman, M. A., Lisk, B. R., and Hardy, S. A., "Putting Digester Gas to Work: Economic and Environmental Sustainability Via on-Site Energy Production", 2010 NC AWWA-WEA 90th Annual Conference, Winston-Salem, NC, November 2010.

Biogas Utilization Studies for the Goleta Sanitation District, Santa Barbara, CA

Lead Engineer. Provided preliminary biogas utilization studies for the Goleta Sanitation District (GSD) to identify feasible biogas utilization strategies that warranted further evaluations. This study included energy balance modeling to evaluate multiple long term biogas utilization strategies including CHP and RNG pipeline injection. Mr. Lisk is currently serving as the energy management technical lead on a detailed Energy and Biosolids Strategic Master Plan for the GSD.

West Napa Pump Station Project, Napa, CA

Project Manager in charge of increasing the firm capacity of the pump station to 15.4 mgd, and address the aging infrastructure such as the seismic condition of the 40-year old existing facility. The existing pump station was congested with little to no room for expansion of pumping capacity. Project elements include a new submersible pump station, new electrical building and infrastructure, chemical injection for corrosion control, odor control, solar panels, demo of the existing pump station and site civil improvements. The new electrical building had to be designed such that the finished floor was above the 100-yr flood plain elevations.

Moreno Valley RWRf TEPS MCC Replacement, Eastern Municipal Water District, Riverside County, CA

Sequencing and Operations Engineer for the TEPS MCC replacement project which includes the replacement of existing switchboards, motor control centers, variable frequency drives, and reduced voltage solid state starters that have deteriorated from exposure to chlorine gas. The new distribution and control equipment will be installed in a remote electrical building where it will not be exposed to the corrosive environment.

Energy Management Master Plan for the Town of Cary, Cary NC

Mr. Lisk was the project manager for the Town of Cary energy management master plan. This plan included long term and near term energy optimization recommendations for the Town's three (3) WWTP and one (1) WTP. This plan included energy modeling, process optimization, energy billing/procurement, and energy data management evaluations. Specific opportunities include energy monitoring expansions, aeration improvements, demand management, and DO control improvements.

Energy Management Master Plans for the North and South Durham Water Reclamation Facilities, City of Durham, NC

Mr. Lisk served as the Project Engineer for the North and South Durham energy management master plans. The master plans consisted of a series of projects to develop a long-term plan in coordination with the facilities' master plans to reduce energy usage and cost, and maximize the usage of renewable energy resources for each facility. Specific projects include biogas utilization, zone dissolved oxygen control, and influent pumping optimization.

SARA J. HEAD, QEP

Principal Scientist

AREAS OF EXPERTISE

- Major Capital Projects and Renewable Energy Permitting and Impact Assessment
- Impact Mitigation Planning
- Air Quality Compliance Design, Implementation, and Management
- Environmental Impact Assessments, Reports, and Statements
- Federal, State, Province, and Local Regulatory Interface and Negotiation
- New Source Review Regulatory Consulting
- PSD Permitting
- Program Management for Project Permitting
- Project Feasibility, Siting, and Planning

EXPERIENCE

- Yorke Engineering, LLC
Principal Scientist, 2016-Present
- AECOM, Vice President/Project Director, 2005-2016
- ENSR, Air Quality Department Manager, 1992-2005
- AeroVironment, Air Quality Specialist, 1976-1992

PROFESSIONAL CERTIFICATIONS/ ASSOCIATIONS

- Qualified Environmental Professional
- Air and Waste Management Association, Fellow Member and Past President
- Ventura County Air Pollution Control District (VCAPCD) Advisory Committee, Chair

EDUCATION

- B.S., Atmospheric Sciences,
University of California at Davis

OVERVIEW

Ms. Head has 40 years of experience in environmental permitting and compliance. She has worked with many sanitation districts and water agencies to provide feasibility studies, California Environmental Quality Act (CEQA) analyses, and air permitting support. Air quality permitting is her expertise, and she has obtained Permits to Construct (PTCs), Prevention of Significant Deterioration (PSD) permits, and/or Title V permits for many sources, including water treatment plants, fossil fuel and renewable power plants, manufacturing facilities, refineries, and others. She has assisted with feasibility studies to investigate the use of biogas and biomass as a fuel for power generation, including performing regulatory analyses for these projects. She has also done many projects that require environmental review documents under CEQA and/or the National Environmental Policy Act (NEPA), in addition to preparing air quality impact analyses for these documents. Ms. Head is the co-author of an article on "Sailing Through CEQA" in the Winter 2017 issue of *Source*, the magazine of the California-Nevada Section of the American Water Works Association (AWWA). She has worked with clients within the South Coast Air Quality Management District (SCAQMD), including permitting and projects to prepare CEQA documents for many source types. She is currently the Chair of the VCAPCD Advisory Committee, where she has served for over 25 years, giving her a deep understanding of the air district rulemaking and ambient air quality standards attainment planning process.

REPRESENTATIVE PROJECT EXPERIENCE

Eastern Municipal Water District (EMWD)/Hazen and Sawyer, Biogas Utilization Study for Water Treatment Facilities, Riverside County, CA

Ms. Head led Yorke Engineering, LLC's (Yorke's) efforts to support a review of options for biogas utilization of four wastewater treatment facilities within the SCAQMD. The study looked at options for biogas utilization to reduce flaring and meet SCAQMD rules related to engines. The options included power generation and pipelining the biogas. Yorke's role focused on estimating baseline and projected emissions for each alternative for the facilities, current and projected emissions control technology requirements, regulatory planning implications, and air permitting feasibility.

SARA J. HEAD, QEP

Coachella Valley Water District (CVWD)/Hazen and Sawyer, HRA and Permitting of Water Treatment Facilities, Riverside County, CA

Under a new State law, CVWD was required to implement additional water treatment for the removal of chromium-6 from the groundwater. Ms. Head assisted with the preparation of a health risk assessment (HRA), using the Office of Environmental Health Hazard Assessment (OEHHA) guidelines, and a Technical Report to support the Environmental Impact Report (EIR) that was prepared for the project. Ms. Head also assisted with the preparation of PTC applications for the proposed new equipment, including process tanks, scrubbers, emergency generator engines, crystallizer, and control technology.

Delta Diablo, Feasibility Study and Wastewater Treatment Facility Permitting, Antioch, CA

Due to State regulations that require a reduction in the amount of waste going to landfills, Delta Diablo investigated options to generate and utilize biogas for energy production at its facility. Ms. Head led a study to investigate the feasibility of obtaining air permits from the Bay Area Air Quality Management District (BAAQMD) for several alternatives under consideration. Various alternatives for the processing of different wastes, including food, biomass, and biosolids/sludge, were reviewed in detail. The feasibility study included the calculation of emissions [including greenhouse gases (GHGs)], review of control technologies, determination of offset requirements, and other BAAQMD and federal rule applicability. An analysis showing the GHG emissions reduction benefits of the alternatives was performed. An HRA of a 500-tons-per-day food waste processing operation was prepared and used for the project Mitigated Negative Declaration (MND). Upon completion of the study, she oversaw the preparation of an air permit application submitted to the BAAQMD to obtain a permit for the selected configuration.

City of San Diego/Dudek, CEQA Air Quality Modeling and HRA Technical Report, San Diego, CA

The City of San Diego looked to implement the first phase of its Pure Water Program, including the addition of power generation equipment to its North County Water Reclamation Facility. Ms. Head managed Yorke's support on the project and assisted with the preparation of the Air Quality and HRA Technical Report used to support the project EIR.

Los Angeles Department of Water and Power (LADWP)/Dudek, Technical Report, Los Angeles, CA

LADWP proposed to install new paint booths, emergency generators, and other equipment at its Mid-Valley Water Facility. Ms. Head managed Yorke's tasks on the project and assisted with the preparation of an HRA Technical Report to support an MND being prepared for this project.

Southern California Edison (SCE), CEQA Addendums and Permitting, Southern California

SCE proposed to upgrade its five (5) power generation peaking plants located in Los Angeles, Orange, San Bernardino, and Ventura Counties. The projects were originally permitted with MNDs in 2007. CEQA Addendums were required to implement the four projects within the SCAQMD. Ms. Head managed Yorke's support on the project and assisted with the preparation of the Addendums. Major issues addressed in the Addendums included air quality impacts during commissioning, GHG emissions, and impacts related to the storage and transport of aqueous ammonia at a higher concentration than previously utilized. She also assisted with the preparation of Title V air permit applications for the modifications to be submitted to the SCAQMD for two of these facilities.

Ventura Regional Sanitation District (VRSD), Air Permitting Support, Ventura County, CA

Ms. Head provided air permitting support to VRSD for the Toland Road Landfill. The landfill includes microturbines fueled with landfill gas, a flare, and a biosolids processing facility. For this project, Ms. Head directed an update of the HRA to include the recently revised OEHHA risk factors, as well as updating the sulfur dioxide (SO₂) and hydrogen sulfide (H₂S) modeling to demonstrate compliance with VCAPCD Rule 54. These analyses were used in the application to increase the capacity of the flare.

Heather McDaniel McDevitt, RPA

Archaeologist

Heather McDaniel McDevitt is an archaeologist and cultural resources lead with 13 years' cultural resource management (CRM) experience throughout California and Baja California. Ms. McDaniel McDevitt has served as a field supervisor, lab director, principal investigator and project manager on Phase I, Extended Phase I, Phase II, and Phase III projects conducting surveys, testing, site significance evaluations and recordation, data recovery and laboratory analysis. Her education encompasses archaeology, biological anthropology, and GIS.

As a bioarchaeologist, Ms. McDaniel McDevitt combines physical anthropology and archaeology in the study of faunal and human remains to reveal ancient lifeways. Her specific area of GIS research is the use of predictive modeling and remote sensing to better understand settlement and subsistence patterns, which can be used to forecast areas of potential impacts and assist in mitigating damage to cultural resources more efficiently.

Ms. McDaniel McDevitt has worked on projects for the National Park Service, U.S. Environmental Protection Agency (EPA), National Aeronautics and Space Administration, U.S. Bureau of Land Management, the Smithsonian Institute, California State Parks, California Department of Transportation, and various private CRM and environmental firms. Ms. McDaniel McDevitt's professional experience in CRM provides significant knowledge and practical experience with state and federal regulations such as the National Environmental Policy Act (NEPA), Section 106 of the National Historic Preservation Act, and the California Environmental Quality Act (CEQA). Ms. McDaniel McDevitt has also served as an adjunct professor at community and state institutions for courses in physical and cultural anthropology, archaeology, and GIS.

Project Experience

Lower Arroyo Burro Open Space Phase I Archaeological Survey Report and Historic Structures and Sites Report and Arroyo Burro Restoration at Barger Creek, Santa Barbara, CA. As Project Archaeologist, conducted intensive ground survey to determine the potential of cultural resources within two project areas and support of Historic Structures and Sites Investigation for the City of Santa Barbara, Parks and Recreation, Creeks Division for restoration of entire Arroyo Burro Creek Restoration effort.

Education

*California State University,
Northridge
MA, Public Archaeology
BA, Anthropology*

Certifications

*Registered Professional
Archaeologist (RPA)
CEQA Training through Advanced,
Association of Environmental
Professionals
GIS Professional Certificate
HAZWOPER Training,
Hydrogeologic*

Professional Affiliations

*American Anthropological
Association
American Institute of Archaeology
California Geographical Society
Pacific Coast Archaeological
Association
Register of Professional
Archaeologists
Simi Valley Historical Society
Society for American Archaeology
Society for California Archaeology
Ventura County Archaeological
Association*

Paradiso Residential Development, Santa Barbara County, California. As project manager, conducted Phase 1 and multiple Extended Phase I Archaeological Investigations, prepared technical reports and Construction Mitigation and Monitoring Treatment Plan. Currently serve as project manager for all archaeological and Native American monitoring, facilitation of pre and continual construction meetings, coordination and supervision of archaeological technician crew in all aspects, as well as necessary document preparation and agency/client consultation.

Phase 1, Extended and Supplemental Phase 1 Archaeological Investigation Santa Barbara Polo Villas, 3250-3282 Via Real, Carpinteria, California. As project archaeologist, conducted Extended Phase 1 Archaeological Investigation and supervised data recovery excavations. As field director, duties included project management, coordination and supervision of archaeological technician crew during excavations, as well as document and report preparation.

Phase I, Site Distribution Analysis and Extended Phase I Archaeological Investigation Oak Hills Project, Vandenberg Village, Santa Barbara County, California. As project archaeologist and field director, conducted initial Phase 1 intensive ground survey, designed and implemented research design to address concerns of local Tribe including intra-site analysis for all known archaeological sites located within a one-mile radius of Project site in order to determine potential for encountering unknown cultural resources based on the environmental and cultural landscape characteristics. Supervised excavations intended to determine presence or absence of cultural materials within proposed areas of ground disturbance, consulted with Native American representatives and composed final reports.

Burton Mound Collection, CA-SBA-28, Santa Barbara Museum of Natural History, Santa Barbara, California. Faunal analysis of collection resulting from an excavation conducted in 1969 by Dr. Claude Warren and housed at the Santa Barbara Museum of Natural History. The continued aims of this research, through faunal analysis, ethnographic investigations, and comparative analysis, are to better understand the interactions between Chumash mainland and island settlements, the timing and use of the Chumash watercraft, how climatic uncertainty affected subsistence and settlement patterns of the pre-European contact Chumash, and the effects of the mission period on area populations. Unpublished thesis: Exploration of Burton Mound: Faunal Analysis of a Mainland Chumash Site.

Las Positas Road at Cliff Drive Roundabout Phase I Archaeological Survey Report, Santa Barbara, CA. As project archaeologist conducted intensive ground survey to determine the potential of cultural resources within project area within right-of-way adjacent to significant prehistoric site, CA-SBA-575. Coordinated with City and Caltrans staff to define APE and composed report according to Caltrans requirements.

On-Call Countrywide Archaeological Services, County of Santa Barbara, Flood Control and Water Conservation District, Santa Barbara, California. As Project Manager, currently manages Dudek's on-call archaeological, historical, and Native American services, including but not limited to monitoring, archaeological record searches, historical research, architectural history, surveys for both prehistoric and historical resources, extended Phase I surveys, test excavations, data recovery, Native American coordination, coordination with the Native American Heritage Commission, AB 52 support, treatment protocols, feasibility/concept plan studies and recommendations, hiring and management of applicable sub consultants and specialty disciplines as required, preparation of management plans, and design and implementation of mitigation methods.

Extended Phase I and Phase II Archaeological Investigation Proposed Single Family Residence 5567 Calle Arena, Carpinteria, California. Serve as principal investigator and field director. Designed and implemented research design involving previously recorded archaeological site CA-SBA-7, recorded as the ethnohistoric Chumash village Mishopshnow and listed as component of California Historic Landmark No. 535. Supervised and conducted excavations intended to delineate horizontal and vertical extent of the site and site significance. Performed analysis on recovered remains, Native American consultation and preparation of final reports including avoidance/mitigation strategies.



GOLETA SANITARY
Water Resource Recovery District

Hazen

Hazen and Sawyer
7700 Irvine Center Drive • Suite 200 • Irvine, CA 92618

AGENDA ITEM #5

AGENDA ITEM: 5

MEETING DATE: June 20, 2022

I. NATURE OF ITEM

Consideration and Approval of Additional Installment Sale Financing Documents for Biosolids and Energy Strategic Plan (BESP) Project and Revisions to Previously Approved Financing Documents

II. BACKGROUND INFORMATION

At its meeting on June 6, 2022, the District's Governing Board adopted Resolution No. 22-684 which, among other actions, approved an Installment Sale Agreement and an Escrow and Account Control Agreement relating to the financing of the Biosolids and Energy Strategic Plan (BESP) project. Subsequent to that meeting, various revisions have been made to those documents to put them in final form for execution. In addition, the following additional documents have been provided to the District in connection with the financing transaction:

- Tax Compliance Certificate
- IRS Form 8038-G
- UCC Financing Statement
- Closing Certificate

Copies of the financing documents referenced above are included with this agenda report. The financing transaction is scheduled to close on June 23, 2022.

In addition to approving the Installment Sale Agreement and the Escrow and Account Control Agreement, Resolution No. 22-684 provides that the officers of the District are authorized to (i) execute and deliver additional documents, which in consultation with legal counsel, they may deem necessary or advisable in order to effectuate the purposes of the Resolution, and (ii) approve changes to the financing documents, with the advice and approval of legal counsel, so long as the maturity does not exceed June 1, 2042, the interest rate does not exceed 2.982%, and the principal amount does not exceed \$14,135,000. Based on those provisions, formal Board action may not be required to approve the additional financing documents or the revisions to the previously approved documents. Nevertheless, because the Tax Compliance Certificate and the Closing Certificate are substantive in nature, and because of the number of changes that have been made to the Installment Sale Agreement and the Escrow and Account Control Agreement the Board, and District staff deemed it appropriate to bring the documents to the Board for its consideration and approval.

III. COMMENTS AND RECOMMENDATIONS

It is recommended that the Board (i) approve the Tax Compliance Certificate, IRS Form 8038-G, UCC Financing Statement, and Closing Certificate, (ii) approve the changes to the

Installment Sale Agreement and Escrow and Account Control Agreement, and (iii) authorize the execution thereof by the signatories identified in those documents.

IV. REFERENCE MATERIALS

Installment Sale Agreement with tracked changes

Escrow and Account Control Agreement with tracked changes

Tax Compliance Certificate

IRS Form 8038-G

UCC Financing Statement

Closing Certificate

**INSTALLMENT SALE AGREEMENT
(ESCROW ACCOUNT)**

This Installment Sale Agreement (this “*Agreement*”) is dated as of June 23, 2022, and entered into by and between Banc of America Public Capital Corp, a Kansas corporation (together with its successors, assigns and transferees, and as more particularly defined herein, “*Seller*”), and Goleta Sanitary District, a sanitary district existing under the laws of the State of California (“*District*”).

WITNESSETH:

WHEREAS, District desires to acquire and purchase from Seller certain Equipment (as such term is defined herein), subject to the terms and conditions hereof; and,

WHEREAS, District is authorized under the constitution and laws of the State (as such term is defined herein) to enter into this Agreement for the purposes set forth herein;

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, and in consideration of the premises hereinafter contained, the parties hereby agree as follows:

ARTICLE I

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

“*Acquisition Amount*” means \$14,135,000.00. The Acquisition Amount is the amount represented by District to be sufficient, together with other funds of District (if any) that are legally available for the purpose of designing, acquiring and installing the Equipment.

“*Acquisition Period*” means the period ending five (5) business days prior to June 23, 2025.

“*Agreement*” means this Installment Sale Agreement, including the exhibits hereto, together with any amendments and modifications to this Agreement pursuant to Section 13.04.

“*Charges*” means fees, assessments, rates and charges prescribed by the Governing Board of the District for the services and facilities of the Wastewater System furnished by the District.

“*Code*” means the Internal Revenue Code of 1986, as amended. Each reference to a Section of the Code herein shall be deemed to include the relevant United States Treasury Regulations proposed or in effect thereunder.

“*Commencement Date*” means the date when District’s obligation to pay Installment Payments commences hereunder, which shall be the date on which the Acquisition Amount is

such as salaries and wages and the necessary contribution to retirement of employees, overhead, insurance, taxes (if any), expenses, compensation and indemnification of the Seller, and fees of auditors, accountants, attorneys or engineers, and including all other reasonable and necessary costs of the District or charges required to be paid by it to comply with the terms of the Parity Obligations Instruments, but excluding depreciation, replacement and obsolescence charges or reserves therefor and amortization of intangibles or other bookkeeping entries of a similar nature, and includes, without duplication, the reasonable and necessary costs paid or incurred by the District for maintaining and operating the System, determined in accordance with GAAP, including all reasonable expenses of management and repair and all other expenses necessary to maintain and preserve the System in good repair and working order, and including all reasonable and necessary administrative costs of the District that are charged directly or apportioned to the operation of the System, such as salaries and wages of employees, overhead, taxes (if any), the cost of permits, licenses, and charges to operate the System and insurance premiums; but excluding, in all cases depreciation, replacement, and obsolescence charges or reserves therefor and amortization of intangibles.

“*Outstanding Balance*” means the amount that is shown for each Installment Payment Date under the column titled “Outstanding Balance” on the Payment Schedule.

“*Parity Interest Payment Date*” means, with respect to any Parity Obligations, ~~any date on which interest~~ each January 1 and/or July 1 and each date that principal is due and payable thereon as established under the applicable Parity Obligations Instrument, and continuing so long as any Parity Obligations remain outstanding.

“*Parity Principal Installment*” means, with respect to any particular Parity Principal Payment Date, an amount equal to the aggregate principal amount of Parity Obligations payable on such Parity Principal Payment Date as determined by the applicable Parity Obligations Instrument.

“*Parity Principal Payment Date*” means, with respect to any Parity Obligations, any date on which principal thereof is due and payable as established under the applicable Parity Obligations Instrument, and continuing so long as any Parity Obligations remain outstanding.

“*Parity Obligations*” means all bonds, notes or other obligations (including without limitation long-term contracts, loans, sub-leases or other legal financing arrangements) of the District payable from and secured by a pledge of and lien upon any of the Net Revenues issued or incurred pursuant to any Parity Obligations Instrument.

“*Parity Obligations Instrument*” means the resolution, trust indenture or installment sale agreement or other instrument, adopted, entered into or executed and delivered by the District, and under which Parity Obligations are issued, and includes without limitation, this Agreement, as supplemented and amended.

“*Payment Schedule*” means the Payment Schedule attached hereto as *Exhibit B* and made a part hereof.

copy of the report of such Independent Certified Public Accountant.

(bb) The District covenants that it will cause to be prepared annually, not more than two hundred seventy (270) days after the close of each Fiscal Year, as a part of its regular annual financial report, ~~(x)~~ a summary statement showing the amount of Gross Revenues and the amount of all other funds collected which are required to be pledged or otherwise made available as security for payment of principal of and interest on the Parity Obligations, the disbursements from the Gross Revenues and other funds in reasonable detail, ~~and~~ ~~(y)~~ a general statement of the financial and physical condition of the Wastewater System and (z) a compliance certificate signed by an authorized officer of District (i) stating that no Event of Default or Default has occurred, or if such Event of Default or Default has occurred, specifying the nature of such Event of Default or Default, the period of its existence, the nature and status thereof and any remedial steps taken or proposed to correct such Event of Default or Default and (ii) demonstrating compliance with the covenants set forth in Section 3.02(d) hereof. The District shall promptly furnish a copy of the ~~statement~~ statements and compliance certificate to the Seller.

(cc) The District will preserve and protect the security of the Parity Obligations and the rights of the Seller and the other owners of the Parity Obligations, and will warrant and defend their rights against all claims and demands of all persons. From and after the execution and delivery of this Agreement, this Agreement shall be incontestable by the District.

(dd) The District will not acquire, construct, operate or maintain or permit the acquisition, construction, operation or existence of any utility or enterprise within the service area of the District that would be competitive with the Wastewater System.

(ee) The District will pay and discharge all taxes, assessments and other governmental charges which may hereafter be lawfully imposed upon the Wastewater System or any part thereof or upon any Revenues when the same shall become due. The District will duly observe and conform with all valid requirements of any governmental authority relative to the Wastewater System or any part thereof, and will comply with all requirements with respect to any state or federal grants received to assist in paying for the costs of the acquisition, construction or financing of any Improvements to the Wastewater System.

(ff) The District will comply with applicable law pertaining to the authorization of this Agreement and the financing and acquisition by the District of the Equipment.

(gg) To the extent applicable, as determined by District in its sole discretion, District has complied with the requirements of California Government Code Section 5852.1 *et seq.* in connection with this Agreement and the Equipment.

(hh) In connection with the District's compliance with any continuing disclosure undertakings (each, a "*Continuing Disclosure Agreement*") entered into by the District pursuant to SEC Rule 15c2-12 promulgated pursuant to the Securities and Exchange Act of

respectively to be in operation, all as shown in the written report of an Independent Consultant engaged by the District; and

(B) An allowance for earnings arising from any increase in the Charges which has become effective prior to the incurring of such additional Parity Obligations but which, during all or any part of such Fiscal Year or such twelve (12) month period, was not in effect, in an amount equal to the amount by which the Net Revenues would have been increased if such increase in Charges had been in effect during the whole of such Fiscal Year or such twelve (12) month period, all as shown in the written report of an Independent Consultant engaged by the District.

(iii) The Parity Obligations Instrument providing for the issuance of such Parity Obligations under this provision shall provide that:

(A) The proceeds of such Parity Obligations shall be applied to the acquisition, construction, improvement, financing or refinancing of additional facilities, improvements or extensions of existing facilities within the Wastewater System, or otherwise for facilities, improvements or property which the District determines are of benefit to the Wastewater System, or for the purpose of refunding any Parity Obligations in whole or in part, including all costs (including costs of issuing such Parity Obligations and including capitalized interest on such Parity Obligations during any period which the District deems necessary or advisable) relating thereto;

(B) Interest on such Parity Obligations shall be payable on a Parity Interest Payment Date;

(C) The principal of such Parity Obligations shall be payable on ~~June~~ January 1 and/or July 1 in any year in which principal is payable; and

(D) Money or a surety bond may be, but shall not be required to be, deposited in a reserve account for such Parity Obligations from the proceeds of the sale of such Parity Obligations in an amount as may be determined by the District.

(b) *Subordinate Obligations.* Nothing herein prohibits or impairs the authority of the District to issue bonds or other obligations secured by a lien on Net Revenues which is subordinate to the lien established under this Agreement or other Parity Obligations upon such terms and in such principal amounts as the District may determine; provided, that the District may issue or incur any such Subordinate Obligations subject to the following specific conditions:

(i) The District must be in compliance with all covenants set forth in this Agreement and each other Parity Obligations Instrument and no Default or Event of Default shall have occurred or be continuing.

(ii) The Net Revenues of the Wastewater System, calculated on sound accounting principles, as shown by the books of the District for the latest Fiscal Year or

any more recent 12 month period selected by the District ending not more than 60 days prior to the adoption of the Subordinate Obligations Instrument pursuant to which such proposed Subordinate Obligations are issued, as shown by the books of the District, ~~plus, at the option of the District, any or all of the items designated as (i) and (ii) below,~~ must at least equal 100% of Maximum Annual Debt Service, with Maximum Annual Debt Service calculated on this Agreement and all other Parity Obligations and all other System Obligations to be outstanding immediately subsequent to the issuance of such Subordinate Obligations which have a lien on Net Revenues of the Wastewater System.

(iii) The Subordinate Obligations Instrument providing for the issuance of Subordinate Obligations must provide that:

(A) The proceeds of such Subordinate Obligations must be applied to the acquisition, construction, improvement, financing or refinancing of additional facilities, improvements or extensions of existing facilities within the Wastewater System, or otherwise for facilities, improvements or property which the District determines are of benefit to the Wastewater System, or for the purpose of refunding any Parity Obligations and Parity Obligations in whole or in part, including all costs (including costs of issuing such Subordinate Obligations and including capitalized interest on such Subordinate Obligations during any period which the District deems necessary or advisable) relating thereto;

(B) Interest on such Subordinate Obligations must be payable on ~~an~~ an Parity Interest Payment Date and no more frequently; and

(C) The principal of such Subordinate Obligations must be payable on ~~June~~ January 1 and/or July 1 in any year in which principal is payable.

(c) *No Senior Obligations.* The District hereby covenants and agrees that no additional bonds or other obligations shall be issued or incurred having any priority in payment of principal or interest out of the Net Revenues over this Agreement and the other Parity Obligations.

Section 3.04. Conditions to Seller's Performance. (a) As a prerequisite to the performance by Seller of any of its obligations under this Agreement, District shall deliver to Seller, in form and substance satisfactory to Seller, the following:

(i) An Escrow Agreement substantially in the form attached hereto as *Exhibit I*, satisfactory to Seller and executed by District and the Escrow Agent and a copy of any existing Vendor Agreement between District and a Vendor;

(ii) A certified copy of a resolution, ordinance or other official action of District's governing body, substantially in the form attached hereto as *Exhibit C-1*, authorizing the execution and delivery of this Agreement and the Escrow Agreement and performance by District of its obligations under this Agreement and the Escrow Agreement;

legal title in the Equipment in District as provided in Sections 3.01 and 6.01 hereof.

(xiv) (A) a certificate signed by an authorized officer of District dated the Commencement Date certifying that: (i) the representations and warranties of District contained herein and in the other Related Documents to which District is a party are true and correct in all material respects on and as of the Commencement Date; (ii) no Event of Default has occurred and is continuing or would result from the execution, delivery or performance of this Agreement or any other Related Document to which District is a party; (iii) there has been no event or circumstance since the date of the audited annual financial statements of District for the Fiscal Year ended June 30, 2021, that has resulted or could be reasonably expected to result, either individually or in the aggregate, in a Material Adverse Change; (iv) the accuracy and genuineness of the names and signatures of the persons authorized to sign, on behalf of District, the Related Documents to which District is a party; (v) attached thereto are copies of the resolutions of the governing board of District substantially in the form attached hereto as Exhibit C-1 approving the execution and delivery of the Related Documents to which District is a party, and the other matters contemplated hereby that are true and complete in all material respects and in full force and effect on the Commencement Date; (vi) there is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that challenges the organization or existence of District, the authority of its governing board or officers, the proper authorization, approval and execution of the Related Documents to which District is a party, the ability of District otherwise to perform its obligations under the Related Documents to which District is a party and the transactions contemplated thereby, the title of District, as the case may be, in the Equipment or the *pari passu* pledge of the Net Revenues granted to the Seller or its assigns or the security interest granted to the Seller or its assigns in and to the Collateral; and (vii) the correct legal name of District for purposes of the Uniform Commercial Code in effect in the State is Goleta Sanitary District; (B) a certificate signed by an authorized officer of District dated the Commencement Date in substantially the form attached hereto as Exhibit C-2; and (C) such other closing certificates of the District in form and substance satisfactory to the Seller; ~~and (viii) Net Revenues for the most recent twelve (12) month period ending not more than sixty (60) days prior to the Commencement Date at least equals One Hundred Twenty Five percent (125%) of the sum of all Maximum Annual Debt Service and debt service of any State Loans, with Maximum Annual Debt Service calculated on all Parity Obligations and all other System Obligations to be outstanding immediately subsequent to the execution and delivery of this Agreement;~~

(xv) If requested by Seller, evidence that Seller's purchase of the Equipment to the District under this Agreement does not, and will not, result in an obligation of Seller to pay any ad valorem property (whether on real or personal property) or other taxes of any kind under state, State law or federal law and, if any such taxes are so payable during the Scheduled Term, that District has expressly provided for payment of such taxes in accordance with Section 7.01 hereof; and

(xvi) Such other items reasonably required by Seller.

Event of Default, full and unencumbered legal title to the Equipment shall, [subject to the limitations set forth in the last sentence of Section 6.02 hereof](#), at Seller's option, pass to Seller, and District shall have no further interest therein. In addition, upon the occurrence of such an Event of Default or such termination, District shall execute and deliver to Seller such documents as Seller may request to evidence the passage of such legal title to Seller and the termination of District's interest therein, and upon request by Seller shall deliver possession of the Equipment to Seller in accordance with Section 12.02 of this Agreement, as applicable. Upon payment of all amounts due and owing hereunder by District in accordance with Section 10.01 hereof, Seller's security interest or other interest in the Equipment shall terminate, and Seller shall execute and deliver to District such documents as District may reasonably request to evidence the termination of Seller's security interest in the Equipment.

Section 6.02. Security Interest. As additional security for the payment and performance of all of District's obligations hereunder, District hereby grants to Seller (a) a first priority security interest in the Equipment, together with all replacements, repairs, restorations, modifications and improvements thereof or thereto and all accessories, equipment, parts and appurtenances appertaining or attached to any of the Equipment, and all substitutions, renewals, or replacements of and additions, improvements, accessions and accumulations to any and all of such Equipment, together with all the rents, issues, income, profits, proceeds and avails therefrom, (b) first priority security interest constituting a first Lien on moneys and investments held from time to time in the Escrow Account, (c) a first priority security interest constituting a first Lien on the Enterprise Fund and Net Revenues on a parity basis with the other Parity Obligations, (d) a first priority security interest constituting a first Lien on all accounts, chattel paper, deposit accounts, documents, instruments, general intangibles and investment property (including any securities accounts and security entitlements relating thereto) evidenced by or arising out of or otherwise relating to the foregoing collateral described in clauses (b) and (c) above, as such terms are defined in Article 9 of the California Commercial Code, and (e) any and all proceeds of any and all of the foregoing, including, without limitation, insurance proceeds (collectively, the "*Collateral*"). District authorizes Seller to file (and District agrees to execute, if applicable) such notices of assignment, chattel mortgages, financing statements and other documents, in form satisfactory to Seller, which Seller deems necessary or appropriate to establish and maintain Seller's security interest in the Collateral, including, without limitation, such financing statements with respect to personal property and fixtures under Article 9 of the California Commercial Code and treating such Article 9 as applicable to entities such as District. **Notwithstanding the foregoing or anything herein to the contrary, Seller acknowledges and agrees that its security interest in the Equipment may be subordinated to the rights of the holders of the Parity Obligations, and it shall not exercise any remedies with respect to its security interest in the Equipment if doing so would impair the operation of the Wastewater System or any part thereof necessary to secure adequate Net Revenues for the payment of the interest on and principal of the Parity Obligations, or which would otherwise impair the rights of the holders of Parity Obligations with respect to the Net Revenues or the operation of the Wastewater System.**

Section 6.03. Personal Property, No Encumbrances. District agrees that the Equipment is deemed to be and will remain personal property, and will not be deemed to be affixed to or a part of the real estate on which it may be situated, notwithstanding that the Equipment or any part thereof may be or hereafter become in any manner physically affixed or attached to real estate or any

(e) District shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of District, or of all or a substantial part of the assets of District, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable Federal bankruptcy law, (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against District in any bankruptcy, liquidation, readjustment, reorganization, moratorium or insolvency proceeding or (vi) the filing by the District of a petition or answer seeking reorganization or arrangement under the federal bankruptcy laws or any other applicable law of the United States of America, or if a court of competent jurisdiction shall approve a petition, filed with or without the consent of the District, seeking reorganization under the federal bankruptcy laws or any other applicable law of the United States of America, or if, under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District or of the whole or any substantial part of its property;

(f) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator for District or of all or a substantial part of the assets of District, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of thirty (30) consecutive days.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, Seller shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to District, Seller may declare all Installment Payments payable by District and other amounts payable by District hereunder to the end of the Scheduled Term to be immediately due and payable;

(b) With or without terminating the Scheduled Term, Seller may enter the premises where the Equipment is located and, subject to the limitations in [the last sentence of](#) Section 6.02 hereof, retake possession of such Equipment or require District at District's expense to promptly return any or all of such Equipment to the possession of Seller at such place within the United States as Seller shall specify, and sell or lease such Equipment or, for the account of District, sublease such Equipment, continuing to hold District liable, but solely from legally available funds, for the difference between (i) the Installment Payments payable by District and other amounts hereunder that are payable by District to the end of the Scheduled Term, as the case may be, and (ii) the net proceeds of any such sale, leasing or subleasing (after deducting all expenses of Seller in exercising its remedies hereunder, including without limitation all expenses of taking possession, storing, reconditioning and selling or leasing such Equipment and all brokerage, auctioneer's and attorney's fees), subject, however, to the provisions of Section 6.02 of this Agreement. The exercise of any such remedies respecting any such Event of Default shall not relieve District of any other liabilities hereunder or with respect to the Equipment;

EXHIBIT A

EQUIPMENT SCHEDULE

Location of Equipment: District Treatment Plant, 1 William Moffett Place, Goleta, California

Equipment Description (Scope of Work): The Equipment includes, but is not limited to, the equipment, fixtures and other goods and property acquired with the proceeds of the Agreement or pursuant to the terms of the Agreement and includes, but is not limited to, the equipment described below, as well as the equipment consisting of a new Digester and Combined Heat and Power System including a high-strength waste receiving system, as all such Equipment is further described in “Section 2 – Scope of Services” to the Proposal provided to the District by Hazen and Sawyer dated October 20, 2020:

Biosolids and Energy Phase 1 and Phase 2

Equipment

PHASE 1

Anaerobic Digester & CHP Unit

Demolition

Digester No 4

Combined Heat and Power Unit

Digester Gas Pretreatment System

Digester Gas ~~Blower~~ Blowers

Power and Maintenance Building Improvements Site Work

Yard Piping

Electrical Instrumentation and ~~I&C~~ Control Systems

PHASE 2

High-Strength Waste Receiving System

~~Rock Trap and Grinder~~

~~Unloading Pumps~~

~~Storage Tanks~~

~~Recirculation Pumps~~

~~Heat Exchangers~~

~~Feed Pumps~~

~~Feed Piping~~

~~Gas Conditioning~~

~~Waste Gas Flare~~

~~Hauler Access Station~~

Other Items

~~Curb Modifications~~

~~Containment Pad~~

~~High-Strength Waste Station Concrete~~

~~Primary Sludge Piping~~

Rock Trap and Grinder

Unloading Pumps

Storage Tanks

Recirculation Pumps

Heat Exchangers

Feed Pumps

Feed Piping

Gas Conditioning

Waste Gas Flare

Hauler Access Station

Curb Modifications

Containment Pad

High-Strength Waste Station Concrete

Primary Sludge Piping

Yard Piping

Electrical Instrumentation and Control Systems

Thermal Dryer Facility

Centrifuge

Polymer System

Dried Product Storage Bin

Thermal Dryer

Boilers

Conveyors (from Screw Press)

Conveyors (to Dried Product Storage)

Conveyors to Loadout

Loadout Canopy

Building

Site Work

Natural Gas Line

Bridge to Dewatering

Yard Piping

Electrical Instrumentation and Control Systems

EXHIBIT B

PAYMENT SCHEDULE

| INSTALLMENT PAYMENT DATE | INSTALLMENT PAYMENT AMOUNT | INTEREST PORTION | PRINCIPAL PORTION | OUTSTANDING BALANCE | PREPAYMENT PRICE (including prepayment premium, if applicable) |
|--------------------------------|----------------------------------|---------------------|----------------------|------------------------|---|
| 6/23/22 | | | | \$14,135,000.00 | |
| 1/1/23 | \$ 472,024.64 | \$ 220,119.64 | \$ 251,905.00 | 13,883,095.00 | NA |
| 7/1/23 | 472,023.95 | 206,996.95 | 265,027.00 | 13,618,068.00 | NA |
| 1/1/24 | 472,024.39 | 203,045.39 | 268,979.00 | 13,349,089.00 | NA |
| 7/1/24 | 472,023.92 | 199,034.92 | 272,989.00 | 13,076,100.00 | NA |
| 1/1/25 | 472,024.65 | 194,964.65 | 277,060.00 | 12,799,040.00 | NA |
| 7/1/25 | 472,023.69 | 190,833.69 | 281,190.00 | 12,517,850.00 | NA |
| 1/1/26 | 472,024.14 | 186,641.14 | 285,383.00 | 12,232,467.00 | NA |
| 7/1/26 | 472,024.08 | 182,386.08 | 289,638.00 | 11,942,829.00 | NA |
| 1/1/27 | 472,024.58 | 178,067.58 | 293,957.00 | 11,648,872.00 | NA |
| 7/1/27 | 472,024.68 | 173,684.68 | 298,340.00 | 11,350,532.00 | \$11,577,542.64 NA |
| 1/1/28 | 472,024.43 | 169,236.43 | 302,788.00 | 11,047,744.00 | \$11,268,698.88 |
| 7/1/28 | 472,023.86 | 164,721.86 | 307,302.00 | 10,740,442.00 | 10,955,250.84 |
| 1/1/29 | 472,023.99 | 160,139.99 | 311,884.00 | 10,428,558.00 | 10,637,129.16 |
| 7/1/29 | 472,023.80 | 155,489.80 | 316,534.00 | 10,112,024.00 | 10,314,264.48 |
| 1/1/30 | 472,024.28 | 150,770.28 | 321,254.00 | 9,790,770.00 | 9,986,585.40 |
| 7/1/30 | 472,024.38 | 145,980.38 | 326,044.00 | 9,464,726.00 | 9,654,020.52 |
| 1/1/31 | 472,024.06 | 141,119.06 | 330,905.00 | 9,133,821.00 | 9,316,497.42 |
| 7/1/31 | 472,024.27 | 136,185.27 | 335,839.00 | 8,797,982.00 | 8,973,941.64 |
| 1/1/32 | 472,023.91 | 131,177.91 | 340,846.00 | 8,457,136.00 | 8,626,278.72 |
| 7/1/32 | 472,023.90 | 126,095.90 | 345,928.00 | 8,111,208.00 | 8,273,432.16 |
| 1/1/33 | 472,024.11 | 120,938.11 | 351,086.00 | 7,760,122.00 | 7,837,723.22 |
| 7/1/33 | 472,024.42 | 115,703.42 | 356,321.00 | 7,403,801.00 | 7,477,839.01 |
| 1/1/34 | 472,024.67 | 110,390.67 | 361,634.00 | 7,042,167.00 | 7,112,588.67 |
| 7/1/34 | 472,023.71 | 104,998.71 | 367,025.00 | 6,675,142.00 | 6,741,893.42 |
| 1/1/35 | 472,024.37 | 99,526.37 | 372,498.00 | 6,302,644.00 | 6,365,670.44 |
| 7/1/35 | 472,024.42 | 93,972.42 | 378,052.00 | 5,924,592.00 | 5,983,837.92 |
| 1/1/36 | 472,024.67 | 88,335.67 | 383,689.00 | 5,540,903.00 | 5,596,312.03 |
| 7/1/36 | 472,023.86 | 82,614.86 | 389,409.00 | 5,151,494.00 | 5,203,008.94 |
| 1/1/37 | 472,023.78 | 76,808.78 | 395,215.00 | 4,756,279.00 | 4,803,841.79 |
| 7/1/37 | 472,024.12 | 70,916.12 | 401,108.00 | 4,355,171.00 | 4,398,722.71 |
| 1/1/38 | 472,024.60 | 64,935.60 | 407,089.00 | 3,948,082.00 | 3,987,562.82 |
| 7/1/38 | 472,023.90 | 58,865.90 | 413,158.00 | 3,534,924.00 | 3,570,273.24 |
| 1/1/39 | 472,023.72 | 52,705.72 | 419,318.00 | 3,115,606.00 | 3,146,762.06 |
| 7/1/39 | 472,023.69 | 46,453.69 | 425,570.00 | 2,690,036.00 | 2,716,936.36 |
| 1/1/40 | 472,024.44 | 40,108.44 | 431,916.00 | 2,258,120.00 | 2,280,701.20 |
| 7/1/40 | 472,024.57 | 33,668.57 | 438,356.00 | 1,819,764.00 | 1,837,961.64 |
| 1/1/41 | 472,024.68 | 27,132.68 | 444,892.00 | 1,374,872.00 | 1,388,620.72 |
| 7/1/41 | 472,024.34 | 20,499.34 | 451,525.00 | 923,347.00 | 932,580.47 |
| 1/1/42 | 472,024.10 | 13,767.10 | 458,257.00 | 465,090.00 | 469,740.90 |
| 6/1/42 | 470,868.74 | 5,778.74 | 465,090.00 | - | - |

| INSTALLMENT PAYMENT DATE | INSTALLMENT PAYMENT AMOUNT | INTEREST PORTION | PRINCIPAL PORTION | OUTSTANDING BALANCE | PREPAYMENT PRICE (including prepayment premium, if applicable) |
|--------------------------------|----------------------------------|-----------------------|------------------------|------------------------|---|
| TOTAL | <u>\$18,879,812.51</u> | <u>\$4,744,812.51</u> | <u>\$14,135,000.00</u> | | |

Contract Rate. The Contract Rate is 2.982% per annum.

Prepayment Option Commencement Date. For purposes of Section 10.01 of the Agreement, the Prepayment Option Commencement Date is ~~July~~January 1, ~~2027~~2028.

SELLER:

BANC OF AMERICA PUBLIC CAPITAL CORP

By: _____

Name: _____

Title: _____

DISTRICT:

GOLETA SANITARY DISTRICT

By: _____

~~Name:~~ _____

~~Title:~~ _____

Steven T. Majoewsky, Board President

By: _____

~~Name:~~ _____

~~Title:~~ Robert O. Mangus, Jr., Board Secretary

APPROVED AS TO FORM:

Howell Moore & Gough LLP,

District legal counsel

By: _____

~~Name:~~ _____

~~Title:~~ Richard G. Battles, Partner

EXHIBIT C-2

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, ~~athe~~ duly ~~elected or~~ appointed and acting ~~Clerk of the Board~~General Manager/District Engineer of the Goleta Sanitary District (“District”) certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of District ~~(the “Officials”)~~ in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof;

B. The ~~Officials are~~Board President is duly authorized, on behalf of District, to negotiate, execute, in writing or electronically, and deliver the Installment Sale Agreement dated as of June 23, 2022 by and between District and Banc of America Public Capital Corp (“Seller”), the Escrow and Account Control Agreement dated as of June 23, 2022 by and among Seller, District and Wilmington Trust, National Association, as Escrow Agent, all documents related thereto and delivered in connection therewith, and any future modification(s) or amendments thereof (collectively, the “Operative Agreements”); ~~and the Operative Agreements each are the binding and,~~

C. The Board Secretary is duly authorized agreements, on behalf of District, enforceable in all respects in accordance with their respective terms to countersign all Operative Agreements that have been signed by the Board President.

| NAME OF OFFICIAL | TITLE | SIGNATURE |
|---|-----------------------------------|-----------|
| <u>Steven T. Majoewsky</u> | <u>Board President</u> | _____ |
| <u>Robert O. Mangus, Jr.</u> | <u>Board Secretary</u> | _____ |

Dated: June 23, 2022

By: _____

Name: ~~Steve D. Wagner~~

Title: ~~General Manager/District Engineer~~

(The signer of this Certificate cannot be listed above as authorized to execute the Operative Agreements.)

ESCROW AND ACCOUNT CONTROL AGREEMENT

This Escrow and Account Control Agreement (this “*Agreement*”), dated as of June 23, 2022, by and among Banc of America Public Capital Corp, a Kansas corporation (together with its successors and assigns, hereinafter referred to as “*Seller*”), Goleta Sanitary District, a sanitary district existing under the laws of the State of California (hereinafter referred to as “*District*”) and Wilmington Trust, National Association, a national banking association organized under the laws of the United States of America (hereinafter referred to as “*Escrow Agent*”).

Reference is made to that certain Installment Sale Agreement dated as of June 23, 2022 between Seller and District (hereinafter referred to as the “*ISA*”), covering the acquisition, sale and purchase of certain Equipment described therein (the “*Equipment*”). It is a requirement of the ISA that the Acquisition Amount (\$14,135,000.00) be deposited into a segregated escrow account under terms satisfactory to Seller, for the purpose of fully funding the ISA, and providing a mechanism for the application of such amounts to the purchase of and payment for the Equipment.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Creation of Escrow Account. (a) There is hereby created an escrow fund to be known as the “Goleta Sanitary District Escrow Account” (the “*Escrow Account*”) to be held by the Escrow Agent for the purposes stated herein, for the benefit of Seller and District, to be held, disbursed and returned in accordance with the terms hereof.

(b) District may, from time to time, provide written instructions for Escrow Agent to use any available cash in the Escrow Account to purchase any money market fund or liquid deposit investment vehicle that Escrow Agent from time to time makes available to the parties hereto. Such written instructions shall be provided via delivery to Escrow Agent of a signed and completed Escrow Account Investment Selection Form (such form available from Escrow Agent upon request). All funds invested by Escrow Agent at the direction of District in such short-term investments (as more particularly described in Escrow Agent’s Escrow Account Investment Selection Form) shall be deemed to be part of the Escrow Account and subject to all the terms and conditions of this Agreement. The Escrow Agent is hereby authorized and directed to sell or redeem any such investments as it deems necessary to make any payments or distributions required under this Agreement. The District acknowledges that neither the Escrow Agent nor the Seller is providing investment supervision, recommendations, or advice. If any cash is received for the Escrow Account after the cut-off time for the designated short-term investment vehicle, the Escrow Agent shall hold such cash uninvested until the next Business Day. “*Business Day*” means a day other than a Saturday, Sunday or legal holiday, on which banking institutions are not closed in Chicago, Illinois, Los Angeles, California or New York, New York. In the absence of written instructions from District (on Escrow Agent’s Escrow Account Investment Selection Form) designating a short-term investment of cash in the Escrow Account, cash in the Escrow Account shall remain uninvested and it shall not be collateralized. Escrow Agent shall have no obligation to pay interest on cash in respect of any period during which it remains uninvested. District shall be solely responsible for ascertaining that all proposed investments and

reinvestments are Qualified Investments and that they comply with federal, state and local laws, regulations and ordinances governing investment of such funds and for providing appropriate notice to the Escrow Agent for the reinvestment of any maturing investment. Accordingly, neither the Escrow Agent nor Seller shall be responsible for any liability, cost, expense, loss or claim of any kind, directly or indirectly arising out of or related to the investment or reinvestment of all or any portion of the moneys on deposit in the Escrow Account, and District agrees to and does hereby release the Escrow Agent and Seller from any such liability, cost, expenses, loss or claim. Interest on the Escrow Account shall become part of the Escrow Account, and gains and losses on the investment of the moneys on deposit in the Escrow Account shall be credited to or borne by the District. The Escrow Agent shall have no discretion whatsoever with respect to the management, disposition or investment of the Escrow Account. The Escrow Agent shall not be responsible for any market decline in the value of the Escrow Account and has no obligation to notify Seller and District of any such decline or take any action with respect to the Escrow Account, except upon specific written instructions stated herein. For purposes of this Agreement, "Qualified Investments" means any investments which meet the requirements of California Government Code Sections 53600 *et seq.*

(c) Unless the Escrow Account is earlier terminated in accordance with the provisions of paragraph (d) below, amounts in the Escrow Account shall be disbursed by the Escrow Agent in payment of amounts described in Section 2 hereof upon receipt of written instruction(s) from Seller, as is more fully described in Section 2 hereof. If the amounts in the Escrow Account are insufficient to pay such amounts, District shall provide any balance of the funds needed to complete the acquisition of the Equipment. Any moneys remaining in the Escrow Account on or after the earlier of (i) the expiration of the Acquisition Period or (ii) the date on which District executes a Final Acceptance Certificate shall be applied as provided in Section 4 hereof.

(d) The Escrow Account shall be terminated at the earliest of (i) the final distribution of amounts in the Escrow Account, (ii) the date on which District executes a Final Acceptance Certificate or (iii) written notice given by Seller of the occurrence of an Event of Default under the ISA or termination of the ISA. Notwithstanding the foregoing, this Agreement shall not terminate nor shall the Escrow Account be closed until all funds deposited hereunder have been disbursed.

(e) The Escrow Agent may act in reliance upon any writing or instrument or signature which it, in good faith, believes to be genuine and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument. The Escrow Agent shall not be liable in any manner for the sufficiency or correctness as to form, manner of execution, or validity of any instrument nor as to the identity, authority, or right of any person executing the same; and its duties hereunder shall be limited to the receipt of such moneys, instruments or other documents received by it as the Escrow Agent, and for the disposition of the same in accordance herewith. Notwithstanding and without limiting the generality of the foregoing, concurrent with the execution of this Agreement, District and Seller, respectively, shall deliver to the Escrow Agent an authorized signers form in the form of Exhibit A-1 (District) and A-3 (District) and Exhibit A-2 (Seller) attached hereto. Notwithstanding the foregoing sentence, the Escrow Agent is authorized to comply with and rely upon any notices, instructions or other communications reasonably believed by it to have been sent or given by the parties or by a person or persons authorized by the parties. The Escrow Agent specifically allows for receiving direction by written or electronic

If to District: Goleta Sanitary District
1 William Moffett Place
Goleta, CA 93117
Attention: General Manager/District Engineer
Fax: (805) 964-3583
Email:- swagner@goletasanitary.org
Telephone: (805) 967-4519

If to Escrow Agent: Wilmington Trust, National Association
650 Town Center Drive, Suite 800
Costa Mesa, CA 92626
Attention: Chris Johnson
Telephone: (714) 384-4152
Fax: (714) 384-4151
Email: cshjohnson@wilmingtontrust.com

If a court of competent jurisdiction declares any provision hereof invalid, it will be ineffective only to the extent of such invalidity, so that the remainder of the provision and Agreement will continue in full force and effect.

This Agreement and the exhibits hereto set forth the entire agreement and understanding of the parties related to this transaction and supersede all prior agreements and understandings, oral or written.

Section 9. District and Seller understand and agree that they are required to provide the Escrow Agent with a properly completed and signed Tax Certification (as defined below) and that the Escrow Agent may not perform its duties hereunder without having been provided with such Tax Certification. As used herein "Tax Certification" shall mean an IRS form W-9 or W-8 as described above. The Escrow Agent will comply with any U.S. tax withholding or backup withholding and reporting requirements that are required by law. With respect to earnings allocable to a foreign person, the Escrow Agent will withhold U.S. tax as required by law and report such earnings and taxes withheld, if any, for the benefit of such foreign person on IRS Form 1042-S (or any other required form), unless such earnings and withheld taxes are exempt from reporting under Treasury Regulation Section 1.1461-1(c)(2)(ii) or under other applicable law. With respect to earnings allocable to a United States person, the Escrow Agent will report such income, if required, on IRS Form 1099 or any other form required by law. The IRS Forms 1099 and/or 1042-S shall show the Escrow Agent as payor and District as payee. Escrow Agent shall recognize District as the designated party for regulatory reporting purposes.

District and Seller agree that they are not relieved of their respective obligations, if any, to prepare and file information reports under Code Section 6041, and the Treasury regulations thereunder, with respect to amounts of imputed interest income, as determined pursuant to Code Sections 483 or 1272. The Escrow Agent shall not be responsible for determining or reporting such imputed interest.

[AN "EXHIBIT A-1" MUST BE COMPLETED AND EXECUTED AT TIME OF EXECUTION OF THE AGREEMENT]

EXHIBIT A-1

FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE

The undersigned, ~~at~~ the duly ~~elected or~~ appointed and acting ~~Clerk of the Board~~ General Manager/District Engineer of the Goleta Sanitary District ("*District*") certifies as follows:

A. The following listed persons are duly elected or appointed and acting officials of District (~~the "Officials"~~) in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof;

B. The ~~Officials are~~ Board President is duly authorized, on behalf of District, to negotiate, execute, in writing or electronically, and deliver the Installment Sale Agreement dated as of June 23, 2022 by and between District and Banc of America Public Capital Corp ("*Seller*"), the Escrow and Account Control Agreement dated as of June 23, 2022 by and among Seller, District and Wilmington Trust, National Association, as Escrow Agent, all documents related thereto and delivered in connection therewith, and any future modification(s) or amendments thereof (collectively, the "*Operative Agreements*")~~; and the Operative Agreements each are the binding and~~

C. The Board Secretary is duly authorized ~~agreements, on behalf~~ of District, ~~enforceable in all respects in accordance with their respective terms~~ to countersign all Operative Agreements that have been signed by the Board President.

| NAME OF OFFICIAL | TITLE | SIGNATURE |
|------------------------------|------------------------|-----------|
| <u>Steven T. Majoewsky</u> | <u>Board President</u> | _____ |
| _____ | _____ | _____ |
| <u>Robert O. Mangus, Jr.</u> | <u>Board Secretary</u> | _____ |

Dated: June 23, 2022

By: _____

Name: - [Steve D. Wagner](#)

Title: - [General Manager/District Engineer](#)

(The signer of this Certificate cannot be listed above as authorized to execute the Operative Agreements.)

-[AN "EXHIBIT A-3" MUST BE COMPLETED AND EXECUTED AT TIME OF EXECUTION OF THE AGREEMENT]

EXHIBIT A-3

**FORM OF INCUMBENCY AND AUTHORIZATION CERTIFICATE
(Disbursements)**

The undersigned, the duly appointed and acting Secretary of the Governing Board of the Goleta Sanitary District ("District") certifies as follows:

A. The following listed persons are duly appointed and acting officials of District in the capacity set forth opposite their respective names below and the facsimile signatures below are true and correct as of the date hereof;

B. The General Manager/District Engineer is duly authorized, on behalf of District, to execute and deliver disbursement requests, in writing or electronically, relating to the Installment Sale Agreement dated as of June 23, 2022 by and between District and Banc of America Public Capital Corp ("Seller"), and the Escrow and Account Control Agreement dated as of June 23, 2022 by and among Seller, District and Wilmington Trust, National Association, as Escrow Agent (the "Disbursement Requests"); and

C. The Board Secretary is duly authorized, on behalf of District, to countersign all Disbursement Requests that have been signed by the General Manager/District Engineer.

NAME OF OFFICIAL

TITLE

SIGNATURE

Steve D. Wagner

General Manager /
District Engineer

Dated: June 23, 2022

By: _____

Name: Robert O. Mangus, Jr.

Title: Board Secretary

(The signer of this Certificate cannot be listed above as authorized to execute the Operative Agreements.)

TAX COMPLIANCE CERTIFICATE

\$14,135,000
Installment Sale Agreement
dated as of June 23, 2022,
between Banc of America Public Capital Corp.
and Goleta Sanitary District

1. In General.

1.1. The undersigned is the General Manager/District Engineer of Goleta Sanitary District (the “District”) and hereby certifies to the statements contained in this Tax Compliance Certificate (this “Tax Compliance Certificate”). This Tax Compliance Certificate is executed and delivered by the undersigned this June 23, 2022.

1.2. This Tax Compliance Certificate is executed for the purpose of setting forth the facts, estimates and expectations of the District as to the captioned Installment Sale Agreement (the “Agreement”). The District’s reasonable expectation that the Agreement is not an “arbitrage bond” is based on Section 148 of the Internal Revenue Code of 1986 (the “Code”) and the Treasury Regulations (the “Regulations”).

1.3. The factual representations contained in this Tax Compliance Certificate are true and correct and, to the best of the knowledge, information and belief of the undersigned, the expectations contained in this Tax Compliance Certificate are reasonable.

1.4. The undersigned is an official of the District to whom the Board of Directors of the District has delegated the responsibility of executing and delivering this Tax Compliance Certificate. The Agreement has been validly executed and delivered pursuant to the terms of the Resolution of the District adopted by the Board of Directors of the District on June 6, 2022 (the “Resolution”). The terms used but not defined herein have the same meanings as defined in the Agreement.

1.5. Certifications with respect to, among other things, the yield and average maturity of the Agreement are based on representations made by Banc of America Public Capital Corp., as seller under the Agreement (the “Seller”), in (a) the Representation Letter (the “Representation Letter”) a signed copy of which is attached hereto as Exhibit D and (b) the final closing numbers (the “Final Numbers”) prepared by the placement agent for the District and attached hereto as Exhibit A. The undersigned is not aware of any facts or circumstances that would cause the undersigned to question the accuracy of the representations made in the Representation Letter or the calculations set forth in the Final Numbers.

1.6. Kutak Rock LLP, as special counsel (“Special Counsel”), is permitted to rely on the contents of any certification, document or instructions provided pursuant to this Tax Compliance Certificate and will not be responsible or liable in any way for the accuracy of their contents or the failure of the District to deliver any required information.

2. Purpose of the Agreement.

2.1. The District is executing and delivering the Agreement to provide funds to acquire the Equipment listed in Exhibit A to the Agreement (hereinafter, the “Financed Property”). The District has included in Section 7.9 below additional representations and covenants regarding the Financed Property.

2.2. The amount made available to the District from the execution and delivery of the Agreement does not exceed the amount necessary, based on all the facts and circumstances known to the District on this date, to acquire the Financed Property, pay costs of executing and delivering the Agreement and pay interest on the Agreement, all to the extent described in Section 3.1 below.

2.3. The weighted average maturity of the Agreement (11.257 years, as shown in the Final Numbers) does not exceed 120 percent of the average economic life of the Financed Property (*i.e.*, greater than 9.381 years).

3. Source and Disbursement of Funds.

3.1. The amount made available to the District from the execution and delivery of the Agreement (referred to herein as the “Sale Proceeds”) equals \$14,135,000.00. The Sale Proceeds will be deposited to the Escrow Account referenced in the Agreement. The District reasonably expects to need and fully expend the Sale Proceeds as set forth below:

(a) \$135,000.00 will be used to pay costs of executing and delivering the Agreement;

(b) \$975,466.17 will be transferred to the District in reimbursement to the District for costs of acquiring the Financed Property paid by the District prior to the date hereof (the “Reimbursed Expenditures”); and

(c) \$13,024,533.83 will be used to pay costs of acquiring the Financed Property which are in addition to the Reimbursed Expenditures.

3.2. Except for the Reimbursed Expenditures, the District will not reimburse itself from Sale Proceeds or investment earnings thereon for expenditures paid by it or a related party to it prior to the date hereof. The Resolution constitutes the District’s official intent with respect to the Reimbursed Expenditures for purposes of Section 1.150-2 of the Regulations. The District has attached hereto as Exhibit B a list of the Reimbursed Expenditures. The District represents that Reimbursed Expenditures paid prior to 60 days before the date of the Resolution constitute “*de minimis*” or “preliminary expenditures,” within the meaning of Section 1.150-2(f) of the Regulations, in that such expenditures are either (a) not in an amount greater than \$100,000 (in the aggregate) or (b) architectural, engineering, surveying, soil testing, reimbursement bond issuance, and similar costs that are incurred prior to commencement of acquisition, construction, or rehabilitation of a project, other than land acquisition, site preparation, and similar costs incident to commencement of construction. The amount of proceeds allocated to the Reimbursed Expenditures that are “preliminary expenditures” will not exceed an amount equal to 20 percent of the Sale Proceeds.

3.3. The District reasonably expects that at least 85 percent of the Sale Proceeds will be allocated to expenditures to acquire the Financed Property within three years of the date hereof. The District covenants that not more than 50 percent of the proceeds will be invested in nonpurpose investments having a substantially guaranteed yield for four years or more.

4. **Funds and Accounts and Limitations on Investment.**

4.1. **General.** The District covenants that amounts constituting gross proceeds (within the meaning of Section 1.148-1(b) of the Regulations) of the Agreement will not be invested at a yield in excess of the yield on the Agreement and will be subject to the rebate requirement described in Section 6 hereof (the “Rebate Requirement”), except as specifically provided in the following subsections or elsewhere in this Tax Compliance Certificate.

4.2. **Minor Portion.** The District acknowledges that a minor portion of the gross proceeds of the Agreement may be invested without yield restriction in an amount not exceeding the lesser of (a) \$100,000 or (b) five percent of the Sale Proceeds.

4.3. **Escrow Account.** The Escrow Account is established to account for the payment of the costs of acquiring the Financed Property and of executing and delivering the Agreement and for the payment of the Interest Component to the extent set forth in Section 3.1 above. Other than the Interest Component to the extent set forth in Section 3.1 above, amounts on deposit in the Escrow Account are not expected to be used to make Installment Payments, and there is no assurance that such amounts will be available to make Installment Payments in the event the District has insufficient revenues for such purpose. The District reasonably expects and represents as set forth below:

(a) The Sale Proceeds deposited to the Escrow Account and all the investment proceeds thereof and of any other moneys on deposit in the Escrow Account will be allocated to expenditures for capital projects.

(b) At least 85 percent of the Sale Proceeds will be allocated to expenditures on capital projects within three-years of the date hereof.

(c) The District will incur within six months of the date hereof a substantial binding obligation to a third party to expend at least five percent of the Sale Proceeds on capital projects. In making such representation, the District acknowledges that an obligation is not binding if it is subject to contingencies within the control of the District or a related party to the District.

(d) Completion of the capital projects referred to herein and the allocation of the Sale Proceeds to expenditures will proceed with due diligence.

Based on the expectations and representations of the District in this subsection, the District acknowledges and covenants as follows:

(a) The Sale Proceeds on deposit in the Escrow Account may be invested without yield restriction until the date that is three years from the date hereof. The District will not thereafter invest any such Sale Proceeds in obligations that bear a yield in excess of one-eighth of one percent (0.125 percent) greater than the yield on the Agreement.

(b) Any investment proceeds from Sale Proceeds on deposit in the Escrow Account may be reinvested without yield restriction pending disbursement. Such period of unrestricted investment may not exceed the longer of (i) a one-year period beginning on the date of receipt of such investment proceeds or (ii) the period ending on the date which is three years from the date hereof. After the period of unrestricted reinvestment of such investment proceeds, such investment proceeds may not be invested in obligations that bear a yield in excess of one-eighth of one percent (0.125 percent) greater than the yield on the Agreement.

4.4. ***Opinion of Special Counsel.*** Notwithstanding the investment limitations described in the foregoing subsections, gross proceeds of the Agreement may be invested at a yield in excess of the yield on the Agreement to the extent the District receives an opinion of Special Counsel to the effect that such investment at a greater yield will not adversely affect the excludability of the Interest Component from gross income for federal income tax purposes.

4.5. ***No Other Replacement Proceeds.*** Except to the extent set forth above in this Section, neither the District nor a related party to the District, nor any other substantial beneficiary of the Agreement has created or established and none of the foregoing persons are expected to create or establish any fund or account to make Installment Payments, or a reserve fund for such Installment Payments or any other similar fund with respect to the Agreement, or a negative pledge or right of set-off in any funds, accounts or assets of the District. Further, there are no other funds that are reasonably expected to be used to make Installment Payments and for which there is a reasonable assurance that amounts on deposit therein or the investment income earned thereon will be available to make Installment Payments if the District encounters financial difficulties. The District will not create or establish, and will not allow to be created or established, any such fund, account, negative pledge or right of set-off unless the District obtains an opinion of Special Counsel to the effect that the creation or establishment of such fund, account, negative pledge or right of set-off will not adversely affect the excludability of the Interest Component from gross income for federal income tax purposes.

4.6. ***Enterprise Fund.*** Gross Revenues, upon receipt thereof by the District from time to time, are to be deposited to the Enterprise Fund pursuant to the Agreement. Except for amounts to be applied from time to time for Installment Payments, as described in Section 3.02 of the Agreement, the District reasonably expects that moneys held in the Enterprise Fund will not be used to make Installment Payments.

5. **Price and Yield of the Agreement.**

5.1. As consideration for the execution and delivery of the Agreement by the District, the Seller is depositing \$14,135,000 (the “Acquisition Payment”) to the Escrow Account for application by the District to the purposes set forth in Section 2.1 above. The Seller has represented in the Representation Letter that, among other things, the Seller entered into the Agreement for its own loan account and without a present intention to sell any portion of the Agreement to any other person. The District acknowledges that the Acquisition Payment represents the “issue price” of the Agreement for purposes of the Code and Regulations relevant to the Agreement.

5.2. As used in this Tax Compliance Certificate, the term “yield” refers to the discount rate which, when used in computing the present worth of all payments of principal and interest to be paid on an obligation, produces an amount equal to the issue price of the obligation. The calculations of yield are to be made on the basis of semiannual compounding using a 360-day year and upon the assumption that payments are made on the last day of each semiannual interest payment period (unless a different reasonable standard financial convention is explicitly adopted in accordance with Section 1.148-4(a) of the Regulations). The yield of the Agreement is 2.9819 percent, as set forth in the Final Numbers.

6. **Rebate Requirement.**

6.1. The District represents that it will annually determine the amount, if any, required to be rebated to the United States of America under Section 148(f) of the Code. The District further represents that it will, not later than 60 days after the Agreement has terminated, pay to the United States of America 100 percent of the amount required to be rebated under Section 148(f) of the Code. Each payment required to be paid to the United States of America is required to be filed with the Internal Revenue Service at such address and in such manner as the Internal Revenue Service may determine from time to time.

6.2. The District reasonably expects that no unspent gross proceeds of the Agreement will be invested at a yield in excess of the yield of the Agreement, except for the proceeds on deposit in the Escrow Account, and the District expects such proceeds to be spent in accordance with the representations and expectations described in Section 4.3 above. As a result of such expectation, the District reasonably expects to comply with the Rebate Requirement without any action following the date hereof. However, if for any reason the expectations set forth in this Tax Compliance Certificate are not met or if the District establishes any sinking fund or defeasance escrow for the Agreement, the District will comply with the Rebate Requirement after consulting with Special Counsel.

7. **Miscellaneous.**

7.1. ***Interest Component.*** A portion of each Installment Payment under the Agreement is specifically identified in the Agreement as the interest component of the Agreement and paid by the District to the Seller as interest with respect to the Agreement. Such portion of each Installment Payment is referred to herein as the “Interest Component.”

7.2. ***No Other Issues.*** The District represents that it has not sold and covenants that it will not sell any other obligations of the District, the interest on which is intended to be excludable from gross income for federal income tax purposes (including, without limitation, any notes, bonds, lease obligations, loans or installment purchase obligations) during the 31-day period beginning 15 days prior to the date hereof, which are being sold pursuant to the same plan of financing as the Agreement and which are payable from the same source of funds from which the Agreement is payable.

7.3. ***No Change in Ownership of the Financed Property.*** The District intends and expects that it or another Exempt Person will own and operate the Financed Property at all times during the term of the Agreement. “Exempt Person” means any state or a local governmental unit of any state established pursuant to state law. The District does not know of any reason why the

Financed Property will not be so owned and used in the absence of (a) supervening circumstances not now anticipated by it, (b) adverse circumstance beyond its control or (c) obsolescence of such insubstantial parts or portions thereof as may occur as a result of normal use thereof. The District will not change the use, ownership or nature of any portion of the proceeds of the Agreement or the Financed Property so long as the Agreement is outstanding unless, in the written opinion of Special Counsel, such change will not adversely affect the excludability of the Interest Component from gross income for federal income tax purposes, except that the District may without an opinion (but subject to any applicable provisions of the Agreement) sell or otherwise dispose of minor parts or portions of the Financed Property as may be necessary due to normal wear, tear or obsolescence. As of the date hereof, there is no more than a remote possibility, if any, that the Financed Property will be transferred to a non-Exempt Person while the Agreement is outstanding.

7.4. **Representations as to Limits on the Use of Proceeds.** To ensure that the Interest Component is excludable from gross income for federal income tax purposes, the District covenants, represents and acknowledges, as applicable, as follows:

(a) The District will not take or permit to be taken any action which would cause the Agreement to be deemed a private activity bond under the Code. The Agreement will be considered a “private activity bond” in the following circumstances:

(i) if the private business use test defined in (b) below is met and the private security or payment test defined in (c) below is met); or

(ii) if the nonqualified amount exceeds \$15,000,000 but does not exceed the amount which would cause the Agreement to be treated as a private activity bond under (i) above (the “nonqualified amount” means the lesser of (A) the proceeds that are to be used for any private business use, or (B) the proceeds that meet the private security or payment test) and the District does not allocate a portion of its volume cap under Section 146 of the Code to the Agreement in an amount equal to the excess of such nonqualified amount over \$15,000,000; or

(iii) if more than the lesser of \$5,000,000 or five percent of the proceeds of the Agreement is loaned to non-Exempt Persons (defined hereafter) (referred to as the “private loan financing test”).

(b) The “private business use test” is met if more than ten percent of the proceeds of the Agreement or the Financed Property is used directly or indirectly in the business of a nongovernmental person (*i.e.*, in a “private business use”). No more than five percent of any such private business use may be disproportionate or unrelated to the Financed Property. Except as otherwise described in this clause (b), the District will not allow the Financed Property to be used hereafter in the trade or business of any person that is a non-Exempt Person unless it obtains an opinion of Special Counsel that such use would not adversely affect the excludability of the Interest Component from gross income for federal income tax purposes.

The District acknowledges that in determining whether all or any portion or function of the Financed Property is used, directly or indirectly, in the trade or business of a non-Exempt Person, use of any portion or function of the Financed Property by a

non-Exempt Person pursuant to a lease, sublease, management contract, research contract, service contract or other arrangement must be examined. A lease, sublease, management contract, research contract, service contract or other arrangement between the District and a non-Exempt Person with respect to the Financed Property or any portion or function thereof will not result in private trade or business use of a non-Exempt Person if the guidelines set forth in the Regulations, Rev. Proc. 2017-13 (or subsequent or supplemental guidance, including I.R.S. Notice 2014-67) or Rev. Procs. 97-14 or 2007-47 (or subsequent guidance) are met or an approving opinion of Special Counsel is delivered to the District.

For purposes of the private business use test, certain incidental uses of a facility may be disregarded to the extent that the proceeds of the Agreement which result in the incidental use do not exceed 2-1/2 percent of the total proceeds of the Agreement. The use of the Financed Property by a person will be treated as an incidental use if such use does not involve the transfer to such person of possession and control of space that is separated physically from other areas of the facility and is not related to any other use of the facility by the same person. For example, use of space in common areas of an office building for vending machines, pay telephones and kiosks may be disregarded.

The District acknowledges that arrangements with third parties including, but not limited to, arrangements involving solar panel, cell tower or wind turbine installations upon the Financed Property, or similar direct or indirect uses by third parties of the Financed Property may cause the Agreement to meet the private business use test or the private security or payment test. The District should contact Special Counsel to discuss the impact of any such proposed arrangements upon the tax status of the Agreement and other obligations issued or executed and delivered by or on behalf of the District from time to time.

(c) The “private security or payment test” is met if more than ten percent of the Installment Payments is directly or indirectly (i) secured by any interest in property used in a private business use or (ii) derived from payments made with respect to property used in a private business use. In the event that proceeds of the Agreement or the Financed Property are to be used for any private business use that is not related (or is disproportionate) to any governmental use of such proceeds or Financed Property (and to payments, property and borrowed money with respect to any such private business use), the covenant in (a) above concerning the private security or payment test will apply but not more than the lesser of five percent (rather than ten percent) of the Installment Payments may be so secured.

In determining whether the private security or payment test is met, the District will compare the present value of the payments taken into account to the present value of the Installment Payments made over the term of the Agreement. Installment Payments will not include any amount to be paid from proceeds of the Agreement. For example, Installment Payments will not include accrued or funded interest or other amounts to be paid with proceeds of the Agreement. For purposes of the discount rate to be applied in such present value calculations, the yield of the Agreement will be used.

Payments taken into account in determining whether the private security or payment test is met will include payments made for any private business use and payments

in respect of the Financed Property. However, any payment that is properly allocable to the payment of ordinary or necessary expenses directly attributable to the operation and maintenance of the Financed Property (other than general overhead or administrative expenses) will not be included as a payment taken into account. Similarly, payments by a person for use of proceeds of the Agreement or the Financed Property will only be included to the extent that the present value of such payments does not exceed the present value of the Installment Payments allocable to that person's use of proceeds of the Agreement or the Financed Property. For example, if ten percent of the proceeds of the Agreement were used by a person, payments by such person would not be taken into account to the extent that the present value of such payments exceeded the present value of ten percent of the Installment Payments.

7.5. **Representations Concerning Federal Guarantees.** The District represents and covenants that the Agreement is not and will not become directly or indirectly federally guaranteed. Unless otherwise excepted under Section 149(b) of the Code, the Agreement will be considered to be "federally guaranteed" if (a) any Installment Payment is guaranteed (in whole or in part) by the United States of America (or any agency or instrumentality thereof), (b) five percent or more of the proceeds of the Agreement is (i) used in making loans the payment of principal or interest with respect to which is guaranteed (in whole or in part) by the United States of America (or any agency or instrumentality thereof) or (ii) invested (directly or indirectly) in federally insured deposits or accounts, or (c) any Installment Payment is otherwise indirectly guaranteed (in whole or in part) by the United States of America (or any agency or instrumentality thereof).

7.6. **Representations for Purposes of IRS Form 8038-G.** The District represents, for the benefit of Special Counsel and the Seller, that it has reviewed the IRS Form 8038-G prepared by Special Counsel and that the information contained therein is true, complete and correct to the best knowledge of the District as of the date hereof. The District's federal employer identification number for purposes of the filing of such Internal Revenue Form 8038-G is 77-0307879.

7.7. **Additional Tax Covenants.** To ensure that the Interest Component is and remains excludable from gross income for federal income tax purposes, the District represents and covenants to comply with, and make all filings required by, all effective rules, rulings or regulations promulgated by the Department of the Treasury or the Internal Revenue Service with respect to obligations described in Section 103 of the Code, such as the Agreement.

7.8. **Post-Issuance Compliance Policy.** The District has attached as Exhibit C hereto its post-issuance compliance policy. The District agrees to comply with such policy in connection with the Agreement and any other tax-advantaged installment sale agreements, bonds, notes, leases, loans or similar types of obligations heretofore or hereafter issued, reissued or executed and delivered by it.

7.9. **Financed Property.** The District represents that all the Financed Property will be located at the District's treatment plant located at 1 William Moffett Place in Goleta, California. The acquisition and construction of the Financed Property represents a portion of a larger project (the "Master Project") acquired and constructed by the District as part of its Biosolids and Energy Strategic Plan. In addition to the Financed Property, the Master Project is reasonably expected to include equipment and improvements that may hereafter be financed by Goleta West Sanitary District with proceeds of federally tax-exempt obligations (the "Goleta West Tax-Exempt

Bonds”). The District covenants that all property that is or will be part of the Master Project will be owned and operated solely by the District. The District covenants that, in the event Goleta West Sanitary District issues Goleta West Tax-Exempt Bonds and so long as such Goleta West Tax-Exempt Bonds are outstanding, including any refunding bonds thereof, plus three years after any such bonds are no longer outstanding, the District will promptly notify Goleta West Sanitary District of any change in operation, ownership or use of the property that is part of the Master Project. The intent of the covenant in the preceding sentence is to assist Goleta West Sanitary District in complying with requirements of the Code and Regulations to maintain the federally tax-exempt status of the Goleta West Tax-Exempt Bonds.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned has set the undersigned's hand to this Tax Compliance Certificate as of the date first written above.

GOLETA SANITARY DISTRICT

By _____
Steve Wagner, P.E.
General Manager/District Engineer

[Signature Page to Tax Compliance Certificate]

**EXHIBIT A
TO TAX COMPLIANCE CERTIFICATE**

FINAL NUMBERS

(Attached)

[ATTACH FINAL NUMBERS]

**EXHIBIT B
TO TAX COMPLIANCE CERTIFICATE
REIMBURSED EXPENDITURES**

**GOLETA SANITARY DISTRICT
BESP Project Expenditures**

| DESCRIPTION | PURCHASE DATE | CK DATE | CHECK # | COST |
|--|---------------|------------------|---------|----------------------|
| | | | | CIP |
| Biosolids to Energy Prelim Enviro 042-00136 | | | | |
| Hazen and Sawyer-Biosolids & Energy- Phase 1 Preliminary Design Services, 042-00136 | 03/23/20 | 04/07/20 | 5323 \$ | 13,739.50 |
| Hazen and Sawyer-Biosolids & Energy- Phase 1 Preliminary Design Services, 042-00136 | 04/23/20 | 05/05/20 | 5436 \$ | 32,199.13 |
| Hazen and Sawyer; Biosolids & Energy- Phase 1 Preliminary Design Services; Task 042-00136 | 05/21/20 | 05/28/20 | 5519 \$ | 35,160.00 |
| Hazen and Sawyer; Biosolids & Energy- Phase 1 Preliminary Design Services; Task 042-00136 | 06/12/20 | 06/25/20 | 5632 \$ | 40,576.39 |
| HAZD1 - Hazen & Sawyer (Task 042-00136); Biosolids & Energy- Phase 1 Preliminary Design Services; Task I | 07/06/20 | 09/04/20 | 5978 \$ | 30,410.92 |
| HAZD1-Hazen and Sawyer #042-00136 | 09/04/20 | 09/04/20 | 5970 \$ | 35,394.50 |
| HAZD1-Hazen and Sawyer #042-00136 | 10/20/20 | 10/20/20 | 6142 \$ | 23,860.50 |
| HAZD1-Hazen and Sawyer #042-00136 | 10/20/20 | 10/20/20 | 6142 \$ | 75,109.75 |
| Biosolids to Energy Prelim Enviro 042-00136 Total | | | | \$ 286,450.69 |
| | | | | CIP |
| BESP Phase 1 Design and Engineering Services 650-42002 | | | | |
| Hazen and Sawyer Biosolids & Energy - Phase 1 Design and Engineering Services. No (650-42-000-1310; 65 | 10/27/21 | 11/09/21 | 7628 \$ | 91,268.34 |
| Hazen and Sawyer Biosolids & Energy - Phase 1 Design and Engineering Services. No (650-42-000-1310; 65 | 10/27/21 | 11/09/21 | 7628 \$ | 78,336.57 |
| Hazen and Sawyer Biosolids & Energy - Phase 1 Design and Engineering Services. No (650-42-000-1310; 65 | 10/27/21 | 11/09/21 | 7628 \$ | 11,217.50 |
| Hazen and Sawyer Biosolids & Energy - Phase 1 Design and Engineering Services. No (650-42-000-1310; 65 | 12/22/21 | 01/05/22 | 7815 \$ | 20,302.75 |
| Hazen and Sawyer Biosolids & Energy - Phase 1 Design and Engineering Services. No (650-42-000-1310; 65 | 01/06/22 | 01/27/22 | 7900 \$ | 16,471.50 |
| Hazen and Sawyer Biosolids & Energy - Phase 1 Design and Engineering Services. No (650-42-000-1310; 65 | 03/03/22 | 03/09/22 | 8041 \$ | 27,472.55 |
| Hazen and Sawyer Biosolids & Energy - Phase 1 Design and Engineering Services. No (650-42-000-1310; 65 | 03/03/22 | 03/09/22 | 8041 \$ | 255,011.00 |
| Hazen and Sawyer Biosolids & Energy - Phase 1 Design and Engineering Services. No (650-42-000-1310; 65 | 03/30/22 | 04/13/22 | 8169 \$ | 10,567.50 |
| Hazen and Sawyer Biosolids & Energy Phase 2 & 3. Preliminary Engineering Design (650-42-000-1310; 650 | 03/30/22 | 04/13/22 | 8169 \$ | 12,740.00 |
| Hazen and Sawyer Biosolids & Energy Phase 2 & 3. Preliminary Engineering Design (650-42-000-1310; 650 | 05/12/22 | 04/27/22 | 8292 \$ | 11,981.84 |
| Hazen and Sawyer Biosolids & Energy Phase 2 & 3. Preliminary Engineering Design (650-42-000-1310; 650 | 05/12/22 | 04/27/22 | 8292 \$ | 38,940.60 |
| Hazen and Sawyer Biosolids & Energy Phase 2 & 3. Preliminary Engineering Design (650-42-000-1310; 650 | 05/25/22 | 05/10/22 Pending | \$ | 18,283.18 |
| Hazen and Sawyer Biosolids & Energy Phase 2 & 3. Preliminary Engineering Design (650-42-000-1310; 650 | 05/25/22 | 05/10/22 Pending | \$ | 60,261.99 |
| Rockwell Construction Services, LLC; BESP Project Task: 650-42002 | 01/27/22 | 01/06/22 | 7917 \$ | 6,105.00 |
| Rockwell Construction Services, LLC; BESP Project Task: 650-42002 | 03/16/22 | 03/02/22 | 8082 \$ | 6,600.00 |
| SB County APCD; BESP Project Phase 1 Air Quality Permit Review Task: 650-42002 | 09/22/21 | 09/21/21 | 7449 \$ | 565.00 |
| SB County APCD; BESP Project Phase 1 Air Quality Permit Review Task: 650-42002 | 10/13/21 | 10/01/21 | 7531 \$ | 1,685.21 |
| SB County APCD; BESP Project Phase 1 Air Quality Permit Review Task: 650-42002 | 11/09/21 | 10/27/21 | 7640 \$ | 1,706.04 |
| SB County APCD; BESP Project Phase 1 Air Quality Permit Review Task: 650-42002 | 01/05/22 | 12/22/21 | 7832 \$ | 565.00 |
| SB County APCD; BESP Project Phase 1 Air Quality Permit Review Task: 650-42002 | 02/16/22 | 01/19/22 | 7983 \$ | 494.38 |
| SB County APCD; BESP Project Phase 1 Air Quality Permit Review Task: 650-42002 | 03/16/22 | 03/02/22 | 8084 \$ | 1,111.46 |
| SB County APCD; BESP Project Phase 1 Air Quality Permit Review Task: 650-42002 | 04/13/22 | 03/30/22 | 8191 \$ | 1,412.50 |
| SB County APCD; BESP Project Phase 1 Air Quality Permit Review Task: 650-42002 | 04/13/22 | 03/30/22 | 8191 \$ | 70.63 |
| SB County Planning & Development; BESP Project Task: 650-42002 | 05/25/22 | 05/24/22 Pending | \$ | 10,931.32 |
| SB County Planning & Development; BESP Project Task: 650-42002 | 05/25/22 | 05/24/22 Pending | \$ | 4,929.32 |
| SB County Planning & Development; BESP Project Task: 650-42002 | 05/25/22 | 05/24/22 Pending | \$ | 1,973.30 |
| U.S. Bank Corporate Payment System; SB APCD - Permit; BESP Project Task: 650-42002 | 01/18/22 | 01/06/22 | 7871 \$ | 431.00 |
| BESP Phase 1 Design and Engineering Services 650-42002 Total | | | | \$ 689,015.48 |
| 05/25/22 Total BESP Phase I & II items: | | | | \$ 975,466.17 |

EXHIBIT C
TO TAX COMPLIANCE CERTIFICATE

POST-ISSUANCE TAX COMPLIANCE
AND REMEDIAL ACTION PROCEDURES

Adopted June 23, 2022

Goleta Sanitary District (the “District”) hereby adopts the procedures described herein (the “Procedures”) as its written procedures for post-issuance tax compliance and remedial action applicable to tax-advantaged installment sale agreements, loans, bonds, notes, leases, certificates of participation or similar obligations (collectively, “Obligations”) heretofore and hereafter issued or executed and delivered by it or on its behalf. These Procedures are intended to supplement any previous post-issuance tax compliance and remedial action procedures that may have been adopted by the District and any procedures evidenced in writing by any tax document for any Obligations heretofore or hereafter issued, entered into or executed and delivered by it or on its behalf, the related information returns filed in connection with any Obligations and the instructions to such information returns.

1. **Responsible Person.** The District has assigned to the General Manager/District Engineer of the District (the “Responsible Person”), currently Steve Wagner, P.E., the responsibility for ensuring post-issuance tax and remedial action compliance with the requirements of any tax and financing documents for Obligations. This responsibility is included in the job description for the Responsible Person, and such person has or will review any prior post-issuance tax compliance and remedial action procedures, these Procedures, any tax documents for any Obligations heretofore or hereafter issued, entered into or executed and delivered by it or on its behalf, the related information returns, if any, filed in connection with any Obligations (such as IRS Forms 8038-G) and the instructions to such information returns, and consult with bond or tax counsel and other professionals as needed.

2. **Succession Planning.** The District will ensure that, when the current Responsible Person leaves such person’s current position at the District, the responsibility for financing and tax covenant compliance will be explained in detail to such person’s successor, such successor will be provided compliance training (as further described in the following section).

3. **Training.** Compliance training for the Responsible Person should include, among other things, annual meetings with bond counsel to discuss monitoring compliance with applicable tax laws and attendance at post-issuance tax compliance trainings organized by applicable industry organizations.

4. **Procedures for Timely Expenditure of Proceeds.** The District understands that at least 85 percent of the net sale proceeds of new money Obligations must be spent to carry out the projects financed with the proceeds of the Obligations within three years of the date such Obligations are originally issued, entered into or executed and delivered. The District will treat as “sale proceeds” any amounts actually or constructively received by the District from issuance or execution and delivery of the Obligations, including amounts used to pay accrued interest other than pre-issuance accrued interest. “Net sale proceeds” means the sale proceeds less any amounts

deposited into reasonably required reserve or replacement or rental payment reserve funds. The District has established or will establish reasonable accounting procedures for tracking and reporting to the Responsible Person the expenditure of net sale proceeds.

5. **Compliance with Arbitrage Yield Restriction and Rebate Requirements.** The Responsible Person will create a system to ensure that for all applicable Obligations, not less than six months prior to each five-year anniversary of the closing date for Obligations, the District will retain an arbitrage rebate consultant to prepare a report determining the yield of the Obligations under the Internal Revenue Code of 1986 (the “Code”) and whether there is any amount owed to the Internal Revenue Service under Section 148 of the Code.

6. **Ongoing Procedures.** The Responsible Person will review any prior procedures, these Procedures, tax and financing documents relating to Obligations, information returns for Obligations and related instructions to such information returns, and the status and use of the Obligation-financed or refinanced property (the “Financed Property”) *on at least an annual basis and at the following intervals*: (a) six months prior to each five-year anniversary of the issue or execution and delivery date of the Obligations; (b) within 30 days of the date the Obligations are finally retired, defeased, refunded or terminated; (c) when any rebate payment is made; (d) when Financed Property is placed in service; (e) if the District determines that Financed Property will not be completed; and (f) if any of the representations, statements, circumstances or expectations of the District that are set forth in the tax or financing documents for Obligations are no longer true, have changed or have not come to pass as described in such documents. This review will be made for the purposes of identifying any possible violation of federal tax requirements related to Obligations and to ensure the timely correction of those violations pursuant to the remedial action provisions outlined below or through the Voluntary Closing Agreement Program. If any possible violation is identified, the Responsible Person will notify the District and the District’s counsel or the District’s bond counsel so that any existing or expected violation can be corrected.

7. **Additional Policies and Procedures.** The District acknowledges that certain types of Obligations, such as tax credit obligations, may have special rules regarding the timely expenditure of proceeds, arbitrage yield restriction and rebate requirements and remediation requirements, all of which will be described in the tax certificates for the Obligations. Such rules are incorporated herein (except to the extent that these Procedures have been revised to incorporate any of such rules), and the District agrees to follow such rules with respect to Obligations, if applicable.

8. **Recordkeeping.** The Responsible Person will develop and implement a system for maintaining records relating to these Procedures. Such records must be kept and maintained for the life of the related Obligations, and any Obligations that refund or refinance such obligations, plus at least four years (or such longer period as may be required in related tax documents for such obligations). These records may be maintained on paper, by electronic media or by any combination thereof.

9. **Procedures to Comply with Remediation Requirements.** The Responsible Person will establish and maintain a system for tracking and monitoring the use of the Financed Property to ensure that the use of all of such property will not violate the private business tests or the private loan financing test under Section 141 of the Code. If, after the issuance or execution

and delivery of Obligations, the use of the Financed Property changes so that the private business tests or the private loan financing test would be met, or if another violation of these procedures occurs which requires correction, the District will, in connection with consulting bond counsel, undertake a closing agreement through the Voluntary Closing Agreement Program of the Internal Revenue Service or take one of the remedial actions described in the next section, if available.

10. **Remedial Action Procedures.** If a deliberate action is taken with respect to the Obligations and the Financed Property subsequent to the issuance or execution and delivery of the Obligations which action is not in compliance with the tax requirements of the Code or Regulations (a “Deliberate Action”), then the Responsible Person should consult with bond counsel regarding permissible remedial actions that may be taken to remediate the effect of any such Deliberate Action upon the federal tax status of the Obligations. Possible remedial actions, and the conditions to taking any such remedial actions, include (but are not necessarily limited to) the actions described below.

(a) Conditions to Remedial Actions. None of the remedial actions described in (b) below are available to remediate the effect of any Deliberate Action with respect to the Obligations and the Financed Property unless the following conditions have been satisfied and unless bond counsel advises otherwise:

(i) the District reasonably expected on the date the Obligations were originally issued or executed and delivered that the Obligations would meet neither the private business tests nor the private loan financing test of Section 141 of the Code and the Regulations thereunder for the entire term of the Obligations (such expectations may be based on the representations and expectations of the applicable conduit borrower, if there is one);

(ii) the average weighted maturity of the Obligations did not, as of such date, exceed 120 percent of the average economic life of the Financed Property;

(iii) unless otherwise excepted under the Regulations, the District delivers a certificate, instrument or other written records satisfactory to bond counsel demonstrating that the terms of the arrangement pursuant to which the Deliberate Action is taken is bona fide and arm’s-length, and that the non-exempt person using either the Financed Property or the proceeds of the Obligations as a result of the relevant Deliberate Action will pay fair market value for the use thereof;

(iv) any disposition must be made at fair market value and any Disposition Proceeds (defined below) actually or constructively received by the District as a result of the Deliberate Action must be treated as gross proceeds of the Obligations and may not be invested in obligations bearing a yield in excess of the yield of the Obligations subsequent to the date of the Deliberate Action; and

(v) Proceeds of the Obligations affected by the remedial action must have been allocated to expenditures for the Financed Property or other allowable governmental purposes before the date on which the Deliberate Action occurs (except to the extent that redemption or defeasance, if permitted, is undertaken, as further described in (b)(i) below).

“Disposition Proceeds,” as such term is used in this section 10, means any amounts (including property, such as an agreement to provide services) derived from the sale, exchange or other disposition of property (other than investments) financed with the proceeds of the Obligations.

(b) Types of Remedial Action. Subject to the conditions described in (a) above, and only if the District obtains an opinion of bond counsel prior to taking any of the actions below to the effect that such actions will not adversely affect the excludability of interest on the Obligations from gross income for federal income tax purposes, remedial actions including but not limited to those listed below may be available to remediate a Deliberate Action subsequent to the issuance of the Obligations:

(i) *Redemption or Defeasance of Obligations.*

(A) If the Deliberate Action causing either the private business use test or the private loan financing test of Section 141 of the Code and the Regulations thereunder to be satisfied consists of a fair market value disposition of any portion of the Financed Property exclusively for cash, then the District may allocate the Disposition Proceeds to the redemption of Nonqualified Obligations (defined below) *pro rata* across all of the then-outstanding maturities of the Obligations at the earliest call date of such maturities of the Obligations after the taking of the Deliberate Action. If any of the maturities of the Obligations outstanding at the time of the taking of the Deliberate Action are not callable within 90 days of the date of the Deliberate Action, the District may (subject generally to the limitations described in (C) below) allocate the Disposition Proceeds to the establishment of a Defeasance Escrow (defined below) for any such maturities of the Obligations within 90 days of the taking of such Deliberate Action.

(B) If the Deliberate Action consists of a fair market value disposition of any portion of the Financed Property for other than exclusively cash, then the District may use any funds (other than proceeds of the Obligations or proceeds of any obligation the interest on which is excludable from gross income for federal income tax purposes) for the redemption of all Nonqualified Obligations within 90 days of the date that such Deliberate Action was taken. In the event that insufficient maturities of the Obligations are callable by the date which is within 90 days after the date of the Deliberate Action, then such funds may be used for the establishment of a Defeasance Escrow within 90 days of the date of the Deliberate Action for all of the maturities of the Nonqualified Obligations not callable within 90 days of the date of the Deliberate Action.

(C) If a Defeasance Escrow is established for any maturities of Nonqualified Obligations that are not callable within 90 days of the date of the Deliberate Action, written notice must be provided to the Commissioner of Internal Revenue Service at the times and places as may be specified by applicable regulations, rulings or other guidance issued by the Department of the Treasury or the Internal Revenue Service. Note that the ability to create a Defeasance Escrow applies only if the Obligations to be defeased and redeemed all mature or are

callable within ten and one-half (10.5) years of the date the Obligations are originally issued or executed and delivered. If the Obligations are not callable within ten and one-half years, and none of the other remedial actions described below are applicable, the remainder of this section 10 is for general information only, and bond counsel must be contacted to discuss other available options.

“Nonqualified Obligations,” as such term is used in this section 10, means that portion of the Obligations outstanding at the time of a Deliberate Action in an amount that, if the outstanding Obligations were issued or executed and delivered on the date on which the Deliberate Action occurs, the outstanding Obligations would not satisfy the private business use test or the private loan financing test, as applicable. For this purpose, the amount of private business use is the greatest percentage of private business use in any one-year period commencing with the Deliberate Action.

“Defeasance Escrow,” as such term is used in this section 10, means an irrevocable escrow established to redeem Obligations on their earliest call date in an amount that, together with investment earnings thereon, is sufficient to pay all the principal of, and interest and call premium on, obligations from the date the escrow is established to the earliest call date. A Defeasance Escrow may not be invested in higher yielding investments or in any investment under which the obligor is a user of the proceeds of the obligations.

(ii) *Alternative Use of Disposition Proceeds.* Use of any Disposition Proceeds in accordance with the following requirements may be treated as a Remedial Action with respect to the Obligations:

(A) the Deliberate Action consists of a disposition of all or any portion of the Financed Property for not less than the fair market value thereof for cash;

(B) the District reasonably expects to expend the Disposition Proceeds resulting from the Deliberate Action within two years of the date of the Deliberate Action;

(C) the Disposition Proceeds are treated as Proceeds of the Obligations for purposes of Section 141 of the Code and the Regulations thereunder, and the use of the Disposition Proceeds in the manner in which such Disposition Proceeds are in fact so used would not cause the Disposition Proceeds to satisfy the private activity bond tests;

(D) no action is taken after the date of the Deliberate Action to cause the private activity bond tests to be satisfied with respect to the Obligations, the Financed Property or the Disposition Proceeds (other than any such use that may be permitted in accordance with the Regulations); and

(E) Disposition Proceeds used in a manner that satisfies the private activity bond tests or which are not expended within two years of the date of the Deliberate Action must be used to redeem or defease Nonqualified Obligations in accordance with the requirements set forth in (i) above.

(iii) *Alternative Use of Facilities.* The District may be considered to have taken sufficient remedial actions to cause the Obligations to continue their applicable treatment under federal tax law if, subsequent to taking any Deliberate Action with respect to all or any portion of the Financed Property:

(A) the portion of the Financed Property subject to the Deliberate Action is used for a purpose that would be permitted for qualified tax-exempt obligations;

(B) the disposition of the portion of the Financed Property subject to the Deliberate Action is not financed by a person acquiring the Financed Property with proceeds of any obligation the interest on which is exempt from gross income under Section 103 of the Code for purposes of federal income taxation; and

(C) any Disposition Proceeds other than those arising from an agreement to provide services (including Disposition Proceeds arising from an installment sale) resulting from the Deliberate Action are used to pay the debt service on the Obligations on the next available payment date or, within 90 days of receipt thereof, are deposited into an escrow that is restricted as to the investment thereof to the yield of the Obligations to pay debt service on the Obligations on the next available payment date.

Absent an opinion of bond counsel, no Remedial Actions are available to remediate the satisfaction of the private security or payment test regarding the same with respect to the Obligations. Nothing herein is intended to prohibit Remedial Actions not described herein that may become available subsequent to the date the Obligations are originally issued or executed and delivered to remediate the effect of a Deliberate Action taken with respect to the Obligations, the proceeds thereof or the Financed Property.

GOLETA SANITARY DISTRICT

By _____
Authorized Officer

EXHIBIT D
TO TAX COMPLIANCE CERTIFICATE
REPRESENTATION LETTER

(Attached)

[ATTACH REPRESENTATION LETTER]

Information Return for Tax-Exempt Governmental Bonds
 ▶ Under Internal Revenue Code section 149(e)
 ▶ See separate instructions.
Caution: If the issue price is under \$100,000, use Form 8038-GC.
 ▶ Go to www.irs.gov/F8038G for instructions and the latest information.

OMB No. 1545-0047

| | | |
|--|------------|---|
| Part I Reporting Authority | | Check box if Amended Return <input type="checkbox"/> |
| 1 Issuer's name <i>Goleta Sanitary District</i> | | 2 Issuer's employer identification number (EIN) <i>77-0307879</i> |
| 3a Name of person (other than issuer) with whom IRS may communicate about this return (see instructions) | | 3b Telephone number of other person shown on 3a |
| 4 Number and street (or P.O. box if mail is not delivered to street address) <i>1 William Moffett Place</i> | Room/suite | 5 Report number (For IRS Use Only) <i>3</i> |
| 6 City, town, or post office, state, and ZIP code <i>Goleta, California 93117</i> | | 7 Date of issue <i>06/23/2022</i> |
| 8 Name of issue <i>Installment Sale Agreement, dated as of June 23, 2022, among Banc of America Public Capital Corp. and Goleta Sanitary District</i> | | 9 CUSIP number <i>None</i> |
| 10a Name and title of officer or other employee of the issuer whom the IRS may call for more information <i>Steve Wagner, P.E., General Manager/District Engineer</i> | | 10b Telephone number of officer or other employee shown on 10a <i>(805) 967-4519</i> |

| | | | |
|---|----|----------------------------|----|
| Part II Type of Issue (Enter the issue price.) See instructions and attach schedule. | | | |
| 11 Education | 11 | | |
| 12 Health and hospital | 12 | | |
| 13 Transportation..... | 13 | | |
| 14 Public safety | 14 | | |
| 15 Environment (including sewage bonds)..... | 15 | \$ 14,135,000 | 00 |
| 16 Housing | 16 | | |
| 17 Utilities..... | 17 | | |
| 18 Other. Describe ▶ | 18 | | |
| 19a If bonds are TANs or RANs, check only box 19a | | ▶ <input type="checkbox"/> | |
| 19b If bonds are BANs, check only box 19b | | ▶ <input type="checkbox"/> | |
| 20 If bonds are in the form of a lease or installment sale, check box..... | | ▶ <input type="checkbox"/> | |

| | | | | | |
|---|-------------------------|----------------------|---|-------------------------------|-----------------|
| Part III Description of Bonds. Complete for the entire issue for which this form is being filed. | | | | | |
| | (a) Final maturity date | (b) Issue price | (c) Stated redemption price at maturity | (d) Weighted average maturity | (e) Yield |
| 21 | <i>06/01/2042</i> | <i>\$ 14,135,000</i> | <i>\$ 14,135,000</i> | <i>11.257 years</i> | <i>2.9819 %</i> |

| | | | | | |
|--|---|----|---------------|----|--|
| Part IV Uses of Proceeds of Bond Issue (including underwriters' discount) | | | | | |
| 22 | Proceeds used for accrued interest | 22 | \$ 0 | 00 | |
| 23 | Issue price of entire issue (enter amount from line 21, column (b))..... | 23 | \$ 14,135,000 | 00 | |
| 24 | Proceeds used for bond issuance costs (including underwriters' discount).... | 24 | \$ 135,000 | 00 | |
| 25 | Proceeds used for credit enhancement..... | 25 | \$ 0 | 00 | |
| 26 | Proceeds allocated to reasonably required reserve or replacement fund..... | 26 | \$ 0 | 00 | |
| 27 | Proceeds used to refund prior tax-exempt bonds. Complete Part V. | 27 | \$ 0 | 00 | |
| 28 | Proceeds used to refund prior taxable bonds. Complete Part V. | 28 | \$ 0 | 00 | |
| 29 | Total (add lines 24 through 28) | 29 | \$ 135,000 | 00 | |
| 30 | Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)..... | 30 | \$ 14,000,000 | 00 | |

| | |
|---|---|
| Part V Description of Refunded Bonds. Complete this part only for refunding bonds. | |
| 31 | Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded |
| 32 | Enter the remaining weighted average maturity of the taxable bonds to be refunded |
| 33 | Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY)..... |
| 34 | Enter the date(s) the refunded bonds were issued ▶ (MM/DD/YYYY) |

Part VI Miscellaneous

| | | | |
|--|------------|---------------|-------------------------------------|
| 35 Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) | 35 | \$ 0 | 00 |
| 36a Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions | 36a | \$ 0 | 00 |
| b Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) _____ | | | |
| c Enter the name of the GIC provider ▶ _____ | | | |
| 37 Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units | 37 | \$ 0 | 00 |
| 38a If this issue is a loan made from the proceeds of another tax-exempt issue, check box <input type="checkbox"/> and enter the following information: | | | |
| b Enter the date of the master pool bond ▶ (MM/DD/YYYY) _____ | | | |
| c Enter the EIN of the issuer of the master pool bond ▶ _____ | | | |
| d Enter the name of the issuer of the master pool bond ▶ _____ | | | |
| 39 If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box | | | <input type="checkbox"/> |
| 40 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box | | | <input type="checkbox"/> |
| 41a If the issuer has identified a hedge, check here <input type="checkbox"/> and enter the following information: | | | |
| b Name of hedge provider ▶ _____ | | | |
| c Type of hedge ▶ _____ | | | |
| d Term of hedge ▶ _____ | | | |
| 42 If the issuer has superintegrated the hedge, check box | | | <input type="checkbox"/> |
| 43 If the issuer has established written procedures to ensure that all nonqualified bonds on this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box | | | <input checked="" type="checkbox"/> |
| 44 If the issuer has established written procedures to monitor the requirements of section 148, check box | | | <input checked="" type="checkbox"/> |
| 45a If some portion of the proceeds was used to reimburse expenditures, check here <input type="checkbox"/> and enter the amount of reimbursement | | \$ 975,466.17 | |
| b Enter the date the official intent was adopted ▶ (MM/DD/YYYY) _____ | | | 06/06/2022 |

Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

▶ _____ 06/23/2022 ▶ Steve Wagner, P.E., General Manager/District Engineer

Signature of issuer's authorized representative Date Type or print name and title

| | | | | | |
|-------------------------------|--|----------------------------------|--------------------|---|-------------------|
| Paid Preparer Use Only | Print/Type preparer's name <i>Matthias M. Edrich, Esq.</i> | Preparer's signature | Date 06/23/2022 | Check <input type="checkbox"/> if self-employed | PTIN P01622055 |
| | Firm's name ▶ <i>Kutak Rock LLP</i> | Firm's EIN ▶ <i>47-0597598</i> | | | |
| | Firm's address ▶ <i>1801 California Street, Suite 3000, Denver, Colorado 80202</i> | Phone no.: <i>(303) 297-2400</i> | | | |

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS

| |
|---|
| A. NAME & PHONE OF CONTACT AT FILER (optional) Michelle Krofel (312) 845-3855 |
| B. E-MAIL CONTACT AT FILER (optional) krofel@chapman.com |
| C. SEND ACKNOWLEDGMENT TO: (Name and Address) Chapman and Cutler LLP Attn: Michelle Krofel 320 South Canal Street, 27th Floor Chicago, IL 60606 |

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

1. DEBTOR'S NAME: Provide only one Debtor name (1a or 1b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 1b, leave all of item 1 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

| | | | | |
|--|--------------------------|---------------------|-------------------------------|------------|
| 1a. ORGANIZATION'S NAME Goleta Sanitary District, California | | | | |
| OR | 1b. INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX |
| 1c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |
| 1 William Moffett Place | Goleta | CA | 93117 | USA |

2. DEBTOR'S NAME: Provide only one Debtor name (2a or 2b) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name); if any part of the Individual Debtor's name will not fit in line 2b, leave all of item 2 blank, check here and provide the Individual Debtor information in item 10 of the Financing Statement Addendum (Form UCC1Ad)

| | | | | |
|-------------------------|--------------------------|---------------------|-------------------------------|---------|
| 2a. ORGANIZATION'S NAME | | | | |
| OR | 2b. INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX |
| 2c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |
| | | | | |

3. SECURED PARTY'S NAME (or NAME of ASSIGNEE of ASSIGNOR SECURED PARTY): Provide only one Secured Party name (3a or 3b)

| | | | | |
|---|--------------------------|---------------------|-------------------------------|------------|
| 3a. ORGANIZATION'S NAME Banc of America Public Capital Corp | | | | |
| OR | 3b. INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX |
| 3c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |
| 11333 McCormick Road | Hunt Valley | MD | 21031 | USA |

4. COLLATERAL: This financing statement covers the following collateral:

The collateral consists of equipment, fixtures and other property of Debtor (including all goods as defined in Article 9 of the California Commercial Code), whether now owned or hereafter acquired, which collateral is subject to and/or has been financed with the proceeds of that certain Installment Sale Agreement (Escrow Account) dated as of June 23, 2022 (as amended and restated from time to time, the "Agreement"), between Debtor and Secured Party, together with all amendments thereof and all exhibits, supplements and schedules thereto, including (without limitation) consisting of the following: (a) all of the Equipment now existing or hereafter acquired with proceeds of the Agreement consisting of various categories, including but not limited to, the equipment consisting of a new Digester and Combined Heat and Power System including a high-strength waste receiving system, together with all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to the Agreement and all accessories, equipment, parts and appurtenances appertaining or attached to any of the Equipment, and all substitutions, renewals, or replacements of and additions, improvements, accessions and accumulations to any and all of such Equipment, together with all the rents, issues, income, profits, proceeds and avails therefrom, to be acquired and installed on the Debtor-owned properties or facilities specified in such Schedule I hereto, and in that certain Proposal dated as of October 20, 2020, provided to the Debtor by Hazen and Sawyer ("Vendor"), as the same may be amended pursuant to the terms thereof (as amended and supplemented, "Vendor Contract")

5. Check only if applicable and check only one box: Collateral is held in a Trust (see UCC1Ad, item 17 and Instructions) being administered by a Decedent's Personal Representative

6a. Check only if applicable and check only one box: Public-Finance Transaction Manufactured-Home Transaction A Debtor is a Transmitting Utility Agricultural Lien Non-UCC Filing

6b. Check only if applicable and check only one box: Agricultural Lien Non-UCC Filing

7. ALTERNATIVE DESIGNATION (if applicable): Lessee/Lessor Consignee/Consignor Seller/Buyer Bailee/Bailor Licensee/Licensor

8. OPTIONAL FILER REFERENCE DATA:
File with: California - Secretary of State 2302099

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here

| | |
|--|--------|
| 9a. ORGANIZATION'S NAME Goleta Sanitary District, California | |
| OR | |
| 9b. INDIVIDUAL'S SURNAME | |
| FIRST PERSONAL NAME | |
| ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX |

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

| | | | | |
|--|------|-------|-------------|---------|
| 10a. ORGANIZATION'S NAME | | | | |
| OR | | | | |
| 10b. INDIVIDUAL'S SURNAME | | | | |
| INDIVIDUAL'S FIRST PERSONAL NAME | | | | |
| INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | | | | SUFFIX |
| 10c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |

11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

| | | | |
|---------------------------|---------------------|-------------------------------|-------------|
| 11a. ORGANIZATION'S NAME | | | |
| OR | | | |
| 11b. INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX |
| 11c. MAILING ADDRESS | CITY | STATE | POSTAL CODE |
| | | | COUNTRY |

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):
(whether such goods constitute inventory, equipment or fixtures under, and as such terms are defined in, Article 9 of the California Commercial Code), together with all accessories, equipment, parts and appurtenances appertaining or attached to any of the Equipment, and all substitutions, repairs, restorations, renewals or replacements of and additions, modifications, improvements, accessions and accumulations to any and all of such Equipment, together with all the rents, issues, income, profits, proceeds and avails therefrom, (b) moneys and investments held from time to time in the Escrow Account relating to the Agreement created, held and administered under and pursuant to that certain Escrow and Account Control Agreement dated as of June 23, 2022, among Debtor, Secured Party and Bank of America, National Association, as Escrow Agent, (c) all accounts, chattel paper, deposit accounts, documents,

13. This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable) 14. This FINANCING STATEMENT:
 covers timber to be cut covers as-extracted collateral is filed as a fixture filing

| | |
|---|---------------------------------|
| 15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest): | 16. Description of real estate: |
|---|---------------------------------|

17. MISCELLANEOUS:

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here

| | |
|--|--------|
| 9a. ORGANIZATION'S NAME Goleta Sanitary District, California | |
| OR | |
| 9b. INDIVIDUAL'S SURNAME | |
| FIRST PERSONAL NAME | |
| ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX |

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

| | | | | |
|--|------|-------|-------------|---------|
| 10a. ORGANIZATION'S NAME | | | | |
| OR | | | | |
| 10b. INDIVIDUAL'S SURNAME | | | | |
| INDIVIDUAL'S FIRST PERSONAL NAME | | | | |
| INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | | | | SUFFIX |
| 10c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |

11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

| | | | | |
|---------------------------|---------------------|-------------------------------|-------------|---------|
| 11a. ORGANIZATION'S NAME | | | | |
| OR | | | | |
| 11b. INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX | |
| 11c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):

instruments, general intangibles and investment property (including any securities accounts and security entitlements relating thereto) evidenced by or arising out of or otherwise relating to the foregoing collateral described in clauses (a) and (b) above, as such terms are defined in Article 9 of the California Commercial Code, and (d) any and all proceeds of any and all of the foregoing, including, without limitation, insurance proceeds.

"Equipment" means the equipment, fixtures and other goods and property listed in the Equipment Schedule and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to the Agreement.

"Equipment Schedule" means Exhibit A to the Agreement, as reproduced as Schedule I to this Exhibit A

| | |
|--|---|
| 13. <input type="checkbox"/> This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable) | 14. This FINANCING STATEMENT: <input type="checkbox"/> covers timber to be cut <input type="checkbox"/> covers as-extracted collateral <input type="checkbox"/> is filed as a fixture filing |
|--|---|

| | |
|---|---------------------------------|
| 15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest): | 16. Description of real estate: |
|---|---------------------------------|

17. MISCELLANEOUS:

UCC FINANCING STATEMENT ADDENDUM

FOLLOW INSTRUCTIONS

9. NAME OF FIRST DEBTOR: Same as line 1a or 1b on Financing Statement; if line 1b was left blank because Individual Debtor name did not fit, check here

| | |
|--|--------|
| 9a. ORGANIZATION'S NAME Goleta Sanitary District, California | |
| OR | |
| 9b. INDIVIDUAL'S SURNAME | |
| FIRST PERSONAL NAME | |
| ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX |

THE ABOVE SPACE IS FOR FILING OFFICE USE ONLY

10. DEBTOR'S NAME: Provide (10a or 10b) only one additional Debtor name or Debtor name that did not fit in line 1b or 2b of the Financing Statement (Form UCC1) (use exact, full name; do not omit, modify, or abbreviate any part of the Debtor's name) and enter the mailing address in line 10c

| | | | | |
|--|------|-------|-------------|---------|
| 10a. ORGANIZATION'S NAME | | | | |
| OR | | | | |
| 10b. INDIVIDUAL'S SURNAME | | | | |
| INDIVIDUAL'S FIRST PERSONAL NAME | | | | |
| INDIVIDUAL'S ADDITIONAL NAME(S)/INITIAL(S) | | | | SUFFIX |
| 10c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |

11. ADDITIONAL SECURED PARTY'S NAME or ASSIGNOR SECURED PARTY'S NAME: Provide only one name (11a or 11b)

| | | | | |
|---------------------------|---------------------|-------------------------------|-------------|---------|
| 11a. ORGANIZATION'S NAME | | | | |
| OR | | | | |
| 11b. INDIVIDUAL'S SURNAME | FIRST PERSONAL NAME | ADDITIONAL NAME(S)/INITIAL(S) | SUFFIX | |
| 11c. MAILING ADDRESS | CITY | STATE | POSTAL CODE | COUNTRY |

12. ADDITIONAL SPACE FOR ITEM 4 (Collateral):

to UCC-1 Financing Statement.
See also Exhibit A attached hereto and made a part hereof.

| | |
|--|---|
| <p>13. <input type="checkbox"/> This FINANCING STATEMENT is to be filed [for record] (or recorded) in the REAL ESTATE RECORDS (if applicable)</p> <p>15. Name and address of a RECORD OWNER of real estate described in item 16 (if Debtor does not have a record interest):</p> | <p>14. This FINANCING STATEMENT: <input type="checkbox"/> covers timber to be cut <input type="checkbox"/> covers as-extracted collateral <input type="checkbox"/> is filed as a fixture filing</p> <p>16. Description of real estate:</p> |
|--|---|

17. MISCELLANEOUS:

EXHIBIT A
TO
UCC-1 FINANCING STATEMENT

DEBTOR: Goleta Sanitary District, California

SECURED PARTY: Banc of America Public Capital Corp

DESCRIPTION OF COLLATERAL

The collateral consists of equipment, fixtures and other property of Debtor (including all goods as defined in Article 9 of the California Commercial Code), whether now owned or hereafter acquired, which collateral is subject to and/or has been financed with the proceeds of that certain Installment Sale Agreement (Escrow Account) dated as of June 23, 2022 (as amended and restated from time to time, the “*Agreement*”), between Debtor and Secured Party, together with all amendments thereof and all exhibits, supplements and schedules thereto, including (without limitation) consisting of the following: (a) all of the Equipment now existing or hereafter acquired with proceeds of the Agreement consisting of various categories, including but not limited to, the equipment consisting of a new Digester and Combined Heat and Power System including a high-strength waste receiving system, together with all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to the Agreement and all accessories, equipment, parts and appurtenances appertaining or attached to any of the Equipment, and all substitutions, renewals, or replacements of and additions, improvements, accessions and accumulations to any and all of such Equipment, together with all the rents, issues, income, profits, proceeds and avails therefrom, to be acquired and installed on the Debtor-owned properties or facilities specified in such *Schedule I* hereto, and in that certain Proposal dated as of October 20, 2020, provided to the Debtor by Hazen and Sawyer (“*Vendor*”), as the same may be amended pursuant to the terms thereof (as amended and supplemented, “*Vendor Contract*”) (whether such goods constitute inventory, equipment or fixtures under, and as such terms are defined in, Article 9 of the California Commercial Code), together with all accessories, equipment, parts and appurtenances appertaining or attached to any of the Equipment, and all substitutions, repairs, restorations, renewals or replacements of and additions, modifications, improvements, accessions and accumulations to any and all of such Equipment, together with all the rents, issues, income, profits, proceeds and avails therefrom, (b) moneys and investments held from time to time in the Escrow Account relating to the Agreement created, held and administered under and pursuant to that certain Escrow and Account Control Agreement dated as of June 23, 2022, among Debtor, Secured Party and Bank of America, National Association, as Escrow Agent, (c) all accounts, chattel paper, deposit accounts, documents, instruments, general intangibles and investment property (including any securities accounts and security entitlements relating thereto) evidenced by or arising out of or otherwise relating to the foregoing collateral described in clauses (a) and (b) above, as such terms are defined in Article 9 of the California Commercial Code, and (d) any and all proceeds of any and all of the foregoing, including, without limitation, insurance proceeds.

“Equipment” means the equipment, fixtures and other goods and property listed in the Equipment Schedule and all replacements, repairs, restorations, modifications and improvements thereof or thereto made pursuant to the Agreement.

“Equipment Schedule” means Exhibit A to the Agreement, as reproduced as Schedule I to this Exhibit A to UCC-1 Financing Statement.

SCHEDULE I
EQUIPMENT DESCRIPTIONS AND LOCATIONS

Location of Equipment: District Treatment Plant, 1 William Moffett Place, Goleta, California

Equipment Description (Scope of Work): The Equipment includes, but is not limited to, the equipment, fixtures and other goods and property acquired with the proceeds of the Agreement or pursuant to the terms of the Agreement and includes, but is not limited to, the equipment described below, as well as the equipment consisting of a new Digester and Combined Heat and Power System including a high-strength waste receiving system, as all such Equipment is further described in “Section 2 – Scope of Services” to the Proposal provided to the District by Hazen and Sawyer dated October 20, 2020:

PHASE 1

Anaerobic Digester & CHP Unit

- Demolition
- Digester No 4
- Combined Heat and Power Unit
- Digester Gas Pretreatment System
- Digester Gas Blowers
- Power and Maintenance Building Improvements Site Work
- Yard Piping
- Electrical Instrumentation and Control Systems

PHASE 2

High-Strength Waste Receiving System

- Rock Trap and Grinder
- Unloading Pumps
- Storage Tanks
- Recirculation Pumps
- Heat Exchangers
- Feed Pumps
- Feed Piping
- Gas Conditioning
- Waste Gas Flare
- Hauler Access Station
- Curb Modifications
- Containment Pad
- High-Strength Waste Station Concrete
- Primary Sludge Piping
- Yard Piping
- Electrical Instrumentation and Control Systems

Thermal Dryer Facility

Centrifuge

Polymer System

Dried Product Storage Bin

Thermal Dryer

Boilers

Conveyors (from Screw Press)

Conveyors (to Dried Product Storage)

Conveyors to Loadout

Loadout Canopy

Building

Site Work

Natural Gas Line

Bridge to Dewatering

Yard Piping

Electrical Instrumentation and Control Systems

\$14,135,000
GOLETA SANITARY DISTRICT
2022 INSTALLMENT SALES AGREEMENT

CLOSING CERTIFICATE OF GOLETA SANITARY DISTRICT

I, Steven T. Majoewsky, DO HEREBY CERTIFY AND DECLARE that I am the Board President of Goleta Sanitary District (the “*District*”), and hereby certify and represent as follows:

(i) The representations and warranties of the District contained in that certain Installment Sales Agreement (the “*Agreement*”), dated June 23, 2022, by and between the District and Banc of America Public Capital Corp (the “*Seller*”) and in the other Related Documents to which the District is a party are true and correct in all material respects on and as of the Commencement Date.

(ii) No Event of Default has occurred and is continuing or would result from the execution, delivery, or performance of the Agreement or any other Related Document to which the District is a party.

(iii) Since the date of the most recent audited financial statements of the District, there has been no event or circumstance that has resulted, or could be reasonably expected to result, either individually or in the aggregate, in a Material Adverse Change.

(iv) The names and signatures of the persons authorized to sign, on behalf of the District, the Related Documents to which the District is a party are accurate and genuine.

(v) The District has provided to the Seller copies of the resolution adopted by the District on June 6, 2022 (the “*Resolution*”), approving the execution and delivery of the Agreement and the Related Documents to which the District is a party, and the other matters contemplated by the Agreement are true and correct and the Resolution has not been amended, modified or rescinded and is in full force and effect as of the Commencement Date.

(vi) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or governmental or public entity pending or, to the best knowledge of the District, threatened against the District which affects or seeks to challenge the organization of the District, the authority of its governing board or officers, the property authorization, approval and execution of the Related Documents to which the District is a party, the ability of the District otherwise to perform its obligations under the Related Documents to which the District is a party and the transactions contemplated thereby, the title of the District, as the case may be, in the Equipment or the *pari passu* pledge of the Net Revenues granted to the Seller or its assigns in and to the Collateral.

(vii) The correct legal name of the District in effect in the State of California is “*Goleta Sanitary District.*”

(SIGNATURE PAGE FOLLOWS)

All terms not defined herein shall have the meaning prescribed to such term in the Agreement.

Dated: June 23, 2022

GOLETA SANITARY DISTRICT

By: _____

Name: Steven T. Majoewsky

Title: Board President

GENERAL MANAGER'S REPORT

GOLETA SANITARY DISTRICT GENERAL MANAGER'S REPORT

The following summary report describes the District's activities from June 7, 2022 through June 20, 2022. It provides updated information on significant activities under three major categories: Collection System, Treatment/Reclamation and Disposal Facilities, and General and Administration Items.

1. COLLECTION SYSTEM REPORT

LINES CLEANING

Staff is conducting routine lines cleaning in the area of N. Patterson Avenue and University Drive.

CCTV INSPECTION

Staff is conducting Closed-Circuit Television (CCTV) inspections throughout the District, completing open work orders and follow-up inspections for the root control program.

GREASE AND OIL INSPECTIONS

Staff continues with the annual Grease and Oil inspections. To date, 58 inspections have been completed.

REPAIR AND MAINTENANCE

Staff replaced the concrete collar of a manhole on Puente Drive. Staff continues to work with Tierra Contracting to schedule the three (3) point repairs located at Vista De La Mesa near the south end of Puente Drive, Pozzo Circle in the St. Vincent's complex on Calle Real, near State Hwy 154, and on Foothill Road near La Cumbre Road.

COMPETENCY BASED TRAINING

Staff met with DKF Solutions to review the Firestone Lift Station standard operating procedures (SOPs). Staff will work with DKF to update and incorporate the SOPs into the District Smart SOP and Vector Solutions components of the CBT program.

DISTRICT GIS HYDRAULIC FLOW MODEL UPDATE

Staff continues working with Innovyze, Inc. and the District's GIS consultant ZWorld GIS on the update of the District's hydraulic flow model in the GIS database.

PROFESSIONAL DEVELOPMENT

Collection System Technician Sam Madera successfully completed his NASSCO Pipeline Assessment Certification Program (PACP) certification.

2. TREATMENT, RECLAMATION AND DISPOSAL FACILITIES REPORT

Plant flows have normalized to an average of 4.5 million gallons per day. We are preparing for the decrease in flow for the summer. The demand for reclaimed water has begun to increase due to warmer temperatures. Low concentrations and loadings during the weekends continue to cause intermittent challenges and various levels of plant interference. The Reclamation Disinfection Study by Hazen and Sawyer (Hazen) continues into its final phase. A Technical Memorandum is being compiled with the results of the ultraviolet (UV) and peracetic acid testing. Medium and long-term solutions

such as micro/nano-filtration and UV disinfection prior to chlorination will be evaluated at a feasibility level for cost and constructability.

We are in our last month of centrifuge and dredging operations in lagoon #2. This project will be ending on June 21, 2022. Eagle Dynamics will pick up the centrifuge the week of June 26, 2022.

The Lystek Thickened Waste Activated Sludge (TWAS) pre-treatment pilot project is offline at this time. We are waiting for Lystek to provide us with their new testing plan. We believe that the thermal hydrolysis process may reduce inhibitory chemicals that are adsorbed onto the sludge. We will be testing this hypothesis by sampling for these chemicals before and after the reactor, once a steady state during the demonstration period has been reached. Once the demonstration period is complete, a summary report of the results and proforma analysis will be prepared and brought to the Board.

The Influent Pump Station Rehabilitation project submittal and procurement process is coming to an end. Construction of the project may not start for another five to eight months, depending on the completion of the procurement process.

Biosolids and Energy Strategic Plan (BESP) Phases 2 & 3 preliminary engineering design is continuing to move forward. This project will provide a 30% design package for a centrifuge, thermal dryer, and a fats, oil and grease (FOG) receiving facility. This level of design is necessary to understand the cost and funding implications of the project.

The nanobubble project is running, and testing has begun. A proforma will be completed at the end of the pilot period to determine ongoing benefits, costs or potential savings.

Maintenance will be removing the power source for the centrifuge, and helping dismantling the unit and getting it ready to leave the Plant. Also, work continues to bring the biogas boiler back online.

PUBLIC EDUCATION AND OUTREACH

Final edits are being made to the summer newsletter; it is expected to be mailed around the middle of June 2022 to District customers.

3. GENERAL AND ADMINISTRATIVE ITEMS

Financial Report

The District account balances as of June 20, 2022 shown below are approximations to the nearest dollar and indicate the overall funds available to the District at this time.

| | |
|------------------------------|---------------|
| Operating Checking Accounts: | \$ 397,174 |
| Investment Accounts: | \$ 33,799,402 |
| Total District Funds: | \$ 34,196,525 |

The following transactions are reported herein for the period 06/07/22 – 06/20/22

| | | |
|---|----|---------|
| Regular, Overtime, Cash-outs and Net Payroll: | \$ | 111,035 |
| Claims: | \$ | 259,258 |
| Total Expenditures: | \$ | 370,293 |
| Total Deposits: | \$ | 141,484 |

Transfers of funds:

| | | |
|--|----|-------|
| LAIF to Community West Bank Operational (CWB): | \$ | - 0 - |
| CWB Operational to CWB Money Market: | \$ | - 0 - |
| CWB Money Market to CWB Operational: | \$ | - 0 - |

The District's investments comply with the District's Investment Policy adopted per Resolution No. 16-606. The District has adequate funds to meet the next six months of normal operating expenses.

Local Agency Investment Fund (LAIF)

LAIF Monthly Statement – Previously submitted.

LAIF Quarterly Report – Previously submitted.

PMIA/LAIF Performance – May, 2022

PMIA Effective Yield – May, 2022

Community West Bank (CWB)

CWB Money Market Account – Previously submitted.

Deferred Compensation Accounts

CalPERS 457 Deferred Compensation Plan – May, 2022

Lincoln 457 Deferred Compensation Plan – Previously submitted.



PMIA/LAIF Performance Report as of 06/10/22



PMIA Average Monthly Effective Yields⁽¹⁾

| | |
|-----|-------|
| May | 0.684 |
| Apr | 0.523 |
| Mar | 0.365 |

Quarterly Performance Quarter Ended 03/31/22

| | |
|--|---------------------|
| LAIF Apportionment Rate ⁽²⁾ : | 0.32 |
| LAIF Earnings Ratio ⁽²⁾ : | 0.00000875657176851 |
| LAIF Fair Value Factor ⁽¹⁾ : | 0.988753538 |
| PMIA Daily ⁽¹⁾ : | 0.42% |
| PMIA Quarter to Date ⁽¹⁾ : | 0.29% |
| PMIA Average Life ⁽¹⁾ : | 310 |

Pooled Money Investment Account Monthly Portfolio Composition ⁽¹⁾ 05/31/22 \$225.9 billion

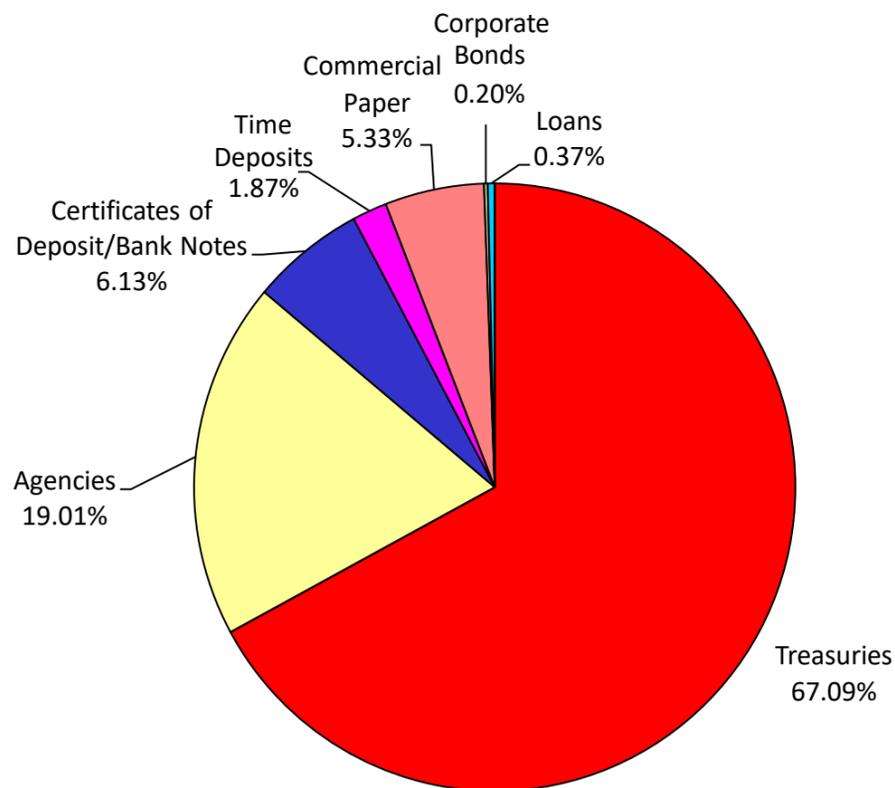


Chart does not include \$5,098,000.00 in mortgages, which equates to 0.002%. Percentages may not total 100% due to rounding.

Daily rates are now available here. [View PMIA Daily Rates](#)

Notes: The apportionment rate includes interest earned on the CalPERS Supplemental Pension Payment pursuant to Government Code 20825 (c)(1) and interest earned on the Wildfire Fund loan pursuant to Public Utility Code 3288 (a).

Source:

⁽¹⁾ State of California, Office of the Treasurer

⁽²⁾ State of California, Office of the Controller



POOLED MONEY INVESTMENT ACCOUNT

PMIA Average Monthly Effective Yields

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec |
|-------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 1982 | 11.683 | 12.044 | 11.835 | 11.773 | 12.270 | 11.994 | 12.235 | 11.909 | 11.151 | 11.111 | 10.704 | 10.401 |
| 1983 | 10.251 | 9.887 | 9.688 | 9.868 | 9.527 | 9.600 | 9.879 | 10.076 | 10.202 | 10.182 | 10.164 | 10.227 |
| 1984 | 10.312 | 10.280 | 10.382 | 10.594 | 10.843 | 11.119 | 11.355 | 11.557 | 11.597 | 11.681 | 11.474 | 11.024 |
| 1985 | 10.579 | 10.289 | 10.118 | 10.025 | 10.180 | 9.743 | 9.656 | 9.417 | 9.572 | 9.482 | 9.488 | 9.371 |
| 1986 | 9.252 | 9.090 | 8.958 | 8.621 | 8.369 | 8.225 | 8.141 | 7.844 | 7.512 | 7.586 | 7.432 | 7.439 |
| 1987 | 7.365 | 7.157 | 7.205 | 7.044 | 7.294 | 7.289 | 7.464 | 7.562 | 7.712 | 7.825 | 8.121 | 8.071 |
| 1988 | 8.078 | 8.050 | 7.945 | 7.940 | 7.815 | 7.929 | 8.089 | 8.245 | 8.341 | 8.397 | 8.467 | 8.563 |
| 1989 | 8.698 | 8.770 | 8.870 | 8.992 | 9.227 | 9.204 | 9.056 | 8.833 | 8.801 | 8.771 | 8.685 | 8.645 |
| 1990 | 8.571 | 8.538 | 8.506 | 8.497 | 8.531 | 8.538 | 8.517 | 8.382 | 8.333 | 8.321 | 8.269 | 8.279 |
| 1991 | 8.164 | 8.002 | 7.775 | 7.666 | 7.374 | 7.169 | 7.098 | 7.072 | 6.859 | 6.719 | 6.591 | 6.318 |
| 1992 | 6.122 | 5.863 | 5.680 | 5.692 | 5.379 | 5.323 | 5.235 | 4.958 | 4.760 | 4.730 | 4.659 | 4.647 |
| 1993 | 4.678 | 4.649 | 4.624 | 4.605 | 4.427 | 4.554 | 4.438 | 4.472 | 4.430 | 4.380 | 4.365 | 4.384 |
| 1994 | 4.359 | 4.176 | 4.248 | 4.333 | 4.434 | 4.623 | 4.823 | 4.989 | 5.106 | 5.243 | 5.380 | 5.528 |
| 1995 | 5.612 | 5.779 | 5.934 | 5.960 | 6.008 | 5.997 | 5.972 | 5.910 | 5.832 | 5.784 | 5.805 | 5.748 |
| 1996 | 5.698 | 5.643 | 5.557 | 5.538 | 5.502 | 5.548 | 5.587 | 5.566 | 5.601 | 5.601 | 5.599 | 5.574 |
| 1997 | 5.583 | 5.575 | 5.580 | 5.612 | 5.634 | 5.667 | 5.679 | 5.690 | 5.707 | 5.705 | 5.715 | 5.744 |
| 1998 | 5.742 | 5.720 | 5.680 | 5.672 | 5.673 | 5.671 | 5.652 | 5.652 | 5.639 | 5.557 | 5.492 | 5.374 |
| 1999 | 5.265 | 5.210 | 5.136 | 5.119 | 5.086 | 5.095 | 5.178 | 5.225 | 5.274 | 5.391 | 5.484 | 5.639 |
| 2000 | 5.760 | 5.824 | 5.851 | 6.014 | 6.190 | 6.349 | 6.443 | 6.505 | 6.502 | 6.517 | 6.538 | 6.535 |
| 2001 | 6.372 | 6.169 | 5.976 | 5.760 | 5.328 | 4.958 | 4.635 | 4.502 | 4.288 | 3.785 | 3.526 | 3.261 |
| 2002 | 3.068 | 2.967 | 2.861 | 2.845 | 2.740 | 2.687 | 2.714 | 2.594 | 2.604 | 2.487 | 2.301 | 2.201 |
| 2003 | 2.103 | 1.945 | 1.904 | 1.858 | 1.769 | 1.697 | 1.653 | 1.632 | 1.635 | 1.596 | 1.572 | 1.545 |
| 2004 | 1.528 | 1.440 | 1.474 | 1.445 | 1.426 | 1.469 | 1.604 | 1.672 | 1.771 | 1.890 | 2.003 | 2.134 |
| 2005 | 2.264 | 2.368 | 2.542 | 2.724 | 2.856 | 2.967 | 3.083 | 3.179 | 3.324 | 3.458 | 3.636 | 3.808 |
| 2006 | 3.955 | 4.043 | 4.142 | 4.305 | 4.563 | 4.700 | 4.849 | 4.946 | 5.023 | 5.098 | 5.125 | 5.129 |
| 2007 | 5.156 | 5.181 | 5.214 | 5.222 | 5.248 | 5.250 | 5.255 | 5.253 | 5.231 | 5.137 | 4.962 | 4.801 |
| 2008 | 4.620 | 4.161 | 3.777 | 3.400 | 3.072 | 2.894 | 2.787 | 2.779 | 2.774 | 2.709 | 2.568 | 2.353 |
| 2009 | 2.046 | 1.869 | 1.822 | 1.607 | 1.530 | 1.377 | 1.035 | 0.925 | 0.750 | 0.646 | 0.611 | 0.569 |
| 2010 | 0.558 | 0.577 | 0.547 | 0.588 | 0.560 | 0.528 | 0.531 | 0.513 | 0.500 | 0.480 | 0.454 | 0.462 |
| 2011 | 0.538 | 0.512 | 0.500 | 0.588 | 0.413 | 0.448 | 0.381 | 0.408 | 0.378 | 0.385 | 0.401 | 0.382 |
| 2012 | 0.385 | 0.389 | 0.383 | 0.367 | 0.363 | 0.358 | 0.363 | 0.377 | 0.348 | 0.340 | 0.324 | 0.326 |
| 2013 | 0.300 | 0.286 | 0.285 | 0.264 | 0.245 | 0.244 | 0.267 | 0.271 | 0.257 | 0.266 | 0.263 | 0.264 |
| 2014 | 0.244 | 0.236 | 0.236 | 0.233 | 0.228 | 0.228 | 0.244 | 0.260 | 0.246 | 0.261 | 0.261 | 0.267 |
| 2015 | 0.262 | 0.266 | 0.278 | 0.283 | 0.290 | 0.299 | 0.320 | 0.330 | 0.337 | 0.357 | 0.374 | 0.400 |
| 2016 | 0.446 | 0.467 | 0.506 | 0.525 | 0.552 | 0.576 | 0.588 | 0.614 | 0.634 | 0.654 | 0.678 | 0.719 |
| 2017 | 0.751 | 0.777 | 0.821 | 0.884 | 0.925 | 0.978 | 1.051 | 1.084 | 1.111 | 1.143 | 1.172 | 1.239 |
| 2018 | 1.350 | 1.412 | 1.524 | 1.661 | 1.755 | 1.854 | 1.944 | 1.998 | 2.063 | 2.144 | 2.208 | 2.291 |
| 2019 | 2.355 | 2.392 | 2.436 | 2.445 | 2.449 | 2.428 | 2.379 | 2.341 | 2.280 | 2.190 | 2.103 | 2.043 |
| 2020 | 1.967 | 1.912 | 1.787 | 1.648 | 1.363 | 1.217 | 0.920 | 0.784 | 0.685 | 0.620 | 0.576 | 0.540 |
| 2021 | 0.458 | 0.407 | 0.357 | 0.339 | 0.315 | 0.262 | 0.221 | 0.221 | 0.206 | 0.203 | 0.203 | 0.212 |
| 2022 | 0.234 | 0.278 | 0.365 | 0.523 | 0.684 | | | | | | | |

CalPERS 457 Plan

May 31, 2022

This document includes important information to help you compare the investment options under your retirement plan. If you want additional information about your investment options, you can go to <https://calpers.voya.com>.

A free paper copy of the information available on the website can be obtained by contacting:

Voya Financial
Attn: CalPERS 457 Plan
P.O. Box 389
Hartford, CT 06141
(800) 260-0659

Document Summary

This document has two parts. Part I consists of performance information for the plan investment options. This part shows you how well the investments have performed in the past. Part I also shows the total annual operating expenses of each investment option.

Part II provides additional information concerning Plan administrative fees that may be charged to your individual account.

CalPERS 457 PLAN

Part I. Performance Information For Periods Ended May 31, 2022

<https://calpers.voya.com>

Table 1 focuses on the performance of investment options that do not have a fixed or stated rate of return. Table 1 shows how these options have performed over time and allows you to compare them with an appropriate benchmark for the same time periods¹. Past performance does not guarantee how the investment option will perform in the future. Your investment in these options could lose money. Information about an investment option's principal risks is available on the website listed above.

Table 1 also shows the Total Annual Operating Expenses of each investment option. Total Annual Operating Expenses are expenses that reduce the rate of return of the investment option². The cumulative effect of fees and expenses can substantially reduce the growth of your retirement savings. Visit the U.S. Department of Labor's website for an example showing the long-term fees and expenses at <http://www.dol.gov/ebsa>. Fees and expenses are only one of many factors to consider when you decide to invest in an option. You may also want to think about whether an investment in a particular option, along with your other investments, will help you achieve your financial goals.

Table 1 - Variable Net Return Investments

| Name of Fund / Name of Benchmark | Performance | | Annualized Performance | | | | Total Annual Operating Expenses ³ | |
|--|----------------|------------------|------------------------|--------------|-----------------|----------------|--|------------|
| | 3 Month | 1 Year | 5 Years | 10 Years | Since Inception | Inception Date | As a % | Per \$1000 |
| Equity Funds | | | | | | | | |
| State Street Russell All Cap Index Fund - Class I <i>Russell 3000 Index</i> | -6.18 -6.15 | -3.85 -3.68 | 12.38 12.75 | - - | 12.02 12.38 | 10/07/13 | 0.31% | \$3.10 |
| State Street Global All Cap Equity ex-US Index Fund - Class I <i>MSCI ACWI ex-USA IMI Index (net)</i> | -5.29 -5.59 | -12.39 -12.54 | 4.40 4.51 | - - | 3.96 4.13 | 10/07/13 | 0.32% | \$3.20 |
| Fixed Income | | | | | | | | |
| State Street US ShortTerm Gov't/Credit Bond Index Fund - Class I <i>Bloomberg US 1-3 yr Gov't/Credit Bond Index</i> | -1.38 -1.28 | -3.37 -3.03 | 0.79 1.20 | - - | 0.65 1.12 | 10/07/13 | 0.32% | \$3.20 |
| State Street US Bond Fund Index - Class I <i>Bloomberg US Aggregate Bond Index</i> | -5.93 -5.86 | -8.47 -8.22 | 0.86 1.18 | - - | 1.70 1.99 | 10/07/13 | 0.31% | \$3.10 |
| Real Assets | | | | | | | | |
| State Street Real Asset Fund - Class A <i>State Street Custom Benchmark⁴</i> | 5.99 5.96 | 19.23 19.64 | 9.37 9.70 | - - | 4.94 5.32 | 10/08/13 | 0.44% | \$4.40 |
| Cash (Cash Equivalents) | | | | | | | | |
| State Street STIF <i>BofA ML 3-month US T-Bill</i> | 0.05 0.11 | -0.10 0.14 | 0.90 1.12 | - - | 0.59 0.80 | 09/02/14 | 0.33% | \$3.30 |
| Target Retirement Date Funds⁵ | | | | | | | | |
| CalPERS Target Income Fund <i>SIP Income Policy Benchmark⁶</i> | -4.97 -4.96 | -6.42 -6.24 | 3.75 3.97 | 3.81 4.05 | 4.97 5.47 | 12/01/08 | 0.32% | \$3.20 |
| CalPERS Target Retirement 2015 <i>SIP 2015 Policy Benchmark⁶</i> | -4.97 -4.96 | -6.45 -6.26 | 3.81 4.02 | 4.47 4.77 | 5.97 6.49 | 12/01/08 | 0.32% | \$3.20 |
| CalPERS Target Retirement 2020 <i>SIP 2020 Policy Benchmark⁶</i> | -5.01 -5.03 | -6.39 -6.23 | 4.58 4.78 | 5.26 5.55 | 6.68 7.17 | 12/01/08 | 0.32% | \$3.20 |
| CalPERS Target Retirement 2025 <i>SIP 2025 Policy Benchmark⁶</i> | -5.18 -5.22 | -6.62 -6.48 | 5.50 5.69 | 6.29 6.59 | 7.53 8.00 | 12/01/08 | 0.32% | \$3.20 |
| CalPERS Target Retirement 2030 <i>SIP 2030 Policy Benchmark⁶</i> | -5.23 -5.28 | -6.58 -6.47 | 6.21 6.46 | 7.12 7.47 | 8.36 8.83 | 12/01/08 | 0.32% | \$3.20 |
| CalPERS Target Retirement 2035 <i>SIP 2035 Policy Benchmark⁶</i> | -5.39 -5.47 | -6.80 -6.73 | 6.98 7.21 | 7.94 8.30 | 9.06 9.58 | 12/01/08 | 0.32% | \$3.20 |
| CalPERS Target Retirement 2040 <i>SIP 2040 Policy Benchmark⁶</i> | -5.44 -5.54 | -6.81 -6.77 | 7.72 7.96 | 8.63 8.99 | 9.59 10.08 | 12/01/08 | 0.32% | \$3.20 |
| CalPERS Target Retirement 2045 <i>SIP 2045 Policy Benchmark⁶</i> | -5.44 -5.54 | -6.81 -6.77 | 8.04 8.27 | 8.92 9.27 | 9.77 10.30 | 12/01/08 | 0.32% | \$3.20 |
| CalPERS Target Retirement 2050 <i>SIP 2050 Policy Benchmark⁶</i> | -5.44 -5.54 | -6.81 -6.77 | 8.04 8.27 | 8.91 9.27 | 9.84 10.30 | 12/01/08 | 0.32% | \$3.20 |
| CalPERS Target Retirement 2055 <i>SIP 2055 Policy Benchmark⁶</i> | -5.44 -5.54 | -6.82 -6.77 | 8.04 8.27 | - - | 7.11 7.43 | 10/07/13 | 0.32% | \$3.20 |
| CalPERS Target Retirement 2060 <i>SIP 2060 Policy Benchmark⁶</i> | -5.44 -5.54 | -6.82 -6.77 | - - | - - | 10.06 10.29 | 11/01/18 | 0.32% | \$3.20 |
| Broad-Based Benchmarks⁷ | | | | | | | | |
| <i>Russell 3000 Index</i> | -6.15 | -3.68 | 12.75 | 14.00 | - | - | - | - |
| <i>MSCI ACWI ex-USA IMI Index (net)</i> | -5.59 | -12.54 | 4.51 | 6.58 | - | - | - | - |
| <i>Bloomberg US Aggregate Bond Index</i> | -5.86 | -8.22 | 1.18 | 1.71 | - | - | - | - |

Part II. Explanation of CalPERS 457 Plan Expenses May 31, 2022

<https://calpers.voya.com>

Table 2 provides information concerning Plan administrative fees and expenses that may be charged to your individual account if you take advantage of certain features of the Plan. In addition to the fees and expenses described in Table 2 below, some of the Plan's administrative expenses are paid from the Total Annual Operating Expenses of the Plan's investment options.

| Table 2 - Fees and Expenses | | | | |
|--|----------------------------------|---|-----------------------------|---|
| Individual Expenses ⁸ | | | | |
| Service | Fee Amount | Frequency | Who do you pay this fee to? | Description |
| Loan Origination Fee | \$50 | Per loan application | Voya | The charge covers the processing of your loan and applies each time you request a loan from your retirement account. This fee is deducted from your Plan account. |
| Maintenance Fee (For loans taken on or after April 1, 2020) | \$35 (\$8.75 assessed quarterly) | Annual | Voya | The charge covers the maintenance costs of your loan and applies on a quarterly basis. This fee is deducted from your Plan account. |
| Self-Managed Account (SMA) Maintenance Fee | \$50 | Annual fee deducted monthly on a pro-rata basis | Voya | Schwab Personal Choice Retirement Account is available to you if your Employer has elected it as an option. This fee is deducted pro rata on a monthly basis from your core fund investments ⁹ in your CalPERS 457 account. For more information about SMAs, including a complete list of fees charged by Schwab for different types of investment transactions, please contact Schwab at (888) 393-PCRA (7272). Fees may also be incurred as a result of actual brokerage account trades. Before purchasing or selling any investment through the SMA, you should contact Schwab at (888) 393-PCRA (7272) to inquire about any fees, including any undisclosed fees, associated with the purchase or sale of such investment. |
| Self-Managed Account (SMA) Plan Administrative Fee | 0.29% (\$2.90 per \$1,000) | Annual fee deducted monthly on a pro-rata basis | Voya | The SMA Plan Administrative fee pays for recordkeeping costs for assets in your SMA account. This fee is deducted pro rata on a monthly basis from your core fund investments in your CalPERS 457 account. The SMA Plan Administrative Fee is subject to change based on total Plan assets. |

Footnotes for Table 1 and Table 2:

¹ Fund returns shown are net of investment management and administrative expenses and fees unless otherwise noted. Benchmark performance returns do not reflect any management fees, transaction costs or expenses. Benchmarks are unmanaged. You cannot invest directly in a benchmark.

² Historical annual operating expenses are not available. Reported annual operating expenses are estimated based on SSGA investment management, Voya recordkeeping, and SSGA capped operating expenses.

³ Total annual operating expenses are comprised of investment management and administrative expenses and fees incurred by the funds.

⁴ State Street Real Asset Fund has a custom benchmark comprised of 25% Bloomberg Roll Select Commodity Index, 25% S&P® Global Large MidCap Commodity and Resources Index, 10% Dow Jones US Select REIT Index, 20% Bloomberg US Government Inflation-Linked 1-10 Year Bond Index, and 20% S&P® Global Infrastructure Index.

⁵ If the ending market value (EMV) falls to zero in any one month, the inception date resets to the next month with an EMV. Performance is then calculated from the new inception date.

⁶ The benchmark for each Target Retirement Date Fund is a composite of asset class benchmarks that are weighted according to each Fund's policy target weights. The asset class benchmarks are Russell 3000 Index, MSCI ACWI ex-USA IMI Index (net), Bloomberg US Aggregate Bond Index, the SSGA customized benchmark for Real Assets (see footnote 4), and BofA ML 3-month US T-Bill.

⁷ Broad-based benchmarks grouped here provide comparative performance standards for domestic equity, international equity and fixed income.

⁸ The CalPERS Board of Administration periodically reviews the plan administrative fees and adjusts fees to reflect expenses incurred by the Plan. Participant fees are charged to reimburse CalPERS for actual administrative fees of the Plan.

⁹ Core fund investments are listed in Table 1 above the Target Retirement Date funds. Core funds include: State Street Russell All Cap Index Fund (Class I), State Street Global All Cap Equity ex-US Index Fund (Class I), State Street US Short Term Government/Credit Bond Index Fund (Class I), State Street US Bond Fund Index (Class I), State Street Real Asset Fund (Class A), and State Street Short Term Investment Fund ("STIF").

**DISTRICT
CORRESPONDENCE**
Board Meeting of June 20, 2022



Date: **Correspondence Sent To:**

1. 06/07/2022 Bill S. Wolf
Subject: Sewer Service Availability
Proposed Sewer Service Connection for One Proposed New Single
Family Residence
A.P.N. 057-072-004 at 861 Walnut Road, Santa Barbara, CA

Date: **Correspondence Received From:**

1. 06/03/2022 Air Pollution Control District, Santa Barbara County
Subject: Notice of Final Permit to Operator 13447 R4 Issuance
2. 06/07/2022 CalPERS
Subject: California Public Employees' Retirement System Notice Of
Proposed Regulatory Actions

Hard Copies of the Correspondence are available at the District's Office for review