

Laguna County Sanitation District

FY 2009 – 2010
Presentation



Laguna County Sanitation District



- Dependent Special District created in 1958
- Provides wastewater services to Orcutt and unincorporated Santa Maria area
- Conserves resources
- Protects the environment

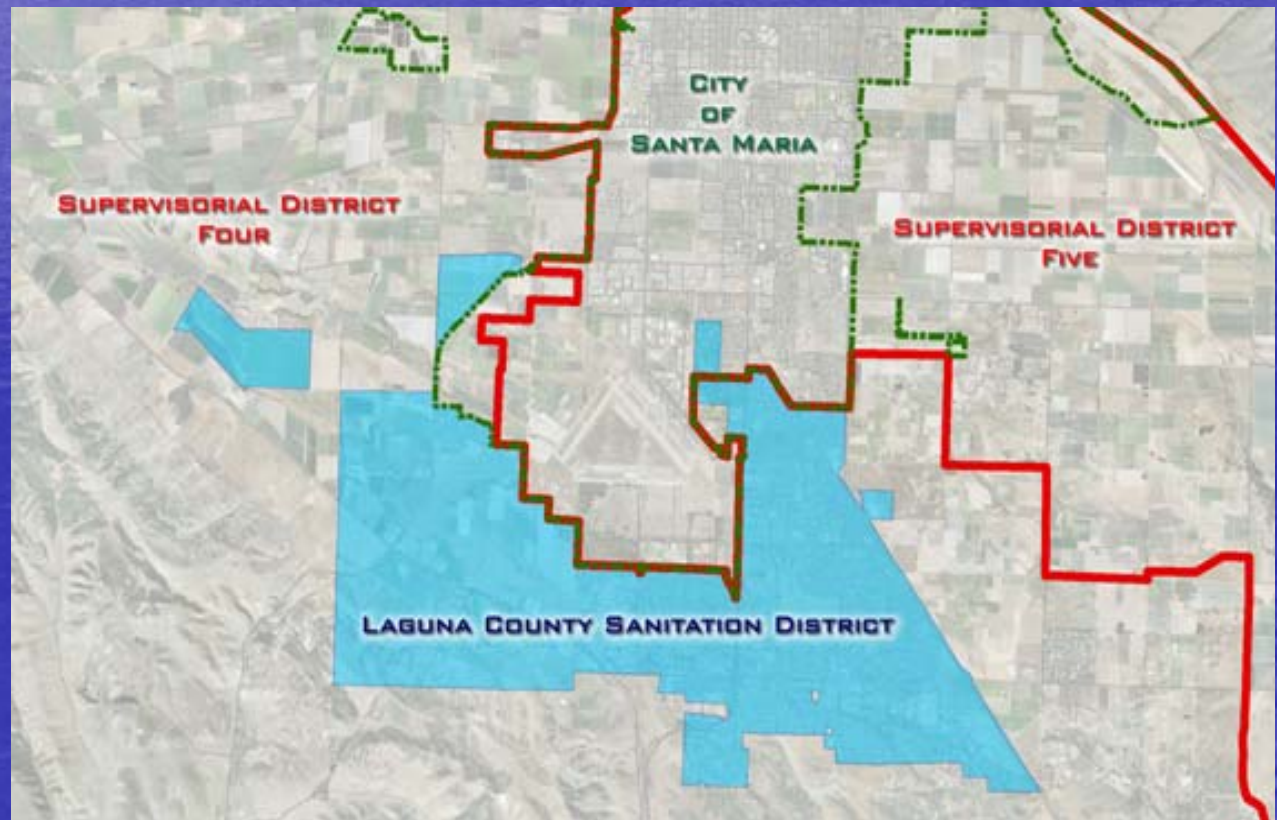
Past Regulatory Issues and Effects on Development

- PROBLEM: High salt loading from water purveyor and water softeners
- 1987 order to comply with RWQCB Waste Discharge Permit limits for salt content
- 1997 Approval of Orcutt Community Plan
- 2004 completed plant upgrade to tertiary treatment and reduce salt



Public Process

- Prop 218 notice: 9,200 parcels and 880 mobile homes
- Published in Santa Maria Times
- No written responses received to date



Long Range Fiscal Plan - Purpose



- Incorporate Enterprise Fund reserve policy adopted June 2007
- Anticipate rate of growth and new connections
- Worked with CEO and A/C offices on the plan
- Board authorized master plan underway to update and reassess future needs. Board presentation at a later date
- Determine impacts to developer fees and sewer service rates

Long Range Fiscal Plan - Details

- Sewer service rates proposed to increase 7%
- 6% anticipated in future years
- Rate of development can also affect rate schedule



Proposed Sewer Service Charge for 2009-2010

- Residential example as collected on tax roll

| | |
|-------------------------|-----------------|
| Proposed annual rate | \$519.47 |
| <u>Last year's rate</u> | <u>\$486.38</u> |
| Rate increase/yr | \$ 33.09 |

Equivalent to \$2.76/month

Breakdown of Increase

- The 7% increase is comprised of:
 - ▶ 2.5% Reserve policy requirement
 - ▶ 1.9% Additional membrane purchases
 - ▶ 1.9% Salary changes
 - ▶ 0.6% Energy cost changes
 - ▶ 0.1% Chemical cost changes

Proposed 2009-2010 Sewer Service Charge for all Billing Categories

- Residential \$519.47
- Multi-family \$468.79
- Schools per capita calculation
- Commercial Based on volume and concentration

Trunk Line and Connection Fees:



- Paid by development for system impacts.
 - Trunk line fees fund sewer system capacity improvements
 - Connection fees fund future treatment and disposal capacity improvements
- Currently updating capital improvement needs.

Development Related Fee Schedule for 2009-2010

- Adjusted by annual indices (2008 CCI = 6.8%)
- Connection Fee
 - Single family \$4,862
 - Multi family \$4,376
- Trunk Line Fees
 - Dutard trunk line \$ 865
 - Bradley trunk line \$1,873 (reimbursement agreement)

How LCSD Compares Countywide

| <u>Treatment Level</u> | <u>Agency</u> | <u>Monthly Rate</u> |
|------------------------|----------------------|---------------------|
| Tertiary | Summerland | \$91.82 |
| | Laguna | \$43.29 |
| Secondary | Montecito | \$84.84* |
| | Santa Ynez | \$65.29* |
| | Los Alamos | \$58.25* |
| | Mission Canyon | \$57.17 |
| | Vandenberg Village | \$57.00 |
| | Carpinteria | \$51.33* |
| | Lompoc | \$45.90 |
| | Goleta Sanitary | \$37.62* |
| | Cuyama | \$35.00 |
| | Santa Barbara | \$32.87 |
| | Solvang | \$32.48 |
| | Goleta West Sanitary | \$31.66* |
| | Santa Maria | \$12.14 |
| Primary | Mission Hills | \$31.50 |
| | Guadalupe | \$24.20 |
| | Buellton | \$18.00 |
| Average | | \$45.02 |

* These rates include estimated property tax contributions

Total Water Cost Comparison

| <u>Agency</u> | <u>08 Water/Mo</u> | <u>Water and Sewer/Mo</u> |
|--|--------------------|---------------------------|
| Summerland + Montecito Water | \$66.98 | \$158.80 |
| Montecito + Montecito Water | \$69.95 | \$154.79 |
| Carpinteria + Carpinteria Valley Water | \$93.16 | \$144.49 |
| Solvang | \$89.75 | \$122.23 |
| Santa Ynez + Santa Ynez RWCD 1 | \$51.60 | \$116.89 |
| Mission Canyon + Santa Barbara | \$48.40 | \$105.57 |
| Goleta Sanitary + Goleta Water | \$64.09 | \$101.71 |
| Los Alamos | \$40.12 | \$98.37 |
| Goleta West Sanitary + Goleta Water | \$64.73 | \$96.39 |
| Lompoc | \$47.94 | \$93.84 |
| Vandenberg Village | \$33.56 | \$90.56 |
| Santa Barbara | \$50.11 | \$82.98 |
| Cuyama | \$43.35 | \$78.45 |
| Laguna + Golden State Water | \$32.35 | \$75.64 |
| Santa Maria | \$49.07 | \$61.21 |
| Mission Hills | \$25.60 | \$57.10 |
| Guadalupe | \$32.50 | \$56.70 |
| Buellton | \$37.90 | \$55.90 |
| Average | | \$97.31 |

Recommendations

- Hear the first reading of the ordinance to revise service charges and fees
- Set a second hearing to adopt the ordinance setting the rates for FY 09/10