

SANTA YNEZ COMMUNITY SERVICES DISTRICT

MEMORANDUM

TO: Board of Directors
FROM: Jose Acosta, General Manager
DATE: July 21, 2021
SUBJECT: Review, Discuss and Recommendation on CSD 10-Year Capital Improvement Plan

Recommendation

Review, discuss and provide staff with direction on compilation of the Capital Improvement Plan (CIP).

Policy Implications

The CIP is a plan and timeline of projects and purchases the District wishes to accomplish within a ten-year period. The CIP is reviewed annually and modified based on the funds available and the prioritization of each project or purchase.

Fiscal Implications

The fiscal implication that would be realized by the CSD will occur when and if the project is undertaken and completed from the CIP list. The 10-year CIP is also included in compilation of the wastewater rate study.

Alternatives Considered

Alternatives considered will be discussed and agreed to by the Board of Directors.

Discussion

At the January 20, 2021, Board meeting staff presented the CIP template for discussion, recommendation, and direction from the Board. The Board requested staff make a language adjustment for future Westside buildout on the plan. No other suggested changes were discussed at that time.

Staff is presenting the CIP once again for Board review. Included in the updated CIP are the requested language changes and updated figures for the City of Solvang WWTP project costs, as approved by the City of Solvang Council.

On an annual basis the CSD should and has reviewed the CIP template for all projects or major purchases of the CSD. Staff initiates the process of compilation of the CIP list based on field observations, equipment diagnostics, administrative software and services analysis, and future projects being considered by the CSD.

Attached is the ten-year CIP list for review. Some of the figures on the CIP list are projections and estimates.

Attachments

1. SYCSD Ten Year Capital Improvement Plan
2. City of Solvang WWTP Ten Year Capital Improvement Plan

SANTA YNEZ COMMUNITY SERVICES DISTRICT
 TEN YEAR CAPITAL IMPROVEMENT PLAN
 July 2021

Project Name & Description	Total Cost	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
SYCSD Projects												
Sewer Main Repair Projects	\$ 585,000	\$50,000	\$85,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Force Main Bracing	\$ 200,000		\$200,000									
Operations Vehicle	\$ 120,000			\$60,000	\$60,000							
Sewer Camera	\$ 50,000		\$50,000									
Finance Software	\$ 45,000	\$45,000										
Office Space Upgrade	\$ 50,000	\$50,000										
Rate Study	\$ 20,000	\$20,000										
Horizon Line - West Side Ext	\$ 1,300,000	\$1,300,000										
Future Expansion - West Side Ext	\$ 3,000,000		\$1,000,000				\$2,000,000					
Hydrojetter	\$ 30,000					\$30,000						
Manhole Cover Replacements	\$ 50,000			\$50,000								
Solvang WWTP Upgrade	\$ 3,952,350		\$565,000	\$200,000	\$1,500,000	\$1,500,000	\$7,350	\$20,000	\$160,000			
Total SYCSD Projects	\$ 9,402,350	\$ 1,465,000	\$ 1,900,000	\$ 360,000	\$ 1,610,000	\$ 1,580,000	\$ 2,057,350	\$ 70,000	\$ 210,000	\$ 50,000	\$ 50,000	\$ 50,000

Capital Projects	Project Name, Description & Need	Project and 10-Yr Program Cost	Funding Source	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	FYs 2028 - 2031
	Sewer Connection Fee Revenue:			\$ 44,082						
	Unrestricted Net Position (6-30-2020):	\$ 3,152,961		\$ 3,197,043	\$ 3,083,573	\$ 1,619,609	\$ (4,510,391)	\$ (11,285,391)	\$ (11,833,041)	
	Balance: (3)			\$ 3,053,043	\$ 1,603,573	\$ (4,510,391)	\$ (11,285,391)	\$ (11,833,041)	\$ (11,913,041)	

Notes: (1) Per Agreement, for capital expenditures exceeding \$50,000 SYCSD shares in 20% of project cost.
(2) Per Agreement, for capital expenditures <= \$50,000 SYCSD's share of the project cost is based on annual flow. In recent years SYCSD's flow percentage has averaged 21%. Expenditures <= \$50,000 are considered "administration/maintenance."
(3) The figures shown are intended to present a rough approximation of changes in Sewer Fund Reserve levels. Revenues and operations expenditures are assumed to remain the same for the ten year period with 1% interest applied annually to any positive balance.

Future Projects: Grease Removal System; and Second Digester.