



Montecito Sanitary District

1042 Monte Cristo Lane
Santa Barbara, CA 93108

A Public Service Agency

General Manager: Diane M. Gabriel, P.E.

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March 21, 2016

Dear Montecito Sanitary District Property Owner:

The Montecito Sanitary District is proposing an incremental increase in your sewer service charge beginning in July 2016. The District has identified certain mission critical projects, including sewer main rehabilitation, treatment plant infrastructure replacement, sewer main construction into areas previously not served, and continuation of a program to prevent roots from growing into private sewer lateral pipelines. The cost of these projects along with rising operations and maintenance costs are not fundable with the District's current revenues.

The last increase in the sewer service charges in Montecito occurred in July of 2011. The sewer service charges are collected annually on your County of Santa Barbara property tax bill and the charge has been \$1080 per year for a single family home for the past five years.

In order to adjust the rates to meet the rising costs, a Wastewater Rate Study Report has been prepared. The report provides the basis upon which the sewer service charges were calculated and provides a comprehensive assessment of the District's customer base, rate structure, cost of service, and cost allocation structure. The report documents the need, amount, and timing of rate increases and the financial impact on both the customers and the District. The Wastewater Rate Study Report is available online at www.montsan.org and at the District office. The proposed rates as listed on the back of this letter will enable the District to maintain sanitary sewer infrastructure and continue providing the community with exceptional sanitary sewer service.

You are invited to attend the Public Hearing on the Proposed Increase in Sewer Service Charges on May 9, 2016 at 1:15 p.m. at the Montecito Sanitary District Board Room at 1042 Monte Cristo Lane. The hearing will include a presentation on the proposed rates and an opportunity for individuals to express their concerns and have their questions answered.

Please feel free to call me at (805) 969-4200 if you have any questions.

Sincerely,

Diane M. Gabriel, P.E.

General Manager/District Engineer

NOTICE OF PUBLIC HEARING

PROPOSED INCREASE IN SEWER SERVICE CHARGES

Date: May 9, 2016 at 1:15 p.m.

Location: 1042 Monte Cristo Lane

Questions or Comments?

CALL the District office at (805) 969-4200 8:00 a.m. – 4:30 p.m. Monday through Friday

REVIEW the Wastewater Rate Study Report at the District office or online at www.montsan.org

WRITE the MSD Board of Directors at 1042 Monte Cristo Lane, Santa Barbara, CA 93108

PARTICIPATE in the Public Hearing on May 9th

Annual Sewer Service Charges are collected on your Santa Barbara County Property Tax Bill

PROPOSED RESIDENTIAL ANNUAL SEWER SERVICE CHARGES BEGINNING JULY 2016

Residential Account	FY 2016-17	FY 2017-18	FY 2018-19
Single Family Dwelling	\$1280	\$1380	\$1480
Condo or 2 nd Dwelling	\$602	\$649	\$696

Fiscal Year (FY) 2011-12 thru current the Single Family Dwelling rate is \$1080 / year; Condo or 2nd dwelling rate is \$510/year

PROPOSED COMMERCIAL ANNUAL SEWER SERVICE CHARGES BEGINNING JULY 2016

Total Annual Commercial Sewer Service Charge = Fixed Capacity Allocation Charge + Variable Charge

Fixed Capacity Allocation Charge (\$ per HCF Based on Historic Maximum Annual Water Use)			
Commercial Class	FY 2016-17	FY 2017-18	FY 2018-19
Low Strength Sewage	3.75	4.04	4.33
Medium Strength Sewage	8.92	9.62	10.32
High Strength Sewage	10.89	11.74	12.59

HCF = hundred cubic feet

Variable Charge (\$ per HCF Based on Prior Calendar Year Actual Water Use)			
Commercial Class	FY 2016-17	FY 2017-18	FY 2018-19
Low Strength Sewage	2.49	2.69	2.88
Medium Strength Sewage	3.42	3.69	3.96
High Strength Sewage	4.81	5.19	5.57

HCF = hundred cubic feet

TO PROTEST THE PROPOSED CHARGES

At the public hearing, the Board will receive and consider public input and any written protest. Such written protest may be delivered to 1042 Monte Cristo Lane any time prior to the close of its public hearing on May 9th, 2016. The protest must identify the property by parcel number and name of property owner for which the protest is entered and be signed by the property owner or authorized representative. One protest per parcel shall be counted. If written protests against the proposed increase in sewer service charges are presented by a majority of affected parcels, the District will not approve the proposed increases.