

Overview of Homeowner costs for installing Public Sewer Service at Stadium Way and Horizon Drive

There would be three separate costs:

- 1) **Main Sewer Project** (building infrastructure/sewer mains in the area)
- 2) **Lateral construction** (hooking up the individual home to the sewer main)
- 3) **Miscellaneous individual costs** (connection fee, monthly service fee, etc.)

1) Main Sewer Project:

The projects that would bring public sewer to Stadium Way and Horizon Drive qualify for low-interest state loans. The loans would be funded through the Santa Ynez Community Services District, which would apply for the loans. It takes time to get these loans, about a year; but in the meantime there are preliminary steps that have to be taken by homeowners.

First, the homeowners have to elect to form an assessment district through Prop 218 balloting. This is a formal balloting and vote, to lien your homes to pay for the sewer assessment district – paid through the property tax. This is what Rincon and other coastal homeowner associations are in the process of doing. By paying on time, these homeowners have found the costs of bring public sewer service to their homes is affordable.

The attached tables are the Costs of the Main Sewer Projects for Stadium Way and Horizon Drive.

Stadium

| | Base Cost | Cost + 30% Contingency |
|---------------------------|--------------|------------------------|
| Cost | \$546,701.00 | \$710,711.00 |
| Number of Parcels | 28 | 28 |
| Cost per Parcel | 19,525.00 | 25,383.00 |
| Interest Rate | 4.0% | 4.0% |
| Term | 30 Years | 30 Years |
| Monthly Payment (P/I) | 93.22 | 121.18 |
| Annual Amount./per parcel | 1,118.64 | 1,490.16 |

Horizon

| | Base Cost | Cost + 30% Contingency |
|--------------------------|--------------|------------------------|
| Cost | \$738,000.00 | \$959,400.00 |
| Number of Parcels | 31 | 31 |
| Cost per Parcel | 23,806.00 | 30,948.00 |
| Interest Rate | 4.0% | 4.0% |
| Term | 30 Years | 30 Years |
| Monthly Payment (P/I) | 113.65 | 147.75 |
| Annual Amount/per parcel | 1,363.80 | 1,773.00 |

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Contingencies:

- 1) Contingencies: The Base Cost of sewer construction has a 45% contingency built in to the \$\$ amount, because depth of pipe laying/trench work is not known, due to the variable nature of terrain. The base cost figure could well be lower, but in planning, it is best to prepare for the maximum, and be happy if it comes out less.
- 2) 30% contingency is for permitting fees
 - assessment district engineering
 - assessment district documentation
 - legal requirements for lien easements
 - LAFCO fees

For building the main sewer project, the range of *annual* cost for each homeowner can be figured in the following ranges, based on 0% TO 45%+30% (75%) contingencies. These costs would appear on the property tax bill. If property tax bill is paid twice a year (December 10 and April 15), payment for sewer service can be considered in half-year payments.

| | | |
|----------|---|-------------------|
| | (0% contingency) - (75% contingency) | Half-year payment |
| Stadium: | \$615.26 per year - \$1,490.16 per year | \$307.63-\$745.08 |
| Horizon: | \$750.09 per year - \$1,773.00 per year | \$375.04-\$886.50 |

2) Lateral (Hookup) Construction:

In addition to paying for the Main Sewer Project, each homeowner is responsible for the cost of hooking the home to the sewer main with “lateral” piping. Each homeowner is also responsible for the cost of proper abandonment of their old septic tank (punching the top, filling with sand/dirt, etc.).

Lateral Construction Costs:

- Septic tank pumping/abandonment \$1,000-\$2,000
- Lateral Line construction (\$600-\$2,000)

Total: \$1,600 to \$4,000 These total costs qualify for low-interest (3%) loans from SB County Environmental Health Services, through its \$1.75 million loan program.

Therefore, annual costs for lateral Construction, for a period of ____ years, would cost \$ _____ per year (**peggy figure annual loan payback figure here**)

3) Miscellaneous Homeowner Costs:

- SYCSD connection fee - \$3,172 (one time payment)
- Landscaping restoration – (average \$500-\$1,000)
- Total for connection and landscaping (no loan available): \$3,673 - \$4,172

4) Monthly sewer service fee \$20 per month; billed by SYCSD

Conclusion – Total Costs:

| | |
|-----------------------------|---|
| Stadium: Main Sewer Project | \$615.26 per year - \$1,490.16 per year |
| Lateral Construction | ADD ANNUAL 3% LOAN FIGURE |
| Misc. Costs | \$3,673 - \$4,172 |
| Monthly sewerfee | \$20 per month |

| | |
|-----------------------------|---|
| Horizon: Main Sewer Project | \$750.09 per year - \$1,773.00 per year |
| Lateral Construction | ADD ANNUAL 3% LOAN FIGURE |
| Misc. Costs | \$3,673 - \$4,172 |
| Monthly sewerfee | \$20 per month |