LOCAL AGENCY FORMATION COMMISSION
COUNTY OF KERN, STATE OF CALIFORNIA

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Hybrid In-Person/Video-Conference Meeting
To be held at Kern Council of Governments (KernCOG)
1401 19th Street Suite #300, Bakersfield, CA 93301
Meeting of **August 20, 2025 - 4 p.m. (Closed Session)**
5:15 p.m. Regular Meeting

COMMISSIONERS	ALTERNATE COMMISSIONERS
David Couch - Kern County BOS	**Phillip Peters -** Kern County BOS
Jeff Flores*- Kern County BOS	**Eric Arias -** City of Bakersfield
Andrae Gonzales - City of Bakersfield	**Maria Perez -** City of McFarland
Saul Ayon - City of McFarland	**Vacant -** Special District
Travis Endicott - City of Ridgecrest	**Jose Gonzalez -** Public Member
Gary McKibbin - Special District Member	**Virginia Mello -** Public Member
Les Clark III - Special District Member	
Vince Zaragoza-** Public Member	
Barbara Fowler – Public Member	

***Chair** ****Vice Chair**

AGENDA

SPECIAL NOTICE REGARDING REMOTE PUBLIC PARTICIPATION

This meeting will be held both at a physical location and as a video conference to assist any health and safety concerns of the panelist and/or participants. The LAFCo Commission, staff and public may choose to participate in-person, or by video conference using the following:

Please use the link below to join the webinar:

https://us06web.zoom.us/j/89167828407?pwd=b67rXz1LAQy6bjSZpi4wRdXjlXjXea.1

Passcode: **7161076** Webinar ID: **891 6782 8407**

Members of the public who wish to make written comments during the meeting please email the Clerk at: clerk@kernlafco.org. Every effort will be made to read your comment into the record. If a comment is received after the comment portion of the meeting but before the meeting is adjourned, the comment will still be included as a part of the record of the meeting but will not be read into the record.

1. **ROLL CALL**

2. **INVOCATION**

3. **PLEDGE OF ALLEGIANCE**

4. **VIDEO CONFERENCE EMERGENCY REQUEST (if required)** ..... *Vote Required*
   Possible requests from commissioners to attend remotely pursuant to Government Code Section 54953(f)(1)

5. **CLOSED SESSION**

a. Strategic Plan Commissioner Workshop ..... *Vote Required*

6. **APPROVAL OF THE MINUTES**

a. June 18, 2025, Meeting Minutes ..... *Vote Required*

7. **PUBLIC COMMENTS**

This portion of the meeting is reserved for persons desiring to address the Commission on any matter not on this agenda and over which the Commission has jurisdiction. Speakers are limited to two minutes. Please state your name and address for the record before making your presentation.

8. **DETERMINATION PROCEEDING**

None

9. **NOTICED PUBLIC HEARINGS**

a. 1849 - NORTH OF RIVER SANITARY DISTRICT NO. 1**:** ..... *Vote Required*

NORSD Sphere of Influence (SOI) Amendment

Consideration of the proposed sphere of influence amendment to encompass the area presented in the corresponding annexation area (proceeding 1851) and properties currently being served by the district as required by GC. § 56428. CEQA: Notice of Exemption. *(Resolution)*

b. 1850 - NORTH OF RIVER SANITARY DISTRICT NO. 1: ..... *Vote Required*

NORSD Municipal Services Review

Municipal Service Review update of the North of River Sanitary District Sphere of Influence boundary. In order to prepare and to update spheres of influence in accordance with GC. § 56425, the commission shall conduct a service review of the municipal services provided in the county or other appropriate areas designated by the commission. GC. § 56430.(a) *(Resolution)*

c. 1851 - NORTH OF RIVER SANITARY DISTRICT NO. 1 & COUNTY SERVICE AREA 71:.. *Vote Required*

Reorganization - NORSD Annexation No. 115 & CSA 71 Detachment "W"

This proposal is to annex approximately 851.20 acres consisting of 4 areas (A through D) into NORSD. This proposal also requests the detachment of area A consisting of 79.32 acres as identified in Resolution of Application from CSA 71. This proposal has 100% landowner consent. The applicant has requested that notice, hearing, and protest hearing be waived. *(Resolution)*

10. **COMMISSION ITEMS**

None

11. **GENERAL BUSINESS**

a. Approval of Monthly Expense List No. 25-05 ..... *Vote Required*

b. Approval of Monthly Expense List No. 25-06 ..... *Vote Required*

c. Feasibility Study: McFarland Recreation & Parks ..... Informational

d. Executive Officer Miscellaneous Items ..... Informational

12. **ADJOURNMENT**

Next scheduled meeting **September 17, 2025**

NOTE TO THE PUBLIC

CAMPAIGN CONTRIBUTION - If you are an applicant for, or a participant in (actively supporting or opposing) any proceeding on the agenda and have made a campaign contribution of $250 or more to or for any of the Commission members, state law provides for disqualification of Commissioner voting, or even prohibition of such gifts. These

restrictions also apply to agents of applicants or participants. Please consult with LAFCo staff as to the requirements of the Political Reform Act (Gov. Code § 84308). This statement is not a comprehensive summary of the section.

DISABILITY ACCOMODATIONS - A request for disability-related accommodations should be made to the Executive Officer no later than 8 days before the need for the accommodation.

For additional information on the above items please contact the Kern Local Agency Formation Commission at 5300 Lennox Ave Suite 303, Bakersfield CA 93309, or phone us at 661-716-1076

AGENDA

KERN LOCAL AGENCY FORMATION COMMISSION
STATE OF CALIFORNIA
MINUTES
Kern Council of Governments (Kern COG) Conference Room
1401 19th Street Suite 300
Bakersfield CA 93301
In-Person, and Videoconference
Meeting of June 18, 2025

Pursuant to the Government Code § 54963. et seq., meetings were held both at a physical location and by video/teleconference to attend to any health and safety concerns of the panelist and/or participants.

Regular scheduled meeting called to order at 5:18 p.m. Chair Flores presiding.

ROLL CALL

Present:	Ayon, Clark, Couch, Perez (Alternate for Endicott), Flores, Fowler, Gonzales, McKibbin, Zaragoza
Absent:	None
Staff:	Knox, Menchaca, Rice
Counsel:	Schroeter

Item 06/18/25-1: ***No Determination Required***

INVOCATION: (Agenda Item 2)

Led by Keith Wolaridge

Item 06/18/25-2: ***No Determination Required***

VIDEO CONFERENCE EMERGENCY REQUEST (if necessary): (Agenda Item 4)

Attorney Tom Schroeter instructed the Commission that Commissioner Perez, as Alternate for Endicott, was present via video conference. Commissioner Perez announced that due to providing medical care for her spouse she would not be able to attend in person. Attorney Tom Schroeter accepted Commissioner Perez's reasoning for attending by video conference. No vote was conducted.

Item 06/18/25-3: ***Approved as Presented***

APPROVAL OF MINUTES: (Agenda Item 5) May 21, 2025, Meeting

Chair Flores presented the May minutes; Upon motion of Commissioner ***Fowler****, seconded by Commissioner* ***Ayon****, IT IS ORDERED: May 21, 2025, Minutes are approved as presented by the following votes:*

AYES:	Ayon, Clark, Couch, Perez, Flores, Fowler, McKibbin, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	*Gonzales

* *5:22pm Commissioner Gonzales stepped out and did not vote on Agenda Item 5a. He returned a couple minutes later.*

DRAFT

Item 06/18/25-4: ***Public Comments***

PUBLIC COMMENTS: (Agenda Item 6)

Keith Wolaridge of Five Pillars & Associates, LLC. spoke regarding an update on the strategic plan. Draft goal to be completed by June 29, 2025. The interactive group meeting will be tentatively scheduled for the August meeting - 1 to 2 hours in length.

DETERMINATION PROCEEDING: (Agenda Item 7)

Item 06/18/25-5: ***Approved as Presented Resolution 25-14***

Proceeding No. 1844: City of Bakersfield Annexation 713 (South H No.4) & CSA 43: Detachment "C" (Agenda Item 7a)

Executive Officer Knox recommended the Commission consider the Environmental document adopted by the applicant and approve the proposal as presented, subject to conditions recommended by the Executive Officer, waiving notice, hearing, and protest hearing. Upon motion of Commissioner ***Fowler,*** *seconded by Commissioner* ***Zaragoza****, IT IS ORDERED: The City of Bakersfield Annexation No. 713 (South H No.04) & CSA 43: Detachment "C", is approved as presented by the following votes:*

AYES:	Ayon, Clark, Couch, Perez, Gonzales, Flores, Fowler, McKibbin, Zaragoza
NAYS:	None
ABSTAIN:	None
ABSENT:	None

NOTICE OF PUBLIC HEARING: (Agenda Item 8)

Item 06/18/25-6: ***Approved as Motioned Resolution 25-15***

Proceeding No. 1827: East Niles Community Services District Annexation 43 (Agenda Item 8a)

Executive Officer Knox recommended the Commission consider the Environmental Document prepared by the applicant and approve the proposal as presented subject to conditions recommended by the Executive Officer. He further advised that notice, hearing and protest hearing not be waived. Bud Rice informed the Commission that the landowners are currently receiving services and that the notice provided to them indicated that the commission could waive notice, hearing and protest hearing. No opposition was received. Commissioner Ayon made a motion to approve with waiving notice, hearing, and protest hearing. Upon motion of Commissioner ***Ayon,*** *seconded by Commissioner* ***Couch****, IT IS ORDERED: The East Niles Community Services District Annexation 43 is approved as motioned by the following votes:*

AYES:	Ayon, Clark, Couch, Perez, Fowler, Gonzales, McKibbin, Zaragoza
NAYS:	Fowler
ABSTAIN:	None
ABSENT:	None

COMMISSION ITEMS: (Agenda Item 9)

Item 06/18/25-7: ***Recommendation***

McFarland Recreation and Park District (Agenda Item 9a)

Commissioner Ayon directed staff to add McFarland Recreation and Park District to the August meeting agenda to assess the district's feasibility and consider a potential resolution.

DRAFT

GENERAL BUSINESS: (Agenda Item 10)

Item 06/18/25-8: ***Approved as Presented***

EXPENSE LIST 25-04 (Agenda Item 10a)

Chair Flores presented Expense List 25-04. Upon motion of Commissioner ***Couch****, seconded by Commissioner* ***Fowler****, IT IS ORDERED: The general claim set forth in Expense List No. 25-04 is approved for payment, and the Chairman is authorized to certify said list by the following votes:*

AYES: Ayon, Clark Couch, Perez, Flores, Fowler, Gonzales, McKibbin, Zaragoza
NAYS: None
ABSTAIN: None
ABSENT: None

Item 06/18/25-9: ***Approved as Motioned***

Lamont Stormwater District: Response to Grand Jury (Agenda Item 10b)

Executive Officer Knox briefed the Commission and recommended the approval of the Grand Jury report letter as written. The Grand Jury recommends County of Kern to apply by resolution, to LAFCo requesting the dissolution of the Lamont Stormwater District. Commissioner Couch made a motion to approve the Grand Jury letter as written. Upon motion of Commissioner ***Couch,*** *seconded by Commissioner* ***Flores****, IT IS ORDERED: The Grand Jury response letter for Lamont Stormwater District is approved as motioned by the following votes:*

AYES: Ayon, Clark, Couch, Endicott, Flores, Fowler, McKibbin, Zaragoza
NAYS: None
ABSTAIN: None
ABSENT: Gonzales

Item 06/18/25-10: ***Informational***

Inyokern CSD, Indian Wells Valley Water District Voluntary Consolidation Letter (Agenda Item 10c)

Executive Officer Knox informed the Commission that the State Water Board has issued a notice encouraging voluntary consolidation between the two districts. To initiate the process, Executive Officer Knox recommended to the two districts creating an ad hoc committee be formed. A timeline for discussion has not yet been established. No vote was conducted or required.

Item 06/18/25-11: ***Informational***

EXECUTIVE OFFICER MISCELLANEOUS ITEMS: (Agenda Item 10d)

- Last meeting of Fiscal Year – Unfunded Liability
- 13.83% Medical Insurance rate increases, effective Jan 2026
- Rebecca Moore returning soon. Project list is currently being compiled
- Workplace Violence – 1401 19th Street Commission Location – Training to come

Item 06/18/25-12: ***No Determination Required***

CLOSED SESSION: (Agenda Item11)

None

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AGENDA

Item 06/18/25-13: ***Adjournment***

ADJOURNMENT: (Agenda Item 12)

Chair Flores announced the next meeting being August 20, 2025. There being no further business to come before the Commission. IT IS ORDERED: The meeting is adjourned at 5:53 p.m.

_____ _____

Clerk Executive Officer

DRAFT

AGENDA

Proceeding No. 1849

NORTH OF THE RIVER SANITARY DISTRICT NO. 1 Sphere of Influence (SOI) Amendment

Report & Presentation Documents

- Report & Recommendation
- LAFCo Resolution (DRAFT)
- Map Exhibit

Application Packet

- Application Form
- Resolution of Application
- Environmental Documentation

BEFORE THE LOCAL AGENCY FORMATION COMMISSION
COUNTY OF KERN, STATE OF CALIFORNIA

In the Matter of	Proceeding No. 1849
NORTH OF RIVER SANITARY DISTRICT NO. 1: SPHERE OF INFLUENCE AMENDMENT	REPORT AND RECOMMENDATION August 20, 2025

In the above-entitled matter the staff report and the recommendation of the Executive Officer are respectfully submitted as follows:

PROPOSAL BACKGROUND AND ANALYSIS:

On February 18, 2025, the North of River Sanitary District No. 1 (NORSD) submitted Annexation 115, with a Sphere of Influence amendment, to Kern LAFCo. The process required by the Cortese-Knox-Hertzberg Reorganization Act of 2000 has been followed including notices to affected agencies and any notices and publications required by law. A Certificate of Filing for annexation 115 was filed on August 8, 2025.

This proposal is to amend the Sphere of Influence by 1890 acres to match the expanded boundaries of the district included in Annexation 115. All four annexation areas are in Metro Bakersfield and total 851.20 acres. Only Area D (771.15 acres) is outside the district's current SOI boundary.

CONDITIONS RECOMMENDED BY EXECUTIVE OFFICER:

1. The applicant has signed an agreement to actively defend or indemnify and hold harmless the Kern County Local Agency Formation Commission or its agents, officers and employees, from any liability or loss connected with the approval of North of River Sanitary District No. 1 sphere amendment.

2. It is recommended that the Sphere of Influence amendment not be approved unless and until Annexation No. 115 is approved and will not be effective until the final recording of Annexation No. 115.

ENVIRONMENTAL IMPACT STATEMENT:

The applicant, as lead agency, has prepared and filed a Notice of Exemption to review and consider.

GOVERNMENT CODES § 56430:

Gov. code § 56430 requires that when updating a Sphere of Influence the Commission conduct a services review of the municipal services provided. North of River Sanitary District No. 1 provides sewer service.

All other sections of Gov. code § 56425. which apply to this proposal have been addressed in the Sphere of Influence Amendment Application, Resolution, Environmental Document or Municipal Services Review. "When adopting, amending, or updating a sphere of influence for a special district, the commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts."

CONSIDERATIONS

The following determinations are the result of utilizing the considerations as directed by Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

1. **Section 56425(e)(1):** *"The present and planned land uses in the area, including agricultural and open-space lands."*

   The parcels included are not currently enrolled in the Williamson Act. The land usage is not expected to change in the foreseeable future.

2. **Section 56425(e)(2):** *"The present and probable need for public facilities and services in the area."*

   The parcels included in this Sphere of Influence Amendment will continue with no additional services until Kern County Planning begins the process of development.

3. **Section 56425(e)(3):** *"The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide."*

   The parcels included in this Sphere of Influence Amendment is receiving adequate services at this time.

4. **Section 56425(e)(4):** *"The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency."*

   Disadvantaged Unincorporated Communities have been identified but will not be affected by this annexation.

5. **Section 56425(e)(5):** *"... public facilities or services related to sewers, municipal and industrial water, or structural fire protection, ... the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence.*

   Annexation into the district and amendment of the Sphere of Influence will not affect the need for public services.

6. **Section 56425(i):** *"When adopting, amending, or updating a sphere of influence for a special district, the commission shall establish the nature, location, and extent of any functions or classes of services provided by existing districts."*

   The county of Kern planning is the only agency that provides permitting for septic sewer systems in the affected area.

RECOMMENDATION:

It is recommended that the Commission consider the environmental document prepared by the district and approve the sphere amendment to North or River Sanitary District No. 1 with conditions recommended by Executive Officer. (Resolution)

Respectfully Submitted,
Blair Knox, Executive Officer

BEFORE THE LOCAL AGENCY FORMATION COMMISSION
COUNTY OF KERN, STATE OF CALIFORNIA

In the Matter of: **RESOLUTION OF APPLICATION FOR THE APPROVAL OF AMENDMENT TO THE SPHERE OF INFLUENCE FOR NORTH OF RIVER SANITARY DISTRICT NO. 1**	**Resolution No. 25-XX** **Proceeding No. 1849** **Minute Book 72**

I, Blair Knox, Executive Officer, of the LOCAL AGENCY FORMATION COMMISSION, COUNTY OF KERN, STATE OF CALIFORNIA, hereby certify that the following resolution, proposed by Commissioner **XXXX**, seconded by Commissioner **XXXX**, was duly adopted by the Commission at an official meeting thereof held on the **20th day of August 2025**, by the following vote:

AYE: XXXX

NAYE: XXXX

ABSTAIN: XXXX

ABSENT: XXXX

_____
Blair Knox, Executive Officer

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RESOLUTION MAKING DETERMINATION

Whereas, pursuant to the Government Code § 54963. et seq., meetings were held both at a physical location and by video/teleconference to attend to any health and safety concerns of the panelist and/or participants;

Whereas, Government code § 56425. requires the Local Agency Formation Commission

develop and determine the Sphere of Influence for each local governmental agency within the county;

Whereas, pursuant to Government code § 56428. a proposal for the amendment of the North of River Sanitary District No. 1 ("Applicant"), Sphere of Influence, was considered by the Local Agency Formation Commission of Kern County ("Commission");

Whereas, on July 30, 2025, pursuant to Government code § 56427. Notice, publication and affected local agency notification was performed;

Whereas, on August 20, 2025, pursuant to Government code § 56428. (c) upon completion of investigation pertaining to existing services and resources within the proposed amendment area the Executive Officer submitted a Report and Recommendation to the Commission;

Whereas, on said 20th day of August 2025, this Commission considered the Notice of Exemption, adopted by the lead agency; and

Whereas, the Commission is fully advised on the premises; now therefore, be it

Resolved that the Local Agency Formation Commission, County of Kern, State of California, on behalf of its members, finds and determines as follows:

1. specific reference is hereby made to all the papers, documents, files and proceedings heretofore and now taken, had and filed in this matter with particular reference to Minute Item 8/20/25-X, as appears upon the official minutes of the proceedings of this Commission;

2. all of the proceedings heretofore and now taken and had in this matter have been and now are in all respects as required by law;

3. the facts set forth in the Executive Officer Report and Recommendation presented to the Commission are true;

DRAFT

4. the amendment will be in the best public interest;

5. the Notice of Exemption was considered and is in accordance with California Environmental Quality Act;

6. pursuant to the authority granted by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, said territory set forth in the Application for Proceeding on Resolution, by Legislative body, designated as "North of River Sanitary District No. 1: Sphere of Influence Amendment", is hereby approved subject to the following conditions: and

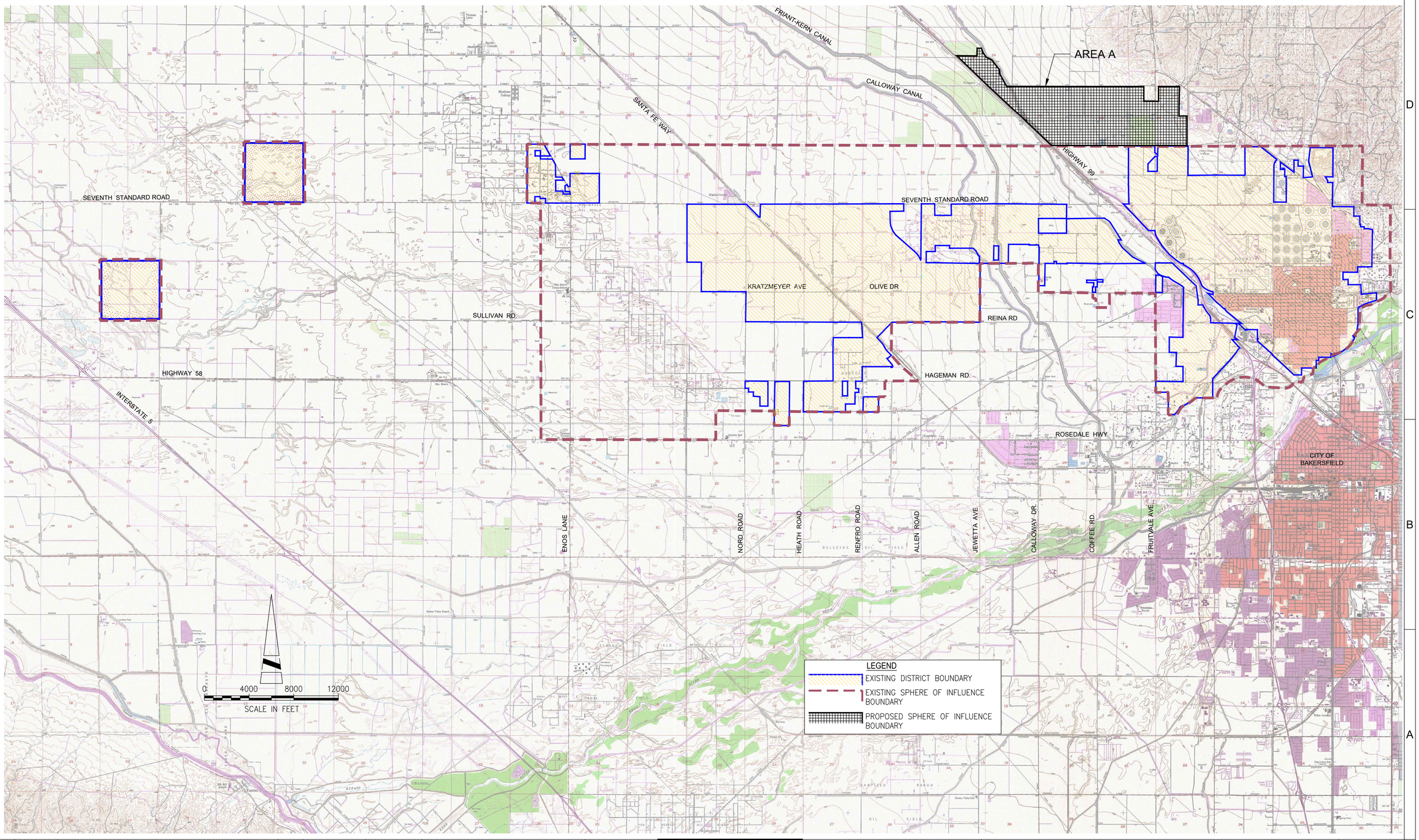
a. the Applicant has signed an agreement to actively defend or indemnify and hold harmless the Commission or its agents, officers and employees, from any liability or loss connected with the approval of this proceeding.

7. the Commission authorizes and directs the Executive Officer to accept and file all documents and record any documentation required by law associated with this proceeding.

DRAFT

AGENDA

1849



DWG: S:\NO1\...basemaps\SPHERE OF INFLUENCE\sphere_influence_04-24-24.dwg
DATE: Aug 19, 2024 11:20am
XREFS:
IMAGES: norsd-sphere-1.JPG norsd-sphere-2.JPG norsd-sphere-3.JPG norsd-sphere-4.JPG
USER: GbilordJucid

REV	DATE	DESCRIPTION	APPR
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VERIFY SCALES
BAR IS ONE INCH ON ORIGINAL DRAWING
IF NOT ONE INCH ON THIS SHEET, ADJUST SCALES ACCORDINGLY

DESIGNED BY
DRAWN BY
CHECKED BY
DATE —
PROJECT ENGINEER
REG NUMBER EXP DATE
PROJECT NUMBER
CADD STANDARDS

AECOM
AECOM USA, Inc.
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www.aecom.com

NORTH OF RIVER
SANITARY DISTRICT NO. 1
204 UNIVERSE AVENUE
BAKERSFIELD CA. 93308

FIGURE 1.1
PROPOSED SPHERE OF INFLUENCE ADDITIONS

DRAWING
SHEET 1 OF 1 SHEETS

Kern Local Agency Formation Commission
5300 Lennox Ave. Suite 303
Bakersfield, CA 93309
661-716-1076
www.co.kern.ca.us/lafco/

SPHERE OF INFLUENCE AMENDMENT

Goverment Code Section 56428

(a) Any person or local agency may file a written request with the executive officer requesting amendments to a sphere of influence or urban service area adopted by the commission. The request shall state the nature of the proposed amendment, state the reasons for the request, include a map of the proposed amendment, and contain any additional data and information as may be required by the executive officer.

(b) After complying with the California Environmental Quality Act, Division 13 (commencing with Section 21000) of the Public Resources Code, the executive officer shall place the request on the agenda of the next meeting of the commission for which notice can be given. The executive officer shall give notice in the manner provided by Section 56427. On the date and time provided in the notice, the commission may do either of the following:

(1) Without further notice, consider the amendments to a sphere of influence.

(2) Set a future date for the hearing on the request.

(c) The executive officer shall review each requested amendment and prepare a report and recommendation. The report shall be completed not less than five days before the date specified in the notice of hearing. The executive officer shall send copies of the report to the person or agency making the request, each affected local agency, and each person who has filed a request for a report.

(d) At its meeting, the commission shall consider the request and receive any oral or written testimony. The consideration may be continued from time to time, but not to exceed 70 days from the date specified in the original notice. The person or agency which filed the request may withdraw it at any time prior to the conclusion of the consideration by the commission.

(e) At the conclusion of its consideration, the commission may approve with or without amendment, wholly, partially, or conditionally, or disapprove the request. The commission shall follow the procedures in Section 56425.

(f) The commission may require the person or agency making a request pursuant to this section to pay a fee to cover the commission's costs. The fee shall not exceed the estimated reasonable cost of providing the service and shall be set pursuant to Section 56383. The commission may waive the fee if it finds that the request can be considered and studied as part of the periodic review of spheres of influence required by Section 56425. In addition, the commission may waive the fee if it finds that payment would be detrimental to the public interest.

(g) The commission and executive officer may review and act on any request to amend a sphere of influence or urban service area concurrently with their review and determination on any related change of organization or reorganization. In case of a conflict between the provisions of this section and any other provisions of this part, the other provisions shall prevail.

SPHERE OF INFLUENCE AMENDMENT APPLICATION

INFORMATION REQUESTED

Agency seeking LAFCo Approval:
North of River Sanitary District No. 1

Agency Address:
204 Universe Avenue, Bakersfield, California 93308

Contact Person: Patrick Ostly, General Manager Phone: (661) 399-6411

Email: postly@norsd.com

PROJECT INFORMATION

Please provide the following information. You may attach additional sheets as needed.

1. Purpose of the Proposal

Why is this proposal being filed? List all actions for LAFCo approval.

NORSD is extending its sphere of influence to include areas that cannot currently connect to a sewer system and have expressed interest in receiving sewer service from the District. The District has developed the proposed sphere of influence boundary in coordination with the City of Bakersfield and Kern County.

2. Consultation with the County (City Only)

Provide documentation regarding consultation that has occurred between the City and the County with regard to agreement on boundaries, development standards and zoning requirements for land in the proposed Sphere of Influence (SOI) as required by Government Code §56425

Please indicate if document is attached: ◯

3. Description of area to be included in the SOI

A. What is the acreage of the proposed addition? Approximately 1,890 acres

B. Why was it decided to use these particular boundaries?

A property owner has requested to be added to the District's sphere of influence (SOI) to be eligible to receive sewer service. The District's requested SOI boundary extends to include the requested annexation area and adjacent lands.

C. List the existing land uses for the proposed amendment area?

Agricultural

D. List the proposed land uses for the proposed amendment area?

No change in land use is included as part of the SOI amendment. Any land use change will be processed through Kern County as the development permitting agency.

4. Relationship to Existing Plans

A. List the current County/City General Plan designation/s for the proposal area?

County General Plan - Intensive Agriculture (8.1), Mineral and Petroleum (9999), Solid Waste Facility Site (9999)
City General Plan - Intensive Agriculture (R-1A), Mineral and Petroleum (R-MP), Solid Waste Facility (P-SW)

B. List the current County/City Zoning designation/s for the proposal area?

Exclusive Agriculture, Medium Industrial (M2-PD)

C. List the proposed General Plan designation/s for the proposal area?

No change in General Plan designation is proposed as part of the SOI amendment. Any land use change will be processed through Kern County as the development permitting agency.

D. List the proposed (Pre-) Zoning designation/s for the proposal area?

N/A

E. What is the current and estimated agency population?

Current Population: 52,918	Estimated 2025: 54,847
Estimated 2030: 60,435	Estimated 2035: 67,333

5. Services

A. What is the range of services now provided by the agency?

The District provides wastewater collection, treatment, and disposal services.

B. Does the present range of services fulfill the present needs of the territory within the agency?

Yes: ✘ No:

If "No", describe inadequacies:

C. What are the probable future service needs of the territory within the agency up to the year 2035?

Interceptor sewer pipelines, sewer pump stations, and WWTP expansion. See NORSD 2023

Master Sewer Plan Update for details.

D. Does your agency provide services to any area outside the boundaries of the agency?

Yes: ✘ No:

If "Yes", describe the area/s and the services.

The District has an agreement to provide wastewater treatment and disposal services to the City of Shafter whereby the City has a share in the capacity of the District's trunk sewer and wastewater treatment plant.

E. Within the capacity of present agency facilities can your agency provide services to adjacent territory not now within the agency?

Yes: ✘ No:

If "Yes", describe the services and the potential service area.

Yes. The District's Master Sewer Plan Update evaluated the capacity of its existing facilities and identified improvements to serve proposed development through the year 2035 and beyond. The District conducts an analysis of its ability to serve proposed developments prior to annexing the property into its service area.

F. Are the services provided by other local agencies within the territory of your agency adequate?

Yes: ✘ No:

If "No", describe the nature of any asserted inadequacy.

The District is not aware of any inadequacy in services.

G. Are there any social or economic communities of interest adjacent to your SOI that would benefit from your services?

Yes: ✘ No:

If "Yes", name the community/ies and location/s.

The District provides wastewater service to the majority of the disadvantaged unincorporated community of Oildale. However, there is an area located northwest of Golden State Highway and Airport Drive that is currently developed with mobile homes and is outside of the District's service area boundary. The District would provide wastewater service to this area if the owners request annexation and follow the District's established policies and procedures.

6. Future Needs & Plans

A. What type of development is now occurring or planned for the territory within your agency including, but not limited to, residential, commercial and industrial development?

Present: Residential, commercial, and industrial development

Planned: Residential, commercial, and industrial development

B. Does the agency contemplate any annexation(s) within the next five years which total more than 100 acres?

Yes: ✘ No:

If "Yes", give a general description of the proposed annexation/s and acreage involved.

Proposed Annexation No. 115 covers an area of approximately 851 acres including land within the proposed SOI amendment. Other annexations within the District's SOI are anticipated to occur as developments are approved by the City or County within the District's SOI.

C. Describe the existing facilities used by your agency in carrying out the functions of the agency.

The District operates a wastewater treatment plan and sewer collection system.

D. Describe any new facilities contemplated for use by your agency in the performance of its functions up to the year 2040:

The District is planning an upgrade to its wastewater treatment plant and anticipates that developer funded interceptor sewer pipelines and sewer pump stations will be needed as development continues. See NORSD 2023 Master Sewer Plan Update for details.

7. Agricultural Conservation

A. Are there agricultural preserves within the area being considered within the proposed sphere of influence?

Yes: ✘ No:

B. Can the physical and economic integrity of such preserves be maintained in the event such preserves are included within the sphere of influence of the agency?

Yes: ✘ No:

8. Finance

A. What are the methods of financing your district? (i.e. service charges, etc.)

The District utilizes sewer service charges and connection fees to finance its operations.

Provide additional information that the agency deems relevant for the SOI amendment

See the attached Municipal Service Review and Master Sewer Plan update.

ENVIRONMENTAL REVIEW

Please include a copy of environmental review and adopted environmental declaration conducted for the project.

If exempt, please provide a copy of the Notice of Exemption.

MAPS

Please provide a vicinity map showing the district or city boundary, district or city SOI, and proposed amendment area.

Date Completed: January 09, 2025

By: Roberts, Monique

Digitally signed by Roberts, Monique
DN: cn=Roberts, Monique, ou=USBKF1, email=Monique.Roberts@aecom.com
Date: 2025.01.09 12:57:01 -08'00'

RESOLUTION NO. 25-01

A RESOLUTION OF APPLICATION PROPOSING PROCEEDINGS FOR ANNEXATION OF TERRITORY TO THE NORTH OF RIVER SANITARY DISTRICT NO. 1 AS ANNEXATION NO. 115

WHEREAS, The North of River Sanitary District No. 1 desires to propose a change of organization, to wit, the annexation to the North of River Sanitary District of the hereinafter described territory, pursuant to Section 56654 of the Government Code of the State of California; and

WHEREAS, the Parcels A, B, and C of the proposed annexation territory is within and consistent with the North of River Sanitary District No. 1's Sphere of Influence Boundary; and

WHERAS, the North of River Sanitary District desires to amend its Sphere of Influence Boundary to include Parcel D of the proposed annexation and adjacent land; and

WHEREAS, the property owner(s) have agreed to annex; and

WHEREAS, The North of River Sanitary District No. 1 has agreed to serve the property upon annexation; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the North of River Sanitary District No. 1 that it finds and determines as follows;

1. That the North of River Sanitary District No. 1 hereby proposes the annexation to the North of River Sanitary District No. 1 of the territory described in EXHIBIT A and shown on map marked EXHIBIT B attached hereto and made a part of this resolution as though fully set forth herein.

2. That a plan for providing services within the affected territory of the proposed annexation in accordance with the provisions of Section 56653 of the Government Code, is Marked as EXHIBIT C, attached hereto and made a part hereof as though fully set forth herein.

3. That this proposal for change of organization, to wit, annexation, is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, and it is requested that proceedings be authorized for annexation in accordance therewith.

4. That the reasons for the proposed change of organization that the owners desire service and the North of River Sanitary District No. 1 desires to provide service.

5. That the laws and regulations relating to the preparation and adoption of the environmental documents as set forth In the California Environmental Quality Act will be followed and all documents related its completion shall be submitted to Local Agency Formation Commission (LAFCO) by the District's representative.

6. That the District requests that conducting authority proceedings be waived entirely pursuant to Government Code Section 56663 for the annexation of land described in EXHIBIT A.

7. That the territory proposed for annexation as described herein has been determined to have one hundred percent (100%) consent to annexation.

8. Parcels A, B, and C proposed for annexation as described herein is within the North of River Sanitary District No. 1's Sphere of Influence Boundary.

9. The District's Sphere of Influence Boundary is requested to be amended to incorporate Parcel D proposed for annexation and adjacent land as described in the Municipal Service Review, Sphere of Influence Questionnaire, and Sphere of Influence Update Map completed by the District.

10. That the person to be furnished with copies of the Executive Officer's report and who is to be given mailed Notice of Hearing, if any, is;

    Patrick Ostly
    District Manager
    North of River Sanitary District No. 1
    204 Universe Ave.
    Bakersfield, CA 93308

11. That the appropriate North of River Sanitary District No. 1 official shall file this resolution, with exhibits, with the Executive Officer of the Local Agency Formation Commission of Kern County at 5300 Lennox Avenue, Suite 303, Bakersfield, California 93309.

I HEREBY CERTIFY, that the foregoing Resolution was passed and adopted by the Board of Directors of the North of River Sanitary District No. 1 at a regular meeting thereof held January 21 2025, by the following;

Ayes: McKibbin, Ruettgers, Murphy, Hooker, Hudson

Noes: -none-

Absent: -none-

Patrick Ostly, District Manager
North of River Sanitary District No. 1

AGENDA

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FILED
KERN COUNTY CLERK

Notice of Exemption

Appendix E

JAN 24 2025

AIMEE X. ESPINOZA
AUDITOR-CONTROLLER-COUNTY CLERK
BY M.H DEPUTY

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk
County of: Kern
1115 Truxtun Avenue
Bakersfield, CA 93301

From: (Public Agency): North of River Sanitary District
204 Universe Avenue
Bakersfield, CA 93308
(Address)

Project Title: Annexation No. 115, Sphere of Influence Amendment

Project Applicant: North of River Sanitary District No. 1

Project Location - Specific:

Project Location - City: Bakersfield Project Location - County: Kern

Description of Nature, Purpose and Beneficiaries of Project:

The project consists of an Annexation and Sphere of Influence (SOI) Amendment. The annexation consists of two agricultural zoned parcels and two currently developed industrial parcels. The total area to be annexed is approximately 851 acres. The SOI Amendment includes approximately 1,890 acres .

Name of Public Agency Approving Project: North of River Sanitary District No. 1

Name of Person or Agency Carrying Out Project: North of River Sanitary District No. 1

Exempt Status: **(check one):**

- ☐ Ministerial (Sec. 21080(b)(1); 15268);
- ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
- ☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- ☐ Categorical Exemption. State type and section number: _____
- ☐ Statutory Exemptions. State code number: _____
- ☒ General Rule [(CCR, Sec. 15061 (b)(3)] With certainty, no possibility of a significant effect

Reasons why project is exempt:

The project is an Annexation and SOI Amendment only and does not involve ground disturbance of any kind. No change in land use is proposed as a part of the Annexation and SOI Amendment. Two parcels proposed for annexation are currently in agricultural production and two parcels are currently developed in industrial use and already connected to the District's sewer system. Land within the proposed SOI Amendment is in agricultural production. Future urban or industrial development of the agricultural properties will require a change in zoning and preparation of the appropriate CEQA documentation.

Lead Agency Contact Person: Patrick Ostly, General Manager Area Code/Telephone/Extension: 661-399-6411

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? ▪ Yes No

Signature: _____ Date: 1-21-2025 Title: General Manager

▪ Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

Notice of Environmental Document
Posted by County Clerk on 01-24-2025
and for 30 days thereafter, Pursuant to
Section 21152(C), Public Resources Code

25431

Revised 2011

☐

AGENDA

Proceeding No. 1850

NORTH OF THE RIVER SANITARY DISTRICT NO. 1

Municipal Service Review Update

- Report & Recommendation
- LAFCo Resolution (DRAFT)
- Municipal Service Review (DRAFT)

Kern Local Agency Formation Commission
5300 Lennox Ave. Suite 303
Bakersfield, CA 93309
661-716-1076
www.co.kern.ca.us/lafco/

To: LAFCo Commissioners
From: Blair Knox, Executive Officer
Date: August 20, 2025
Re: North of River Sanitary District No. 1, Municipal Services Review Update

Enclosed please find the Municipal Services Review (MSR) for the North of the River Sanitary District No. 1 (NORSD). This MSR includes information on the services provided by the district. The MSR was prepared at LAFCo's request and in anticipation of an amendment to the sphere of influence.

In adopting an MSR, the Commission is required to make determinations in seven (7) different areas:

1. Growth and Population: G. C. 56430(a)(1)
2. The location and characteristics of any Disadvantaged Unincorporated Communities within or contiguous to the sphere of influence: G. C. 56430(a)(2)
3. Present and planned capacity of public facilities, adequacy of public services and infrastructure needs and deficiencies: G. C. 56430(a)(3)
4. Financial ability of agencies to provide services: G. C. 56430(a)(4)
5. Status of, and opportunities for shared facilities: G. C. 56430(a)(5)
6. Accountability for community service needs, including governmental structure and operational efficiencies: G. C. 56430(a)(6)
7. Any other matter related to effective or efficient service delivery, as required by commission policy: G. C. 56430(a)(7)

Information and a narrative on each of the required areas were prepared. The document was produced using a consulting firm and reference material.

Section F, "Conformance with Designated Sphere of Influence" of Kern LAFCo's "Procedures, Standards and Policies for the Evaluation of Proposals" was reviewed and adhered to regarding this proposal.

The MSR provides several Appendix that comprises the Wastewater Treatment Plant Master Plan, Budgets and Consumer Confidence Report. These items along with additional information related to water and planning have been placed in the LAFCo library for review.

LAFCo local policies and procedures emphasizes the need to examine several areas in detail. These areas include municipal water, fire protection, wastewater facility/s and disadvantaged unincorporated communities. The following information provides a brief summary concerning these areas in the NORSD MSR.

The District has disadvantaged unincorporated communities within and adjacent to their sphere of influence.

The MSR states that NORSD has the capacity and resources to provide for the community's current needs.

LAFCo's are required to consider any environmental impact the adoption of the MSR might have. MSRs are strictly information gathering documents and do not change land use or induce development.

RECOMMENDATION: Adopt North of the River Sanitary District No. 1, Municipal Services Review and consider the Notice of Exemption filed by the district for this project.

BEFORE THE LOCAL AGENCY FORMATION COMMISSION
COUNTY OF KERN, STATE OF CALIFORNIA

In the Matter of: **NORTH OF RIVER SANITARY DISTRICT NO.1 MUNICIPAL SERVICE REVIEW UPDATE**	**Resolution No. 25-XX** **Proceeding No. 1850** **Minute Book 72**

I, Blair Knox, Executive Officer, of the LOCAL AGENCY FORMATION COMMISSION, COUNTY OF KERN, STATE OF CALIFORNIA, hereby certify that the following resolution, proposed by Commissioner **XXXX**, seconded by Commissioner **XXXX**, was duly adopted by the Commission at an official meeting thereof held on the **20th day of August 2025**, by the following vote:

AYE: XXXX

NAYE: XXXX

ABSTAIN: XXXX

ABSENT: XXXX

_____
Blair Knox, Executive Officer

RESOLUTION MAKING DETERMINATION

Whereas, on August 8, 2025, the Kern Local Agency Formation Committee ("COMMISSION") issued a Certificate of Filing for North of River Sanitary District No. 1 ("APPLICANT") Resolution of Application No. 2025-135, "A RESOLUTION OF APPLICATION PROPOSEING PROCEEDINGS FOR ANNEXATION OF TERRITORY TO THE NORTH OF RIVER SANITARY DISTRICT NO. 1 ANNEXATION NO. 115" … pursuant to Government Code

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Sections 56425 et. seq;

Whereas, pursuant to Government Code Section 56133et. seq. an amendment to the sphere of influence must be approved by the Commission prior to services being provided;

Whereas, pursuant to Government Code Section 56430 et. seq. a Municipal Service Review ("MSR") must be prepared prior to an update to the Sphere of Influence;

Whereas, on February 21, 2025, North of River Sanitary District No. 1 submitted a draft MSR;

Whereas, the MSR was reviewed to meet the criteria outlined pursuant to Government Code Section 56430 et. seq.;

Whereas, pursuant to Government Code Section 56428 (b), the Commission, as a responsible agency, was provided with a filed Notice of Exemption by the lead agency, Applicant, for the annexation area, designated as Annexation No. 115;

Whereas, on August 20, 2025, the Commission heard and received all evidence which was made, presented or filed, and all person's present were given the opportunity to be heard in respect to any matter relating to the MSR and

Whereas, the Commission is fully advised in the premises; now therefore, be it *Resolved that the Local Agency Formation Commission, County of Kern, State of California, pursuant to the authority provided by Government Code, Title 5, Division 3; Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 and on behalf of its members, finds and determines as follows:*

1. Specific reference is hereby made to all the papers, documents, files and proceedings heretofore and now taken, had and filed in this matter with particular reference to Minute Item 8/20/25-X, as appears upon the official minutes of the proceedings of this Commission.

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2. All the proceedings heretofore and now taken and had in this matter have been reviewed and now are in all respects as required by law.

3. The North of River Sanitary District No. 1 MSR underwent a comprehensive review of all the agencies that provide the identified service or services within the designated geographic area.

4. The MSR was assessed for various alternatives for improving efficiency and affordability of infrastructure and service delivery within and contiguous to the sphere of influence.

5. The Notice of Exemption was reviewed as in accordance to California Environmental Quality Act;

6. Pursuant to the authority granted by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 the North of River Sanitary District No.1 MSR including all written determinations included in the MSR, particularly described and delineated attached hereto and by reference made apart hereof is hereby approved.

7. The Commission authorizes and directs the Executive Officer to accept, file and record any and all documentation required by law.

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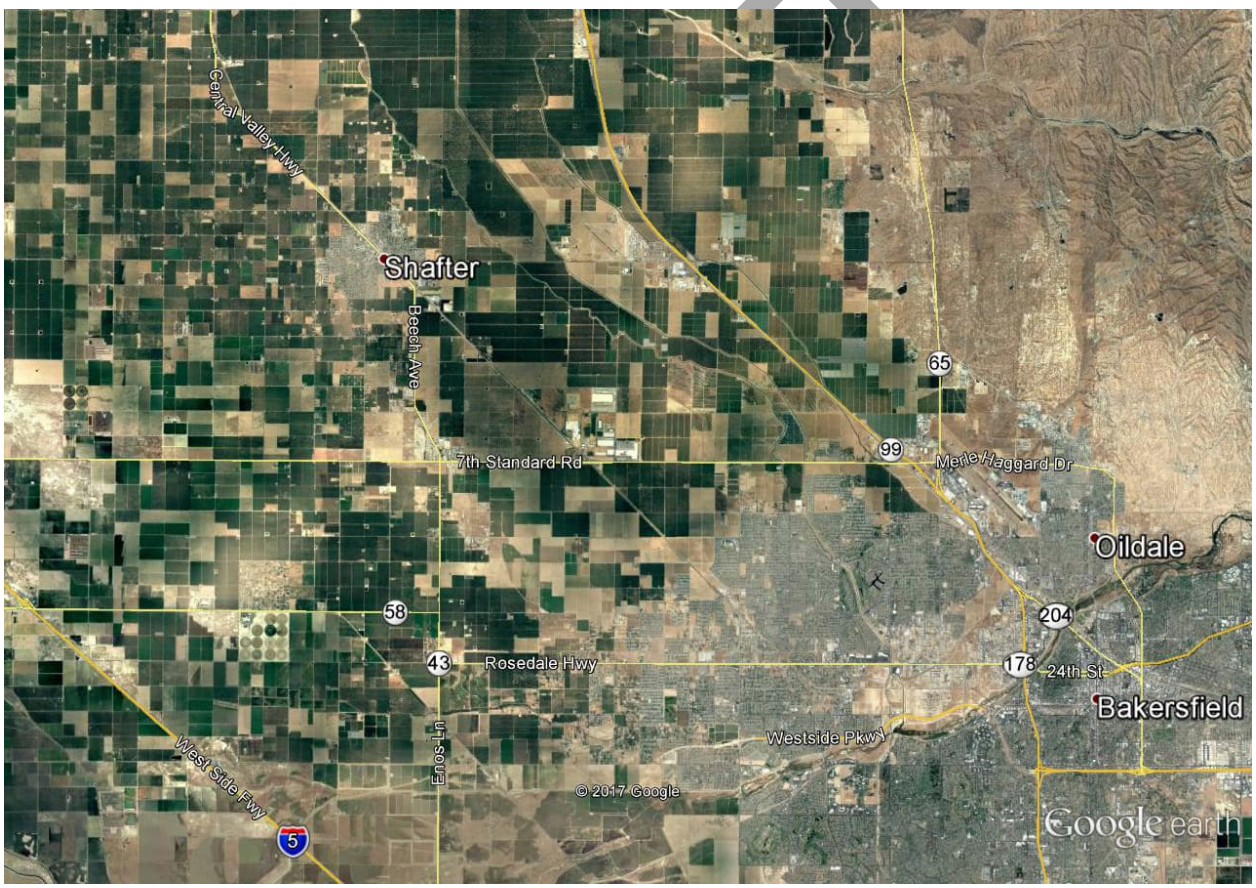
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MUNICIPAL SERVICE REVIEW

North of River Sanitary District No. 1

Sphere of Influence Update and Amendment

August 2025



For Submittal to:

Kern County Local Agency Formation Commission
5300 Lennox Avenue, Suite 303
Bakersfield, California 93309

AECOM

MUNICIPAL SERVICE REVIEW

North of River Sanitary District No. 1

Sphere of Influence Update and Amendment

August 2025

DRAFT

Prepared For:

North of River Sanitary District
204 Universe Avenue
Bakersfield, California 93308

Patrick Ostly
General Manager

Prepared By:

AECOM
5001 E. Commercenter Drive, Suite 100
Bakersfield, California 93309

AECOM Project No. 60733452

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A Agreements
B 2023 Master Sewer Plan
C August 2024 Update of Coffee Road Interceptor Sewer Feasibility Analysis
D 2025 SSMP (without Appendices)
E 2023 Sewer Rate Study, Financial Audit and Budget Information

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Section 1
Introduction

1.1 Background

Existing California law (per Government Code Section 56430) requires that in order to update a Sphere of Influence (SOI), Local Agency Formation Commissions (LAFCOs) must first conduct a Municipal Service Review (MSR) within the appropriate designated area. As a part of this review, LAFCOs are required to prepare a written statement of determination with respect to the each of the following:

1. Growth and population projections for the affected area;
2. The location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
3. Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged unincorporated communities within or contiguous to the sphere of influence;
4. Financial ability of agencies to provide services;
5. Status of, and opportunities for, shared facilities; and
6. Accountability for community service needs, including governmental structure and operational efficiencies.

This MSR has been prepared in accordance with Government Code Section 56430 to evaluate wastewater collection, treatment, and disposal services within the proposed SOI update for the North of River Sanitary District (NORSD or District). The District is proposing to amend its SOI as a result of property owner requests to evaluate future sewer service from the District for land currently developed in agricultural use within the unincorporated area of Kern County. Information in support of the above determinations is presented in **Section 2**.

1.2 Introduction

The NORSD is located to the north and west of the City of Bakersfield and was formed in 1940 to provide wastewater collection, treatment and disposal services to the unincorporated community of Oildale. The District's boundaries have since expanded to the west to include the northern portion of Kern County Service Area 71 (CSA-71). Its SOI now encompasses an area of approximately 55 square miles.

The original service area was confined to Oildale north of the Kern River. By the 1980s the original WWTP was becoming surrounded by encroaching development. In addition, the WWTP, which was constructed in the early 1950s, was approaching its treatment capacity and the available treated effluent disposal area was inadequate.

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A Joint Powers Agreement (JPA) was executed in 1990, between NORSD, Kern County (County Service Area 71 [CSA-71]), and the City of Shafter which provided for the construction and operation of a shared trunk sewer pipeline and wastewater treatment plant.

In 1991, the District constructed a trunk sewer to its proposed WWTP site five miles west of Enos Lane on 7th Standard Road. This sewer is hereafter referred to as the Outfall Sewer. Under the JPA, City of Shafter acquired 3 million gallons per day (MGD) of the average day capacity of the outfall sewer between Shafter Avenue and the WWTP site. Treated wastewater storage ponds were built at the new site and treated effluent from the existing WWTP was conveyed to the new ponds. The original WWTP continued to operate for approximately 10 years.

The District and the City of Shafter entered into an agreement in 1998 under which the City of Shafter purchased one-third of the "actual maximum capacity" of the WWTP (which was constructed several years later).

An agreement with the City of Bakersfield was executed in 2000 which set forth the areas to be provided sewer service by the City of Bakersfield and NORSD.

In June 2004, NORSD entered into another agreement under which the City of Shafter's cost is established as one quarter of the total cost of the Shafter Reach (i.e. from Shafter Avenue to the WWTP) and thereby the City of Shafter's capacity in the Outfall Sewer is one quarter of the capacity of the Outfall Sewer in 7th Standard Road from Shafter Avenue to Santa Fe Way.

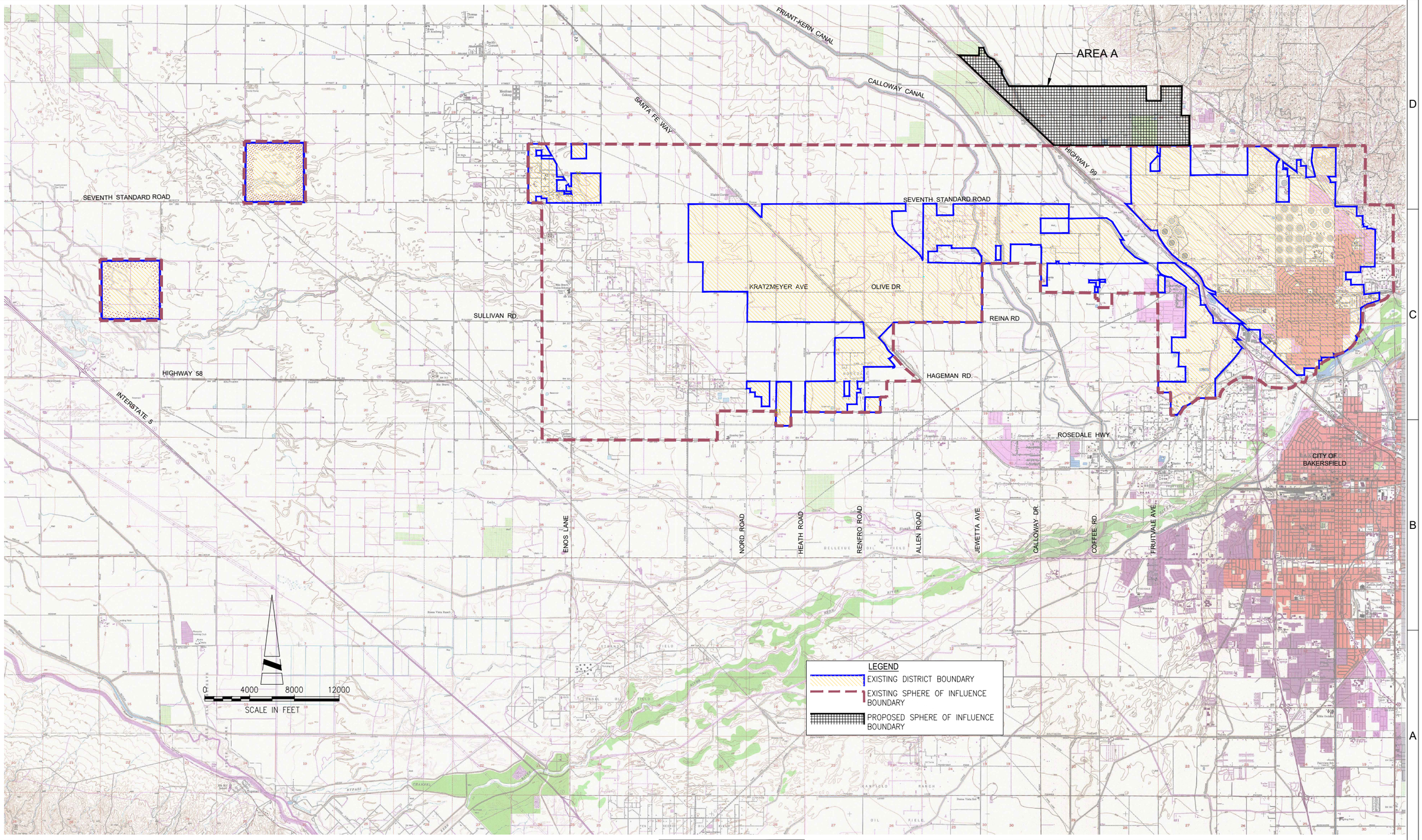
In 2015, NORSD and City of Shafter executed a Cooperative Agreement which requires Shafter and NORSD to continue to coordinate and discuss the future needs of the Sewer Facilities under the JPA. Under this agreement Shafter owns one-third (or 2.5 MGD) of the increased WWTP capacity of 7.5 MGD. See **Appendix A** for the referenced agreements.

The District's existing boundary and sphere of influence are shown on **Figure 1-1.** The proposed addition to the District's SOI is also shown on **Figure 1-1** and contains approximately 1,890 acres, or approximately 5% of the District's current SOI. The area proposed for addition to the District's SOI is not within the proposed service area of any other sewer service agency.

The District completed a Master Sewer Plan Update in March 2023 (see **Appendix B**) where it analyzed its existing facilities in relation to the needs of its service area for the next 10 years. Facility improvements were recommended along with cost estimates and projected scheduling through the year 2040 and beyond. Much of the information presented in this MSR is taken from the District's 2023 Master Sewer Plan Update.

While the area proposed for inclusion in the SOI amendment is not covered by the 2023 Master Sewer Plan Update, the District conducted a separate analysis of the potential sewer flows to be generated by the SOI amendment area and the improvements needed to serve the area (see **Appendix C**). The District's overall Capital Improvement Plan is provided in Table ES-1 of the 2023 Master Sewer Plan and summarized in **Table 2-2**. The timing for construction of outfall sewer and WWTP expansion improvements is dependent on the actual growth experienced and will be periodically reevaluated in future Master Sewer Plans.

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VERIFY SCALES
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DESIGNED BY | PROJECT ENGINEER
DRAWN BY | REG NUMBER | EXP DATE
CHECKED BY | PROJECT NUMBER
DATE | CADD STANDARDS

AECOM
AECOM USA, Inc.
5001 E. Commercenter Dr. Suite 100
Bakersfield, California 93309
T 661.325.7253 F 661.395.0359
www.aecom.com

NORTH OF RIVER SANITARY DISTRICT NO. 1
204 UNIVERSE AVENUE
BAKERSFIELD CA. 93308

FIGURE 1.1
PROPOSED SPHERE OF INFLUENCE ADDITIONS

DRAWING
SHEET 1 OF 1 SHEETS

1.3 Land Use and Zoning

Land use planning and zoning within the District's SOI and update areas is governed by the City of Bakersfield and County of Kern for the areas within their respective jurisdictions. No changes to existing land uses and zoning are included as a part of the SOI update. Any future development within the proposed SOI amendment area will be subject to review and approval by the City or County as appropriate. A summary of the existing land uses, general plan designations, and zoning for the areas within the SOI update are provided in **Table 1-1**.

Table 1-1 Existing Land Use and Zoning in SOI Update Area (Area A)

Existing Land Use	Jurisdiction	General Plan Designation	Zoning
Agriculture Undeveloped	Kern County	Intensive Agriculture (8.1) Mineral and Petroleum (9999) Solid Waste Facility Site (9999)	Exclusive Agriculture (A) Medium Industrial (M-2- PD)
	City of Bakersfield	Intensive Agriculture (R-1A) Mineral and Petroleum (R-MP) Solid Waste Facility (P-SW)	NA

1.4 CEQA Review

Since any future development and construction of improvements within the proposed SOI amendment area will be subject to CEQA review as a part of the planning process through the City or County, this MSR and SOI update are determined to be exempt from CEQA pursuant to Section 15061(b)(3) of the CEQA Guidelines. This MSR and SOI update do not include any land use changes or land disturbance activities. A Notice of Exemption has been determined to be appropriate for the project based on Section 15061(b)(3) General Rule, where it can be seen with certainty that there is no possibility that the activity will have a significant impact on the environment. Additionally, the MSR is exempt from CEQA pursuant to Section 15362 of the CEQA Guidelines (feasibility or planning studies).

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Section 2
Municipal Service Review Analysis

2.1 Growth and Population Projections

The NORSD service area includes the unincorporated community of Oildale and the northern portion of CSA 71, some of which is now within the City of Bakersfield. The District also provides wastewater services to the City of Shafter through connections to the District's trunk sewer line. **Table 2-1** provides a summary of population projections for the NORSD and the City of Shafter. The values in **Table 2-1** represent the population connected to the District's wastewater facilities.

Per the 2023 Sewer Master Plan Update, the 2020 population for NORSD was estimated based on data from the 2020-2050 Regional Forecast prepared by the Kern Council of Governments. A population growth projection of 4.6% was estimated for the CSA-71 area and a projected growth rate of 0.24% was estimated for Oildale. The 2020 population and growth projection of 2.15% for the City of Shafter were taken from its 2020 UWMP.

Table 2-1 Population Projections

Year	NORSD Oildale	NORSD CSA-71	City of Shafter	Total Population
2020	33,919	16,387	20,441	70,747
2023	34,164	18,754	21,788	74,706
2025	34,328	20,519	22,735	77,582
2030	34,742	25,693	25,286	85,721
2035	35,161	32,172	28,124	95,457
2040	35,585	40,284	31,280	107,149
2045	36,014	50,442	34,791	121,246
2050	36,448	63,161	38,695	138,304

The timing of recommended wastewater facility improvements in the 2023 Master Sewer Plan Update is based on the population projections shown in **Table 2-1**. Since the addition of 1,890 acres is approximately 5% of the District's current SOI and the land within the SOI amendment is expected to be developed in industrial use, the proposed SOI amendment would not significantly modify the population projections shown above.

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2.1.1 Determinations

- Population growth is anticipated to be about 4.6% annually for the NORSD SOI and SOI Update areas. The 2023 population for the NORSD is estimated to be about 52,918.

- Population growth for the City of Shafter is estimated to be about 2.15% annually. The California Department of Finance estimates the City of Shafter's population to be 21,788 in 2023.

2.2 Disadvantaged Unincorporated Communities

The District provides wastewater service to the majority of the disadvantaged unincorporated community of Oildale. However, there is an area located northwest of Golden State Highway and Airport Drive that is currently developed with mobile homes and is outside of the District's service area boundary. The District would provide wastewater service to this area if the owners request annexation and follow the District's established policies and procedures.

While not contiguous to the District's SOI, the disadvantaged unincorporated community of Stebbins Tract located north of Old Highway 58 between Cannon Street and Bussell Road could be a candidate for District services in the future. The District's CIP includes a future outfall sewer in Kratzmeyer Road, about one-half mile north of the Stebbins Tract.

Other disadvantaged unincorporated areas contiguous to the District's SOI are within the sewer service SOI of the City of Shafter or the City of Bakersfield.

2.2.1 Determinations

- The NORSD is the wastewater service provider for the disadvantaged unincorporated community of Oildale.

- The Stebbins Tract, while not contiguous to the District's SOI, could be considered for possible annexation in the future due to its proximity to the planned outfall sewer along Kratzmeyer Road.

2.3 Public Facilities, Service Adequacy, and Infrastructure

The District's 2023 Master Sewer Plan Update (Plan) evaluated the present and planned capacity of its wastewater collection facilities. A brief description of the District's facilities, current capacities and adequacy to meet current demands, and recommended improvements for current and future needs from the Plan are provided below.

Collection System:

The collection system consists of approximately 191-miles of sewers ranging from 6-inch to 54-inch and five lift stations. The collection system serves approximately 21,370 single family residential equivalent sewer connections plus the outfall connection from the City of Shafter. All pipelines within the collection system drain to the 54-inch Outfall Sewer which discharges at the wastewater treatment plant. The average day flow within the Outfall Sewer per the Plan was estimated at 5.8 MGD, which

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is well within the 12 MGD average day flow capacity of the Outfall Sewer. Based on flow monitoring and a model of the District's sewer collection system, locations of possible deficiency were identified and recommended for further evaluation.

Recommended Improvements:

The Plan provided recommended capital improvement projects and timing (based on the population growth rates in **Table 2-1**) so that the District's facilities would remain adequate to meet the needs within its service area. While the Plan conducted a review of land use at "build out" of the study area, the focus of the Plan was to provide for the needs of the District's wastewater collection system and in the near future. The major facility improvements identified in the Plan are presented in **Table 2-2.**

Table 2-2 Recommended Master Plan Improvements

FY Period	Capital Improvement Project
2024-2027	Improvements to Existing Forcemains and Lift Stations
2025	Upsize Deficient Pipeline in Oildale
2033	CIP3 -New Trunk Line Between WWTP and Rudd Avenue/Kratzmeyer Road
2033	CIP4 – CIP 13 - Upsize Existing Pipelines
Ongoing	Remove and Replace Existing Pipelines (installed prior to 1960), Spot Repair of Existing Pipelines, and Rehabilitation of Existing Manholes on Outfall Sewer

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According to the Plan, improvements required to serve individual developments (collector sewers) or development areas (interceptor sewers) will be funded by the developers within the respective development areas. Preliminary sizing and locations of the interceptor sewers, along with potential locations of sewer pumping stations required for the interceptor sewers, were included as a part of the Plan.

The District has adopted standards that govern the design and construction of developer funded improvements and regularly revises and updates the standards so that they are in conformance with current codes and regulations. The District conducts ongoing routine maintenance operations and plans for the replacement of aging facilities.

The District has adopted a standard evaluation and rating system as described in Chapter 8 of its 2025 Sewer System Management Plan (SSMP) Update attached as **Appendix D**. Observations from visual inspections are noted and assigned a grade of 0 to 5 depending on the level of degradation. The higher grade indicates a greater level of degradation. Defects graded with a 5 are placed on a rehabilitation list typically for replacement or spot repair. Observations at lower grade levels are monitored and reviewed on future inspections.

Treatment Plant and Disposal Facilities:

The treatment capacity of the District's WWTP is 7.5 MGD and the permitted capacity is 7.5 MGD. Effluent from the WWTP is undisinfected secondary. Treated effluent is currently used for irrigation of feed and fodder crops. The permitted effluent disposal area covers 2,500 acres. Of this amount, 1,860 acres are owned by local farmer Sill Properties Inc. (Sill) and 640 acres are owned by NORSD. The effluent disposal areas are sufficient to dispose of flows up to 7.5 MGD. The average day flow to the treatment plant per the Plan is 5.8 MGD.

An expansion of the WWTP and disposal facilities to serve a treatment capacity of 12 MGD is currently in the design process and is planned to be under construction by the year 2028.

2.3.1 Determinations

- The NORSD completed a 2023 Master Sewer Plan Update (Plan) that evaluated the present and planned capacity of its wastewater collection facilities.
- The Plan included recommended facility upgrades, improvements, and timing (based on population growth rates) to meet the District's projected growth through the year 2033 and beyond.
- Developer funded improvements are subject to District review and approval for conformance to the Plan and NORSD standards.
- An expansion of the District's WWTP and disposal facilities to 12 MGD is currently in the design process and is planned to be under construction by the year 2028.
- The District conducts ongoing inspections and maintenance of its facilities in accordance with its adopted SSMP.

2.4 Financial Ability of Agency to Provide Services

The NORSD regularly assesses its financial needs and revenue sources. The District completed a Financial Plan, Sewer Service Charge and Capacity Fee Study in March 2023 that reviewed its rates and charges in relation to the recommended improvements identified in the 2023 Master Sewer Plan Update. The revised rates and charges proposed in these studies were adopted by District and will be in effect for the 2023-24 fiscal year and the following four fiscal years. The District conducts annual audits and prepares annual budgets for each fiscal year to reassess its financial needs and revenue sources on an annual basis.

The District's 2023 Rate Study and copies of financial audits and budget information from the past three fiscal years are included in **Appendix E**.

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2.4.1 Determinations

- The District conducts regular reviews of its financial needs and revenue sources through preparing annual budgets and conducting annual financial audits.

- A Financial Plan, Sewer Service Charge and Capacity Fee Study was completed in March 2023 in conjunction with its 2023 Master Sewer Plan Update.

- The District adopted revised rates and charges to fund the facility improvements recommended in the 2023 Master Sewer Plan Update which will be in effect for the 2023-24 fiscal year and the following four fiscal years.

2.5 Status of, and Opportunities for, Shared Facilities

The District has coordinated its services and operations with the wastewater service providers in the surrounding areas (see **Appendix A**). A Joint Powers Agreement (JPA) was executed in 1990, by NORSD, Kern County (County Service Area 71 [CSA-71]), and the City of Shafter which provided for the construction and operation of a shared trunk sewer pipeline and wastewater treatment plant (WWTP) referenced as "project facilities". Page 14 of the JPA states "*...NORSD shall administer, operate, and maintain the project facilities, and administer and supervise the construction and installation of the project facilities…*"

In 1991, the District constructed a trunk sewer to its proposed WWTP site five miles west of Enos Lane on 7th Standard Road. Under the JPA, the City of Shafter acquired 3 million gallons per day (MGD) of the average day capacity of this sewer between Shafter Avenue and the WWTP site. This was modified by a June 2004 agreement between NORSD and whereby the City of Shafter acquired ¼ of the capacity of the NORSD trunk sewer in 7th Standard Road from Shafter Avenue to Santa Fe Way.

In January 1998, the District and the City of Shafter entered into an agreement under which the City of Shafter purchased one-third of the "actual maximum capacity" of the WWTP (which was constructed several years later). In 2015, NORSD and City of Shafter executed a Cooperative Agreement which requires Shafter and NORSD to continue to coordinate and discuss the future needs of the Sewer Facilities under the JPA. Under this agreement Shafter owns one-third (or 2.5 MGD) of the increased WWTP capacity of 7.5 MGD.

In 2000, an agreement with the City of Bakersfield was executed which set forth the areas to be provided sewer service by the City of Bakersfield and NORSD. The District continues to meet with the City of Bakersfield and County of Kern to coordinate the limits of service area boundaries for the agencies. The District's proposed SOI update is in accordance with discussions between these agencies. Future opportunities for shared facilities exist and are anticipated to be evaluated through feasibility studies as development in the area occurs.

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2.5.1 Determinations

- The District administers and operates shared trunk sewer and WWTP facilities through a JPA and associated agreements with the City of Shafter and Kern County CSA 71.

- The City of Bakersfield, CSA-71, and the District through a 2004 agreement and subsequent discussions continue to coordinate wastewater services and service areas. NORSD's proposed SOI update is in accordance with discussions between these agencies.

- Future opportunities for shared facilities exist and are anticipated to be evaluated through feasibility studies as development in the area occurs.

2.6 Accountability, Governmental Structure and Operational Efficiencies

The NORSD was formed in 1940 under the Sanitary District Act of 1923, Health and Safety Code Section 6400, et seq. The District is governed by a five member board of directors that meets monthly. Directors are elected on an at large basis from within the District's boundaries. As a result, the District is directly accountable to its customers for providing wastewater services. The District maintains a website with links for various forms, documents, information on board members and meetings, public notices, and emergency information. The District has entered into agreements for coordinated operations and provides wastewater services to the City of Shafter, and portions of the City of Bakersfield and CSA-71.

2.6.1 Determinations

- The NORSD is accountable to its customers through regular public meetings of its elected board of directors.

- The District was established under the California Health and Safety Code.

- The District provides operational efficiency by coordinating with and providing wastewater services to the City of Shafter and portions of CSA-71 and the City of Bakersfield.

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Appendix A
Agreements between City of Shafter, Kern County, City of Bakersfield, and NORSD

AGENDA

Kern Agt. #071-90

JOINT EXERCISE OF POWERS AGREEMENT

BETWEEN

NORTH OF RIVER SANITARY DISTRICT NO. 1,

COUNTY OF KERN,

AND

CITY OF SHAFTER

PARTIES AND DATE

This Agreement is made this 6th day of February 1990 between the CITY OF SHAFTER, a municipal corporation (hereinafter referred to as "SHAFTER"), the NORTH OF RIVER SANITARY DISTRICT NO. 1, a special district of the State of California (hereinafter referred to as "NORSD"), and the County of Kern, a political subdivision of the State of California (hereinafter referred to as "COUNTY").

R E C I T A L S

WHEREAS, SHAFTER, NORSD, and COUNTY, are empowered to acquire, construct, operate and maintain sewerage systems that include, but are not limited to, sewer lines, sewage lift stations, wastewater treatment plants and treated wastewater effluent disposal areas; and

WHEREAS, COUNTY established County Service Area 71, also known as "CSA 71", to provide for the collection, treatment, and disposal of wastewater produced within its boundaries and the construction and maintenance of facilities therefor; and,

WHEREAS, it has been shown that a regional sewerage system, as hereinafter described, is needed to serve a portion of CSA 71; and

WHEREAS, NORSD has determined that it is in NORSD's best interest to relocate its wastewater treatment plant and disposal facilities from its present location to a site farther to the west and remote from present or planned development; and,

WHEREAS, SHAFTER has determined that its present wastewater treatment plant and disposal facilities need to be replaced in a new location remote from present and planned future development; and,

WHEREAS, under the provisions of California Government Code sections 6500 through 6583, and California Health and Safety Code sections 6512, 6515, 6520.3, and 6522, NORSD, COUNTY, and SHAFTER may join in a Joint Exercise of Powers Agreement, hereinafter referred to as "JPA" or "Agreement",

THEREFORE, NORSD, COUNTY, and SHAFTER have determined that it is in their best interest to enter into this JPA to plan, design, construct, operate and maintain sewerage improvements to meet sewer needs of all of the parties to this JPA.

SECTION 1: PROJECT FACILITIES:

The sewerage facilities, hereinafter referred to as "Project facility (ies)", covered by this JPA include trunk sewers, a wastewater treatment plant, and treated wastewater disposal facilities. The approximate alignments of the trunk sewers and the locations of the wastewater treatment plant and disposal areas are shown on Exhibit "A" attached hereto. The alignments and locations shown are preliminary and subject to change.

NORRIS/SEVENTH STANDARD SEWER:

The NORRIS/SEVENTH STANDARD SEWER will extend from NORSD's present wastewater treatment plant to the site of the wastewater treatment plant proposed herein. That portion of the NORRIS/SEVENTH STANDARD SEWER located west of Jenkins Road is part of the project facilities.

SHAFTER SEWER:

The SHAFTER SEWER will extend from Shafter's present wastewater treatment plant to a point of connection with the NORRIS/SEVENTH STANDARD SEWER. The SHAFTER SEWER is not part of the project facilities.

SECTION 2: PROJECT CONSTRUCTION PHASING:

It has been determined by each of the three parties to this agreement that the project facilities be constructed and placed into operation as quickly as possible. Due to financial limitations, it is the parties intent that the improvements be constructed in two or more phases. The goal for completion of construction of the NORRIS/SEVENTH STANDARD SEWER is January 1, 1991.

The wastewater treatment plant and disposal facilities may be constructed in one or more phases depending on the flows to be treated and the financing available. The goal for completion of construction of the first phase of the wastewater treatment plant is January 1, 2000.

If the first phase of the wastewater treatment plant is not constructed and operational by January 1, 2010, the COUNTY may request that NORSD return the amount of money which the COUNTY paid, for the construction of the NORRIS/SEVENTH STANDARD SEWER pursuant to this JPA, including but not limited to the initial $2,500,000

payment, plus the amount of interest that that money would have earned if it had been invested by the Kern County Treasurer. Upon such request, NORSD shall remit the amount requested to COUNTY.

If the first phase of the wastewater treatment plant is not constructed and operational by January 1, 2000, SHAFTER may request that NORSD return the amount of money which SHAFTER paid, for the construction of the NORRIS/SEVENTH STANDARD SEWER pursuant to this JPA, plus the amount of interest that that money would have earned if it had been invested by the Kern County Treasurer. Upon such request, NORSD shall remit the amount requested to SHAFTER.

SECTION 3: CAPACITY RIGHTS:

NORRIS/SEVENTH STANDARD SEWER:

Except as noted below, ownership of the NORRIS/SEVENTH STANDARD SEWER shall be vested solely in NORSD. Both SHAFTER and COUNTY shall have capacity rights in the NORRIS/SEVENTH STANDARD SEWER in the amounts indicated below. Those capacity rights are based on the total costs to be paid by SHAFTER and COUNTY for each "reach" of the NORRIS /SEVENTH STANDARD SEWER.

A "reach" is an identifiable portion of the sewer.

"Total Cost" shall include all costs associated with a reach, including, but not limited to, construction contract costs (including change orders), right-of-way costs, land costs, legal costs, administrative costs, financing costs (including interest), insurance costs and engineering costs.

"Capacity Right" is the share of the actual capacity of the sewer after the sewer is placed in service.

For the reach of the NORRIS/SEVENTH STANDARD SEWER from the SHAFTER sewer westerly, the capacity rights and total costs shall be allocated as follows:

NORSD = 1/2 (est. 6 mgd)

CSA 71 = 1/4 (est. 3 mgd)

SHAFTER = 1/4 (est. 3 mgd)

For the reach of the NORRIS/SEVENTH STANDARD SEWER from the SHAFTER SEWER easterly to Jenkins Road, the capacity rights and total costs shall be allocated as follows:

NORSD = 2/3 (est. 6 mgd)

CSA 71 = 1/3 (est. 3 mgd)

For the reach of the NORRIS/SEVENTH STANDARD SEWER easterly of Jenkins Road, the capacity rights and total costs shall be allocated entirely to NORSD.

SHAFTER SEWER:

The SHAFTER SEWER shall be owned solely by Shafter. The entire capacity of this sewer shall likewise be owned solely by Shafter.

WASTEWATER TREATMENT PLANT AND DISPOSAL FACILITIES:

The wastewater treatment plant and disposal facilities will be jointly owned by NORSD and Shafter. Ownership, and capacity in the facilities, shall be vested in NORSD and Shafter in direct proportion to the fraction of the total cost of the treatment and disposal facilities paid for by each. "Total Cost" shall include all costs associated with the wastewater treatment plant and disposal facilities, including, but not limited to, construction contract costs (including change orders), right-of-way costs, land costs, legal costs, administrative costs, financing costs (including interest), insurance costs and engineering costs. Capacity rights owned by NORSD and SHAFTER shall be based on the total actual capacity of the wastewater treatment plant and disposal facilities. As between NORSD and SHAFTER, the capacity rights for the wastewater treatment plant and disposal facilities which are used by or reserved for COUNTY shall be considered as being included in the ownership and capacity rights vested in NORSD.

COUNTY shall be permitted to use wastewater treatment plant capacity upon payment of a Connection Fee as each sewer user in CSA 71 is connected to the public sewer herein described. The connection fees

to be paid to NORSD shall be in the same amount as NORSD charges to equivalent sewer users in its own District for the purchase of capacity in the wastewater treatment plant and disposal facilities which are the subject of this JPA. The connection fees to be paid to NORSD for sewer users in CSA 71 shall not include any other amounts, including, but not limited to, the amount which NORSD charges for purchase of capacity in the sewer trunk or sewer collection system. It shall be the responsibility of NORSD to maintain adequate reserve capacity in the wastewater treatment plant for users in CSA 71. However, it shall be the responsibility of COUNTY to monitor and control the rate at which new sewer connections are made so as to allow NORSD adequate response time in which to expand the wastewater treatment plant capacity accordingly.

TRANSFER OF CAPACITY RIGHTS:

With respect to the NORRIS/SEVENTH STANDARD SEWER, the capacity rights of NORSD, Shafter, and COUNTY are as previously defined in this Section.

With respect to the treatment and disposal facilities, each party to this JPA will negotiate in good faith prior to initial design and construction as to what capacity it wishes to have.

It is probable that at sometime in the future one or more of the parties to this JPA may find that it (they) have excess capacity in the sewer, treatment plant, or disposal facility. In such an event, the party with the excess capacity may transfer its excess capacity, or capacities, to one of the other parties to this JPA provided the other party agrees to accept the transfer. Such transfer may be permanent or for a limited period of time.

SECTION 4: CONSTRUCTION OF WASTEWATER TREATMENT PLANT AND DISPOSAL FACILITIES:

NORSD or Shafter may construct or expand treatment plant and disposal facilities as they determine are necessary to meet their needs. Either party can expand the treatment plant and/or disposal facilities at no cost to the other. It is the intent of this JPA that any such construction be a cooperative, joint effort of NORSD and SHAFTER. However, it may occur that only one of the parties desires to construct or expand the facilities. In such a case, the non-participating party shall cooperate with the party proposing the construction. Construction of improvements shall be done in such a manner so as not to interfere with the safe and continuous operation of any existing facilities.

SECTION 5: TECHNICAL ADVISORY COMMITTEE:

Of the three Parties to this Joint Powers Agreement, NORSD shall be the lead agency and have responsibility and authority for operating and maintaining the NORRIS/SEVENTH STANDARD SEWER and the wastewater treatment and disposal facilities. To facilitate planning and design, and for later administration, there shall be formed, upon execution of this Agreement, a Technical Advisory Committee (TAC) consisting of at least one member from each Party to this Agreement. The NORSD representative will assume the chairmanship of the TAC and the SHAFTER representative will serve as secretary. The primary purpose of the TAC is to review, discuss and evaluate the ongoing impact of the Joint Powers Agreement on the respective parties and make recommendations to NORSD, and to the parties' respective governing bodies. Secondarily, the TAC shall assist NORSD in formulating and implementing such matters as sewer use ordinances, rate structures and future expansion of facilities. The chairman shall keep members informed of important project events and shall convene meetings when so requested by any of the Parties to this Agreement. The secretary shall keep minutes of the major discussion items for the TAC meetings and distribute those minutes to the Parties.

SECTION 6 - FINANCING CONSTRUCTION

The construction cost of the NORRIS/SEVENTH STANDARD SEWER, presently proposed to be in operation by January 1, 1991, is approximately $15 million. The County of Kern has allocated to CSA 71 the sum of

$2,500,000 for constructing the sewer. NORSD has on hand a like or greater sum to fund construction of the sewer. Shafter's share of the sewer is estimated to be $1,000,000. The remainder of NORSD's share required for construction of the sewer will be obtained by debt financing. NORSD will arrange for said debt financing used to implement the construction of the NORRIS/SEVENTH STANDARD SEWER. Within 30 days of the date of execution of this Agreement, COUNTY shall contribute $2,500,000 to NORSD as an initial payment toward CSA 71's share of the total cost of that portion of the sewer in which CSA 71 has capacity rights. If NORSD fails to obtain sufficient financing within three (3) years following the execution of the JPA to construct the NORRIS/Seventh STANDARD SEWER, NORSD shall upon the request of the County return the $2,500,000 initial payment to COUNTY plus the amount of interest the $2,500,000 would have earned if it had been invested by the Kern County Treasurer.

After the commencement of the construction of the NORRIS/SEVENTH STANDARD SEWER, COUNTY shall pay NORSD COUNTY'S share of the total costs of the sewer as allocated pursuant to Section 3 of this JPA less the sum of the $2,500,000 initial payment plus the amount of interest the $2,500,000 would have earned if it had been invested by the Kern County Treasurer. COUNTY shall pay this difference over a period of time, not to exceed ten (10) years, as provided below for "advanced fund". COUNTY, in its sole discretion, can at any time prepay the amount due without penalty.

COUNTY has appropriated the initial payment of $2,500,000 noted above for the construction of the NORRIS/SEVENTH STANDARD SEWER. Prior to paying any of COUNTY'S other financial obligations under this JPA, the Board of Supervisors of County must appropriate sufficient funds to meet those obligations. Accordingly, notwithstanding any other term or condition of this JPA, if the Board of Supervisors of COUNTY fails to appropriate sufficient funds to meet any of its financial obligations under this JPA, COUNTY shall not be obligated to meet those obligations and shall not pay any penalties or incur any liability or expense as a result of the Board of Supervisor's failure to appropriate sufficient funds. However, shall the Board of Supervisors not appropriate sufficient funds to reimburse NORSD for services provided under the terms of this agreement, NORSD reserves the right to discontinue services not paid for.

The treatment plant and disposal facilities shall be built as required and as financing becomes available. As with the NORRIS/SEVENTH STANDARD SEWER, NORSD may arrange for any debt financing used to fund construction of the treatment plant and disposal facilities. However, Shafter, at its election, may fund its share of any portion of these facilities through methods separate from NORSD and/or COUNTY.

It is anticipated that construction of a significant portion of the project facilities will be funded with monies received from the sale of NORSD's present treatment plant and disposal site. NORSD's

present site will be finally totally disposed of after the proposed wastewater treatment plant and disposal facilities specified herein become available to treat and dispose NORSD's wastewater flows.

The cost of abandonment of NORSD's present facilities, or any expense related to the NORSD's presently owned property, shall be borne solely by NORSD. Any income or revenue from the sale of NORSD's property shall be considered solely the income or revenue of NORSD although such income or revenue may be used, at the sole discretion of NORSD, to fund construction of the project facilities described herein.

If funds from one party to this JPA are used to fund the construction or operation and maintenance of facilities that benefit one or both of the other parties to this agreement, then such "advanced funds" shall be repaid by the benefiting party, or parties, to the party advancing the "advanced funds". The total repaid shall include the cost of the funds borrowed or otherwise advanced.

When funds are advanced from cash on hand, the amount repaid shall be equal to the principal sum advanced plus the interest that would have been earned had the funds been allowed to accumulate in an interest bearing account. The interest rates that would have been earned had the funds been invested with the Kern County Treasurer will be used to calculate the amount of interest due the advancing party.

SECTION 7 - NORSD TO ACT AS OPERATING ENTITY

NORSD shall administer, operate and maintain the project facilities, and administer and supervise the construction and installation of the project facilities, subject to the terms and conditions of this JPA, NORSD expressly accepts responsibility and liability for any operation or maintenance task necessary to maintain the project facilities in an operational condition. NORSD shall perform all of its obligations under this JPA in a reasonable, competent, and diligent manner and shall comply with all laws and regulations pertaining to the project facilities.

NORSD shall prepare preliminary and final JPA budgets for the year following execution of this agreement and every year thereafter for review by the three Parties to this agreement. The preliminary budget shall be submitted to Shafter and COUNTY no later than the 1st day of February prior to the fiscal year and the proposed final budget shall be submitted no later than three weeks prior to the start of budget hearings of any of the three Parties. Included in the budget submissions shall be estimates of O&M and capital charges to each Party. Where Equivalent Single Family Dwellings (ESFD), or other such factors, are used as a basis for charges, the current ESFD for each Party shall be included in the budget submissions. Any party to this agreement with objections to the final budget may seek resolution of the disagreement pursuant to the arbitration conditions of this agreement.

NORSD shall have the authority and the right to meet budgeted O&M expenses without further approval or concurrence by COUNTY or SHAFTER. NORSD agrees to abide by financial policies and procedures generally applicable to sanitary districts of similar size and operation.

For purposes of this agreement, "Year" shall be defined as a fiscal year beginning on the 1st day of July.

In the event of an emergency requiring immediate action to rectify a condition endangering the public health and safety, or damage to the project facilities, NORSD may incur unbudgeted expenses on behalf of the three parties to this JPA. In the event of such an emergency, reasonable effort will be made to obtain the approval of the TAC committee members prior to taking action. NORSD's spending authority in an emergency shall be limited to $25,000 per incident unless approved otherwise by the participants' governing bodies, except where the Health and Safety Code or Government Code of the State of California allow or require some other limit.

Quarterly, at the start of each quarter of each fiscal year, NORSD shall present a billing to each Party for one-fourth (1/4) of each respective Party's share of the annual budget. Said billing may be paid monthly, due the 1st of each month. Upon receipt of the audit for a given fiscal year, NORSD shall reconcile payments made as

compared to actual expenditures and shall make whatever added billing or credit is indicated by the reconciliation. Such payments to NORSD shall be made within 45 days of the billing by NORSD if paid quarterly or 20 days if paid monthly. Payments made thereafter or reimbursement of disputed payments under this agreement shall include interest payments at the rate of 8 percent per annum for the period of late payment or dispute. Upon notification in writing to NORSD of a dispute concerning the amount of payment by a party hereto, scheduled payments shall be made to NORSD pending settlement of the dispute.

NORSD agrees to indemnify and to hold COUNTY and SHAFTER and their agents, officers, directors, servants, employees and each of them, harmless from and against all liability or claims for loss or damage to property to whomever belonging or injury to or death of any person proximately caused in whole or in part by any negligence of NORSD or its agents, officers, directors, servants or employees, and each of them, in connection with the rights and duties granted in this agreement to NORSD or in connection with the operation and or maintenance of NORSD's separate sewerage systems.

COUNTY agrees to indemnify and to hold NORSD and SHAFTER and their agents, officers, directors, servants, employees and each of them, harmless from and against all liability or claims for loss or damage to property to whomever belonging or injury to or death of any person

proximately caused in whole or in part by any negligence of COUNTY or its agents, officers, directors, servants or employees, and each of them, in connection with the rights and duties granted in this agreement to COUNTY or in connection with operation and or maintenance of COUNTY's separate sewerage systems.

SHAFTER agrees to indemnify and to hold COUNTY and NORSD and their agents, officers, directors, servants, employees and each of them, harmless from and against all liability or claims for loss or damage to property to whomever belonging or injury to or death of any person proximately caused in whole or in part by any negligence of SHAFTER or its agents, officers, directors, servants or employees, and each of them, in connection with the rights and duties granted in this agreement to SHAFTER or in connection with operation and or maintenance of SHAFTER's separate sewerage systems.

NORSD shall maintain sufficient insurance against loss or damage to the project facilities as is customarily maintained with respect to such facilities in the State of California. In addition, NORSD shall maintain sufficient workers' compensation and public liability insurance as is customarily maintained with respect to such facilities in the State of California. Said public liability insurance shall name COUNTY and SHAFTER and their respective officers, officials and employees as additional named insureds and shall insure NORSD for its contractual obligations under this JPA.

All insurance under this JPA shall be underwritten by responsible insurers authorized to do business in the State of California.

No party to this agreement or any officer or employee thereof, shall be responsible for any damage or liability by reasons of anything done or omitted to be done by another party to this agreement, or any officer or employee thereof, in connection with any work, authority or jurisdiction delegated to another party under this agreement.

SECTION 8 - OPERATION AND MAINTENANCE COST ALLOCATION

The O&M costs will be allocated to NORSD, COUNTY, and SHAFTER annually on the following basis for each separate and identifiable facility, ie., sewer, treatment plant and disposal facilities.

FIXED COSTS - fixed costs are those costs not directly related to flow including, but not limited to:

1. Liability and property insurance
2. Repairs to project facilities
3. Replacement

It is probable that some part, or parts, of the project facilities will begin operation part way through a calendar year. In such an instance, an estimate will be made as to the "startup" date of the new facility and the "fixed costs" for the new facility allocated to

the entities (NORSD, COUNTY, or SHAFTER) that will own capacity in the new facility. The calculation will be based on the fraction of the calendar year the new facility will be in operation and the estimated "fixed costs" for that fraction of the fiscal year the new facility will be in operation.

Fixed costs shall be allocated to each party based on their capacity rights in each of the facilities.

With respect to the fixed costs for the NORRIS/SEVENTH STANDARD SEWER which are not specifically related to a particular "reach" (e.g. liability and property insurance and cost of annual audits), such fixed costs shall be allocated to each "reach" identified in Section 3 of this JPA based on the length of each "reach". The parties will bear the fixed costs for each "reach" based on the allocated capacity rights defined in Section 3 of this JPA.

VARIABLE COSTS - Variable costs are those directly related to flow including, but not limited to:

1. Power for operations (variable component)
2. Chemicals
3. Labor

Variable costs shall be allocated to each party based on their prorata share of the solids-weighted flow conveyed, treated, or disposed of, as applicable, by each of the several project facilities. Testing of each parties' flow shall be done to determine the percentage of solids to be disposed of and charged accordingly.

To facilitate O&M variable cost allocation among NORSD, COUNTY, and SHAFTER, there shall be three flow meters installed at any or all of the following locations (see Exhibit A):

1. At Jenkins Road on the NORRIS/SEVENTH STANDARD SEWER (Meter No. 1);
2. In the Shafter Sewer where it connects to the NORRIS/SEVENTH STANDARD SEWER (Meter No. 2);
3. At the headworks to the proposed wastewater treatment plant (Meter No. 3).

The flows upon which the O&M costs shall be allocated to NORSD, COUNTY, and SHAFTER shall be calculated as follows:

1. NORSD - the flow measured by Meter No. 1;
2. SHAFTER - the flow measured by Meter No. 2;
3. CSA 71 - the flow measured by Meter No. 3 less the sum of the flows measured by Meter Nos. 1 and 2. However, COUNTY shall have the option of submitting actual flow measurements

of CSA 71 flow for use by the TAC to calculate flow distribution.

It is the intent of the parties that the O&M costs be allocated based on the actual flows generated by the respective parties.

The total O&M cost to be paid by each party to this JPA shall be the sum of the fixed and variable O&M costs.

SECTION 9 - FINANCIAL ACCOUNTING

NORSD, as the "operating entity" (refer to Section 7), shall establish separate accounts for capital and O&M costs associated with the project facilities. The accounts and procedures followed in administering the accounts shall conform to the recommendations of the State of California's UNIFORM SYSTEM OF ACCOUNTS FOR WASTE DISPOSAL DISTRICTS.

Within six months after the end of NORSD's fiscal year, the financial accounts referred to in the preceding paragraph shall be audited by an accounting firm independent of and acceptable to each of the three parties to this JPA. The audit shall establish whether or not expenses and revenues have been properly allocated to each party and shall cover both capital expenditures, if any, and O&M costs. The

audit shall be submitted to the governing bodies of NORSD, COUNTY, and SHAFTER for acceptance and filing.

The cost of the annual audits shall be allocated amongst NORSD, COUNTY and SHAFTER as a "fixed cost" as described in Section 8.

SECTION 10 - TRANSFER OF RIGHTS AND RESPONSIBILITIES

Any party to this JPA may assign its rights and delegate its duties to another political entity. Such assignment and delegation shall be "in toto" only and the political entity to which the transfer is made shall be bound by this JPA in its entirety including any amendments thereto, and all policies, ordinances, rules, and regulations applicable to the facilities covered under this JPA. Where, because of annexation, only a portion of the service area of a Party herein is transferred to another political entity, that other political entity shall not thereupon become a Party to this JPA but, rather, shall achieve representation through the original political entity that is a signatory to this agreement.

SECTION 11 - SEWER USE MODEL ORDINANCE

The TAC shall develop a Sewer Use Model Ordinance, hereinafter called ORDINANCE, for adoption by each party's "governing body". Following approval by the governing bodies of NORSD, COUNTY, and SHAFTER, of separate sewer ordinances which meet or exceed the requirements of

the ORDINANCE, the conditions within the ORDINANCE shall be applied to all dischargers whose wastewater flows into the project facilities. The ORDINANCE shall establish acceptable discharge standards and appropriate surcharges for the commercial/industrial users and any other items as are customarily included in such ordinances.

After adoption, the ORDINANCE may only be modified with unanimous consent of the parties to this JPA.

SECTION 12 - NON-PROJECT FACILITIES

NORSD, COUNTY, and SHAFTER shall each separately operate and maintain their sewerage facilities which connect to but are not a part of the PROJECT FACILITIES. However, this requirement shall not prevent by separate agreement one or more of the parties to this JPA from contracting for maintenance and operation of their separate facilities.

SECTION 13 - LIQUIDATION, EXPANSION, AND REPLACEMENT OF PROJECT FACILITIES:

If any portion of the PROJECT FACILITIES is sold, the revenues from such sale shall be distributed to the parties to this JPA in proportion to each Party's share of the capacity of the facility

sold. For purposes of this Section, COUNTY shall be considered to have a share of capacity and capacity rights in the facility for any such capacity for which COUNTY has paid through direct payment, connection fees or other means.

If PROJECT FACILITIES are expanded, the capital cost of such expansion shall be borne by the entities which will own capacity in the expansion in proportion to each entities' capacity rights in the expansion.

If any PROJECT FACILITY is replaced or bettered, the capital cost of such replacement or betterment shall be borne by the parties to this JPA in proportion to each entities' capacity right in the facility replaced or bettered. The residual value of the replaced or bettered facility to each entity shall be mutually agreed to and proportionately applied to the capital cost of said replacement or betterment. Residual value shall include but not be limited to the remaining useful life of said facility.

SECTION 14 - DEPRECIATION OF PROJECT FACILITIES

Depreciation of fixed assets is a recognized and legitimate O&M expense and shall be included in the preparation of the annual O&M budget. However, because of the varying requirements of the Parties, depreciation and any construction reserve fund shall be the responsibility of each individual Party and not of the JPA.

SECTION 15 - SETTLEMENT OF DISAGREEMENTS:

Any disagreements resulting from this agreement shall be submitted to nonbinding advisory arbitration pursuant to the rules of the American Arbitration Association.

SECTION 16 - SEVERABILITY:

If any section, subsection, sentence, clause, phrase or word of this agreement, or the application thereof, to any party, or to any other person or circumstance, is for any reason held invalid, it shall be deemed severable and the validity of the remainder of the agreement or the application of such provision to the other party, parties, or to any other persons or circumstance shall not be affected thereby. Each Party hereby declares that it would have entered into this agreement and each section, subsection, sentence, clause, phrase and work thereof irrespective of the fact that one or more section, subsection, sentence, clause, phrase or word, or the application

thereof to either or several Parties or any other person or circumstance be, is or was held invalid.

SECTION 17 - AMENDMENTS AND SUPPLEMENTS:

This contract is an integrated agreement containing the entire agreement between these contracting parties. This agreement may only be modified, amended, rescinded, terminated, or supplemented by a duly executed written agreement which is authorized by the governing bodies of the respective Parties hereto.

This JPA shall continue in effect until it is rescinded or terminated by the parties hereto.

SECTION 18 - NOTICES:

Any notices to be given by either party to the other may be effected either by personal delivery in writing to the addresses noted below or by mail, registered or certified, postage pre-paid with return receipt requested, to the addresses noted below. Each party may change addresses only by written notice in accordance with this section. Notices delivered personally shall be deemed communicated as of the day of actual receipt; mailed notices shall be deemed communicated as of the day of mailing.

NORSD:	5001 Olive Dr.	SHAFTER:	320 James	COUNTY:	2700 M Suit 500
	Bakersfield		Shafter		Bakersfield
	93308		93263		93301

SECTION 19 - ATTORNEYS FEES AND COSTS:

IF any action at law or in equity is necessary to enforce or interpret the terms of this agreement, or if the arbitration provisions of this agreement noted above are invoked, the prevailing party shall be entitled to reasonable attorneys fees, costs, and necessary disbursements in addition to any other relief to which that party may be entitled. This provision shall be construed as applicable to this entire agreement.

SECTION 20 - PARTIAL INVALIDITY:

If any provision of this agreement is held by a court of competent jurisdiction or by an arbitrator to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way. This agreement shall be interpreted according to the laws of the State of California.

IN WITNESS THEREOF, the parties to this JPA have executed this agreement on _____, 1990.

CITY OF SHAFTER:

APPROVED AS TO FORM:

By John Brown S/S

City Attorney

APPROVED AS TO CONTENT:

By _____
John D. Guinn
Public Works Director

By _____
Cathy L. Prout
Mayor

COUNTY OF KERN:

APPROVED AS TO FORM:

By _____

Deputy-County Counsel

APPROVED AS TO CONTENT:

By _____

Director of Public Works

By _____

Chairman Board of Supervisors

NORTH OF RIVER SANITARY DISTRICT:

APPROVED AS TO FORM:

By _____

District's Attorney

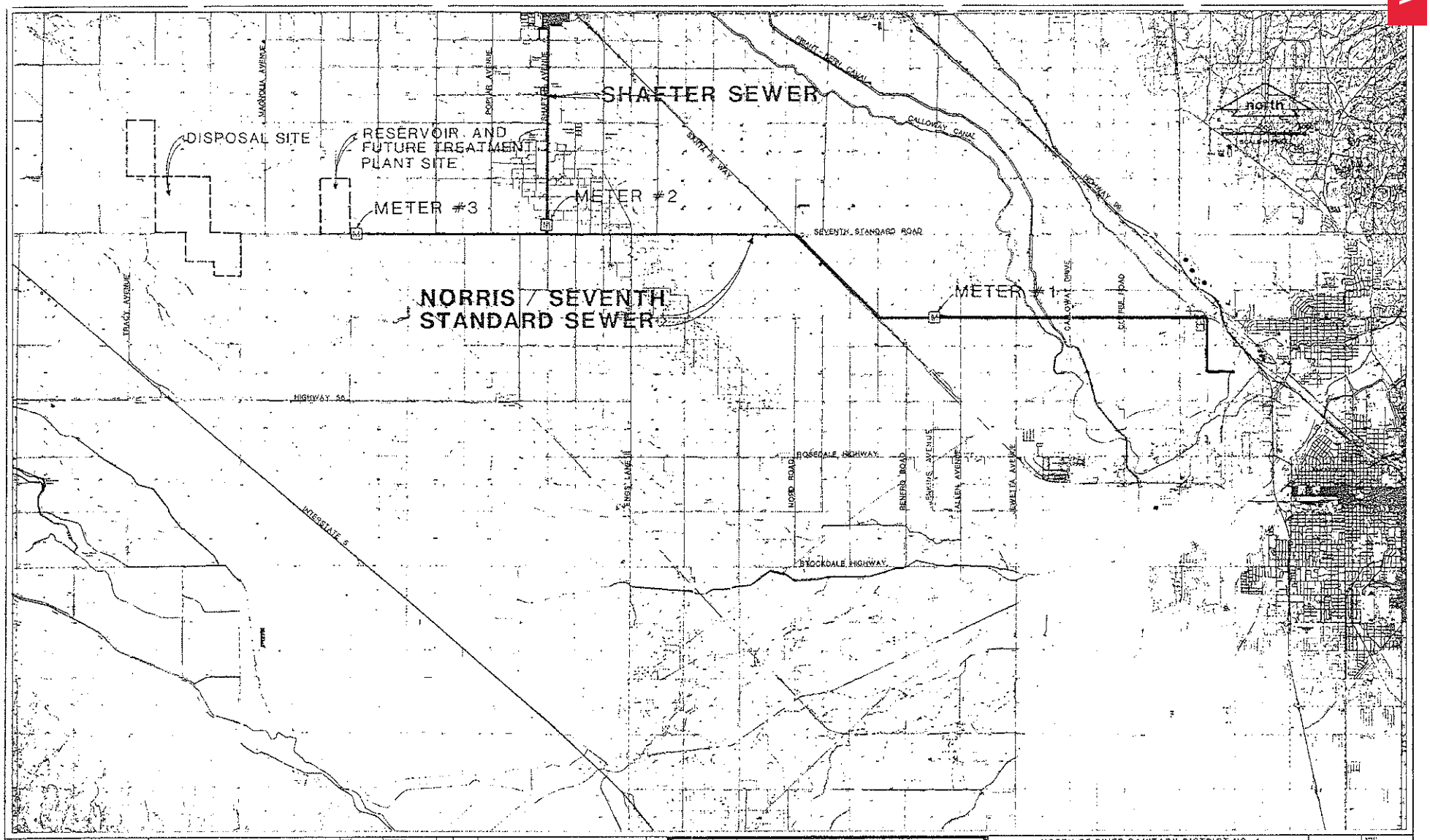
APPROVED AS TO CONTENT:

By _____

General Manager

By _____

President



Aquilo Engineering Corporation

NORTH OF RIVER SANITARY DISTRICT NO. 1

EXHIBIT "A" TO JPA BETWEEN NORSD, CSA-71, & SHAFTER

EFTLP

AGREEMENT OF UNDERSTANDING AS TO OBLIGATION TO MAKE PAYMENT

THIS AGREEMENT OF UNDERSTANDING AS TO OBLIGATION TO MAKE PAYMENT (the "Agreement") is entered into this 26th day of January, 1998 by and between North of River Sanitary District, No. 1 (the "NORSD") and the City of Shafter ("Shafter").

RECITALS

A. On or about February 6, 1990, NORSD, Shafter and the County of Kern entered into a joint Powers Agreement (the "JPA") to address the planning, design construction. operation and maintenance of a regional sewer system (the "Sewer System).

B. The Sewer System embodied within the JPA included, among other components, provision for the design, construction, operation and maintenance of a water treatment plant (the "Plant") to be built on designated property jointly owned by NORSD and Shafter.

C. Pursuant to Section 3 of the JPA, ownership of the Plant and the right to use a designated interest in the Plant's capacity is to be allocated among NORSD and Shafter based upon the fractional share which each entity pays for the planning, design, construction, operation and maintenance of the Sewer System.

D. NORSD and Shafter now wish to memorialize their agreed-upon allocation of costs for the construction of the Plant.

NOW, THEREFORE, Incorporating Herein By Reference The Foregoing Recitals, the Parties Agree as Follows:

1. Allocation of the Cost of the Plant.

A. The construction cost of the Plant is to be funded through: (i) a loan (the "Loan") from the State Revolving Fund ("SRF") maintained by the California State Department of Water Resources (the "State"); and (ii) other funds to be provided by NORSD and Shafter in order to fund all costs not funded by the Loan. NORSD and Shafter agree that the actual cost of the Plant is unknown at this time. Costs necessary to facilitate construction of the Plant have been budgeted according to various tasks. Certain tasks have been completed and those costs are known at this time. Other tasks remain to be completed and are estimated at this time. The following table indicates all tasks necessary to facilitate construction of the Plant as well as either the actual cost or estimated cost for each task:

Incidental Expenses	Amount
Planning (Actual Cost)	$276,141.00
Design (Actual Cost)	$544,056.00
Construction /Plant Start-Up (Estimated Cost	$1,028,049.00
Administration (Actual + Estimated Cost)	$101,412.00
Subtotal - Incidental Expenses	$1,949,658.00
Construction Contract Bid Amount	**$11,379,500.00**
TOTAL ESTIMATED COST ELIGIBLE FOR SRF FUNDING	**$13,329,158.00**

Planning and design costs are actual costs incurred for those services, and subject only to final audit. Construction/Plant Start-Up costs are engineering, testing and Plant start-up cost estimates with actual costs not known until the construction and start-up of the Plant are completed. Administration cost is previously incurred actual administrative costs plus anticipated administrative costs to be incurred during construction and start-up of the Plant. The above table represents only those actual and estimated costs which are eligible for SRF funding. NORSD and Shafter agree the final amount funded by the SRF may be more or less than what is indicated, depending upon actual construction costs and final approval by the State.

B. NORSD and Shafter anticipate that the terms of the Loan will be for a period of twenty (20) years, and that the loan will require total annual payments of approximately $876,465.00 ("Total Annual Payment"). Pursuant to the terms of this Agreement, Shafter hereby agrees to pay NORSD an annual payment equal to the lesser of: (I) 33.33% of the Total Annual Payments, or (ii) $285,000.00 ("Shafter's Allocable Share"). Any remaining balance must be paid by NORSD.

C. Shafter's percentage ownership in the Plant and the Plant's capacity shall be equal to the ratio which Shafter's Allocable Share represents of the Total Annual Payments required to be made under the terms of the Loan. To illustrate, should the actual Total Annual Payments be $876,465.00, Shafter's percentage ownership in the Plant would be 32.52%. Shafter would then have a capacity right to 32.52% of the actual maximum capacity of the Plant. Nothing herein shall preclude Shafter, with prior written notice to NORSD as indicated below, from making annual payments greater than $285,000.00, in order to assure a 33.33% percent ownership of the Plant and a 33.33% right in the Plant's capacity. Shafter shall be required to notify NORSD of Shafter's desire to pay more than $285,000.00 annually in order to secure up to a 33.33% ownership of the Plant and a 33.33% right in the Plant's capacity prior to NORSD making the first payment under the Loan. NORSD shall notify Shafter at least thirty (30) days in advance of the date on which it will make the

first payment under the loan. In the event NORSD does not provide such notice to Shafter, Shafter shall have thirty (30) days from the date of such actual notice to indicate its intent to NORSD.

D. NORSD and Shafter agree that the actual maximum capacity of the plant is not known at this time. Capacity rights owned by NORSD and Shafter shall be based on the total actual capacity of the Plant which may be more or less than design capacity. Ownership, and capacity in the Plant, shall be vested in NORSD and Shafter in direct proportion to the fraction that their total actual annual payments represent to the Total Annual Payments.

E. NORSD and Shafter acknowledge that change orders to construction contracts funded by the Loan are not eligible for future funding from the SRF. NORSD and Shafter agree to pay their proportionate share of change order costs, if any, based on and in direct proportion to the fraction of the Total Annual Payments paid for by each. The parties hereto acknowledge that the Total Annual Payments will not be known until Plant construction and start-up are completed. As an estimate of Shafter's proportionate share of authorized change orders, Shafter agrees to pay to NORSD 32.52% of all change orders approved by Shafter from the date a Notice to Proceed is issued to the first contractor until the date a Notice of Completion is recorded in the Office of the County for the Plant's construction. Shafter shall not be required to pay any portion of a change order issued to a contractor which was not previously approved by the City Manager of Shafter. The maximum aggregate of Shafter's share of all change orders shall not exceed a total sum of $300,000.00. Shafter agrees to pay NORSD the estimated 32.52% share of approved change order costs within 30 days of receipt of the invoice from NORSD for each such change order. NORSD agrees not to invoice Shafter for change orders until such time as NORSD is required to pay the contractor. NORSD shall attach a copy of the contractor's pay request containing the approved change order, with all necessary approvals indicated thereon, to the invoice requesting payment from Shafter. $111,469.00 of the amount of the construction bid of $11,379,500 has been deemed ineligible for SRF funding. Both parties agree that the $111,469.00 will be treated for purposes of cost sharing as a Shafter approved change order. Shafter's share will be approximately $36,249.00 as per the example stated herein.

F. Upon completion of construction and start-up, a final financial audit of costs and change orders shall be conducted to the satisfaction of both NORSD and Shafter. The audit shall be conducted by a person mutually agreeable to both parties. Within 30 days of determining the actual Total Annual Payment, a final reconciliation of Shafter's share of change orders shall be made. Based on said reconciliation and financial audit, Shafter agrees to promptly pay NORSD any underpayment which may have occurred as the result of the above-mentioned 32.52% share of estimated change order paid by Shafter, subject to the maximum aggregate sum in paragraph E. NORSD agrees to promptly reimburse Shafter any overpayment which may have occurred as the result of the above-mentioned 32.52% share of estimated change orders paid by Shafer. Any dispute regarding any potential underpayment or overpayment, or the audit itself, shall be settled pursuant to terms and conditions mutually agreeable to both parties.

G. Within 10 days prior to the date on which the annual Loan payment to the State is due, Shafter shall pay NORSD the full amount of Shafter's Allocable Share of the Total Annual Payment. Unless otherwise advised, in writing, by NORSD, the annual payment will be

assumed to be payable on January 1 of each year commencing in the year 2000. Shafter shall not be required to begin making annual Loan payments prior to January 1, 2000.

2. Failure to Make Payment. In the event Shafter fails to pay Shafter's Allocable Share of the Total Annual Payment due on the Loan or Shafter's Allocable share of any cost for construction of the Plant not funded through the Loan, Shafter agrees to reimburse NORSD the full amount of such payment, together with interest, calculated on a daily basis, in an amount equal to the amount of interest which is then being paid by the Kern County Treasurer for funds then being invested. The same reimbursement and interest obligation shall apply to any payment owed by NORSD to Shafter pursuant to the terms of this Agreement.

3. Pledge of Net Revenues.

A. Pledge. Shafter hereby agrees that the payments it is obligated to make under this Agreement ("Obligated Payments") shall be secured by a pledge, charge and lien upon the Net Revenues, as defined herein. The Obligated Payments shall be, and hereby are, secured by a pledge, charge and first and prior lien upon the Net Revenues, and all of the Net Revenues are hereby pledged, charged, assigned, transferred and set over by Shafter to NORSD and its assignee for the purpose of securing such Obligated Payments, and the Net Revenues and any interest earned on the Net Revenues shall constitute a trust fund for the security and payment of such Obligated Payments. Shafter further agrees that none of the Net Revenues shall be transferred or paid into its general fund unless and until the then required Obligated Payments, or payments on any Parity Debt which may be authorized in the future on the Net Revenues, have been made. Shafter hereby further covenants that it will not further encumber or create a lien on Net Revenues superior to the pledge of the Net Revenues created hereunder or take any other action to impair NORSD's right to the Net Revenue pledged herein.

B. Net Revenues. As used herein, "Net Revenues" means Gross Revenues, as defined below, less Operation and Maintenance Expenses.

C. Gross Revenues. As used herein, "Gross Revenues" means all income, rents, rates, fees, charges and other moneys derived by Shafter from the ownership or operation of the Sewer System, as defined below, including, without limiting the generality of the foregoing, (i) all income, rents, rates, fees, charges, or other moneys derived from the furnishing and supplying of sewer and other related services, facilities, and commodities sold or furnished or supplied through facilities of the Sewer System, (ii) the earnings on and income derived from the investment of such income, rents, rates, fees, charges or other moneys to the extent that the use of such earnings and income is limited by or pursuant to law to the Sewer System, and (iii) the proceeds derived by Shafter directly or indirectly from the sale, lease or other disposition of a part of the Sewer System; provided that the term "Gross Revenues" shall not include customers' deposits or any other deposits subject to refund until such deposits have become the property of Shafter.

D. Operation and Maintenance Expenses. As used herein, "Operation and Maintenance Expenses" means all expenses and costs of management, operation, maintenance and

repair of the Sewer System, and all incidental costs, fees and expenses properly chargeable to the Sewer System (but excluding debt service or other similar payments on Parity Debt, as defined below, or other obligations and depreciation and obsolescence charges or reserves therefor and amortization of intangibles and interfund transfers or other bookkeeping entries of similar nature).

E. Parity Debt. As used herein, "Parity Debt" means indebtedness or other obligations (including leases and installment sale agreements) issued or incurred by Shafter and secured by a pledge of and lien on Net Revenues equally and ratably with the Obligated Payments under this Agreement.

F. Sewer System. As used herein, "Sewer System" means all properties and assets, real and personal, tangible and intangible, of Shafter now or hereafter existing, used or pertaining to the collection, storage, transmission, treatment and delivery and sale of sewage, including all additions, extensions, expansions, improvements and betterments thereto, and equipping thereof, provided, however, that to the extent Shafter is not the sole owner of an asset or property, only Shafter's ownership interest in such asset or property shall be considered a part of its Sewer System.

4. Allocation of Operation and Maintenance Costs of the Plant. Operation and maintenance costs will be prorated to each party based on flow into the plant as described in the JPA. Likewise, any revenue realized from the sale of treated wastewater for use as agricultural irrigation water, for example, will also be prorated to each party's benefit based on flow into the plant.

5. Modifications; Successors and Assigns. This Agreement may be amended or modified only by a writing signed by both parties. This Agreement shall be binding on the successors and assigns of the parties.

6. Further Cooperation. Each of the parties hereto shall perform any and all lawful acts which are reasonably necessary to accomplish the purposes of this Agreement.

7. Attorneys' Fees and Other Expenses. If either party commences an action against the other party, either legal, administrative or otherwise, arising out of or in connection with this Agreement, the prevailing party in such action shall be entitled to have and recover from the losing party reasonable attorney's fees and all other costs of such action.

8. Entire Agreement. This Agreement constitutes the final written expression of all of the terms and provisions of the agreement between the parties, and is a complete and exclusive statement of those terms. Any and all oral or written representations, promises, warranties or statements by any of the parties or their agents which differ in any way from the terms and provisions of this Agreement shall be given no force or effect whatsoever.

9. Governing Law. This Agreement shall be governed by and construed in accordance with both Federal and California State laws. Waste Discharge Requirements issued by the State RWQCB includes provisions regarding hazardous or toxic wastes, limits on BOD

(Biochemical Oxygen Demand), SS (Suspended Solids), and EC (Electrical Conductance). There are also regulations concerning such things as heavy metal concentrations allowable in sludge that apply to the proposed plant. Therefore, it is agreed that each party represents and warrants that their respective wastewater qualities do not and will not exceed the State and Federal regulations as stated and referred to herein. And further, it is agreed that each party represents and warrants a BOD not to exceed 300 parts per million and a SS not to exceed 300 parts per million. That entity failing to comply with any such law regarding waste discharge or with the limitation contained herein, shall be responsible for any and all damages caused by or resulting from such violation. This warranty shall be in effect until both parties adopt those portions of an ordinance now being drafted for NORSD that discuss the allowable limits of certain constituents on wastewater discharged to public sewers that convey wastewater to the proposed Plant from residential, commercial, and industrial dischargers.

10. Accounting Records. NORSD Shall maintain complete and accurate records with respect to all costs and expenses incurred under this Agreement. All such records shall be clearly identifiable. NORSD shall allow a representative of Shafter during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. NORSD shall allow inspection of all work, data, documents, proceedings, and activities related to the agreement for a period of three (3) years from the date of final payment under this Agreement.

11. Invalidity: Severability. If any portion of this Agreement is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

12. Insurance and Indemnification. NORSD shall require all contractors performing work on the Plant to maintain commercial general liability, business automobile liability, workers' compensation and builders'/all risk insurance to insure against damages to persons or property which may arise from or in connection with the construction of the Plant as contained in the plans and specifications previously reviewed by SHAFTER dated December 1991 revised February 1996. NORSD shall require all such contractors to name Shafter, its officials, officer, employees and agents as additional insured on their commercial general liability and business automobile liability policies. Finally, NORSD shall require all contractors performing work on the Plant to defend, indemnity and hold harmless Shafter its officials, officers, employees and agents to the same extent and under the same conditions as such contractors do for NORSD.

DATED: February 3, 1998

NORTH OF RIVER SANITARY DISTRICT NO. 1 ("NORSD")

By: _____

Its: President

Attest: By: _____

Its. Manager

Dated: Jan 29, 1998

CITY OF SHAFTER ("Shafter")

By: _____

Its: City Manager

Attest: By: _____

Its. City Clerk

AGREEMENT NO. 00-11

SEWER SERVICE BOUNDARY AGREEMENT BETWEEN THE CITY OF BAKERSFIELD AND NORTH OF THE RIVER SANITARY DISTRICT NO. 1

THIS AGREEMENT is made and entered into on JAN 12 2000, by and between the **CITY OF BAKERSFIELD**, a Charter city and municipal corporation, ("CITY" herein) and **NORTH OF THE RIVER SANITARY DISTRICT NO. 1**, a special district in the County of Kern, State of California, ("NOR" herein).

RECITALS

WHEREAS, both CITY and NOR are empowered to acquire, construct, operate, and maintain sewerage systems that include, but are not limited to, sewer lines, sewer lift stations, wastewater treatment plants and treated wastewater effluent disposal facilities; and

WHEREAS, CITY and NOR believe it would benefit both to establish a mutually agreed upon sewer service boundary understanding so both CITY and NOR can effectively plan for facilities required in their respective sewer service areas; and

NOW, THEREFORE, incorporating the foregoing recitals herein, CITY and NOR mutually agree as follows:

1. **SEWER SERVICE AREA.** CITY and NOR agree to the following sewer service area principles:

1.1 If the property is annexed to NOR, such areas within NOR shall be served by NOR;

1.2 If property is served by County through NOR and is annexed to CITY, such areas that are currently in the County which are being served by NOR would remain under NOR's jurisdiction and receive service from NOR after annexation;

1.3 Undeveloped property the County intends to serve through NOR, shown on Exhibit "A" as "proposed NOR Service Area Boundary", shall continue to be served by NOR should the City annex that property, and said property shall be required to be concurrently annexed to NOR. Undeveloped property within the "City Service Area"

as shown on Exhibit "A" shall be served by the City.

1.4 NOR will collect connection fees, line charges, and service charges placed on the county tax rolls from NOR's service area as shown on Exhibit "A". City will collect connection fees, line charges, and service charges placed on the county tax rolls from City's service area as shown on Exhibit "A".

2. MAINTENANCE AND ROADS. Should NOR provide sewer service to an annexed area, NOR shall be solely responsible for all maintenance and repair of the sewer, sewer lines, wastewater treatment facilities and all materials and equipment related thereto. Should NOR excavate in CITY streets or rights-of-way in repairing or maintaining the above-listed facilities, *then the restoration of the street, right-of-way, or any damaged CITY-owned facility resulting from NOR's activities shall be repaired by NOR to the satisfaction of the City Engineer or, if not repaired by NOR, then repaired by CITY and billed to NOR. In restoring the street, right-of-way or other CITY facility, NOR shall use a contractor licensed in the State of California, with the appropriate speciality.* The CITY Engineer shall determine the level of restoration or repair required under this Agreement. NOR shall not be required to pay for any damage or repair unrelated to their activities. NOR shall indemnify and defend the CITY against all suits brought by third parties as a result of NOR's excavation activities as set forth in the indemnity provisions of this Agreement.

3. SYSTEMS STAND ALONE. CITY and NOR will provide sewerage service by maintaining completely separate systems. If CITY serves a local area, the sewerage shall be delivered to CITY for treatment. The same will apply to NOR.

4. LEVEL OF SERVICE. NOR agrees all sewer systems installed for CITY residents will meet or exceed CITY specifications. NOR agrees the level of service given to CITY residents will meet or exceed commonly accepted engineering standards. Where it is probable that areas will annex into the CITY, NOR agrees all sewers shall be installed to CITY specifications at a minimum, provided NOR has the jurisdiction to do so.

5. FAILURE OF SEWER. Should an NOR installed sewer line fail within the corporate boundaries of the CITY of Bakersfield for reasons related to or growing out of the installation or operation of said sewer line by NOR or its employees, agents, or independent contractors, NOR shall take immediate steps to repair and/or replace the same at the sole cost and expense of NOR. All roads and road surfaces, rights-of-way and CITY property damage shall be *repaired by NOR to the satisfaction of the City Engineer, or shall be* repaired by CITY and charged to NOR. CITY and NOR shall coordinate repair operations. Should CITY or its employees, agents, or independent contractors, damage NOR's sewer lines, facilities or property, CITY shall immediately repair, and/or replace same *to the satisfaction of NOR* at the sole cost and expense of CITY*, and if not repaired by CITY, then repaired by NOR and billed to CITY .*

6. **ACCEPTANCE OF WORK OR SERVICES**. The acceptance of work or services, or payment for work or services, by CITY shall not constitute a waiver of any provisions of this Agreement.

7. **ASSIGNMENT**. Neither this Agreement, nor any interest in it, may be assigned or transferred by any party without the prior written consent of all the parties. Any such assignment will be subject to such terms and conditions as CITY may choose to impose. CITY shall not unreasonably withhold its consent.

8. **BINDING EFFECT**. The rights and obligations of this Agreement shall inure to the benefit of, and be binding upon, the parties to the Agreement and their heirs, administrators, executors, personal representatives, successors and assigns.

9. **CITY INSURANCE**. CITY represents it is self-insured and will, throughout the term of the this Agreement, maintain its insurance program. CITY warrants that, at all times during the term of this Agreement, it shall have and maintain workers' compensation insurance in compliance with the Labor Code of the State of California.

10. **COMPLIANCE WITH ALL LAWS**. NOR and CITY shall, at their respective sole costs, comply with all of the requirements of Municipal, State, and Federal authorities now in force, or which may hereafter be in force, pertaining to this Agreement, and shall faithfully observe in all activities relating to or growing out of this Agreement all Municipal ordinances and State and Federal statutes, rules or regulations, and permitting requirements now in force or which may hereafter be in force.

11. **AUTHORITY**. Each individual signing this Agreement on behalf of entities represent and warrant that they are, respectively, duly authorized to sign on behalf of the entities and to bind the entities fully to each and all of the obligations set forth in this Agreement.

12. **EXECUTION**. This Agreement is effective upon execution. It is the product of negotiation and all parties are equally responsible for authorship of this Agreement. Section 1654 of the California Civil Code shall not apply to the interpretation of this Agreement.

13. **EXHIBITS**. In the event of a conflict between the terms, conditions or specifications set forth in this Agreement and those in exhibits attached hereto, the terms, conditions, or specifications set forth in this Agreement shall prevail. All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement, whether or not actually attached.

14. **FORUM**. Any lawsuit pertaining to any matter arising under, or growing out of, this Agreement shall be instituted in Kern County, California.

15. **FURTHER ASSURANCES.** Each party shall execute and deliver such papers, documents, and instruments, and perform such acts as are necessary or appropriate, to implement the terms of this Agreement and the intent of the parties to this Agreement.

16. **INSURANCE.** In addition to any other insurance or bond required under this Agreement, NOR shall procure and maintain for the duration of this Agreement the following types and limits of insurance ("basic insurance requirements" herein):

16.1 **Automobile liability insurance,** providing coverage on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than One Million Dollars ($1,000,000) per occurrence; and the policy shall:

16.1.1 Provide coverage for owned, non-owned and hired autos.

16.1.2 Contain an additional insured endorsement in favor of the CITY, its mayor, council, officers, agents and employees.

16.2 **Broad form commercial general liability insurance,** ISO form CG00 01 11 85 or 88 providing coverage on an occurrence basis for bodily injury, including death, of one or more persons, property damage and personal injury, with limits of not less than One Million Dollars ($1,000,000) per occurrence; and the policy shall:

16.2.1 Provide contractual liability coverage for the terms of this Agreement.

16.2.2 Contain an additional insured endorsement in favor of the CITY, its mayor, council, officers, agents, employees and designated volunteers.

16.3 **Workers' compensation insurance** with statutory limits and employer's liability insurance with limits of not less than One Million Dollars ($1,000,000) per occurrence; and the policy shall contain a waiver of subrogation endorsement in favor of the CITY, its mayor, council, officers, agents, employees and designated volunteers.

All policies required of NOR shall be primary insurance as to the CITY, its mayor, council, officers, agents, employees, or designated volunteers and any insurance or self-insurance

maintained by the CITY, its mayor, council, officers, agents, employees, and designated volunteers shall be excess of NOR's insurance and shall not contribute with it. Additional insured endorsement shall use ISO form CG20 10 11 85 (in no event with an edition date later than 1990).

Insurance is to be placed with insurers with a Bests' rating of no less than A:VII. Any deductibles, self-insured retentions or insurance in lesser amounts, or lack of certain types of insurance otherwise required by this Agreement, or insurance rated below Bests' A:VII, must be declared prior to execution of this Agreement and approved by the CITY in writing.

All policies shall contain an endorsement providing the CITY with thirty (30) days written notice of cancellation or material change in policy language or terms. All policies shall provide that there shall be continuing liability thereon, notwithstanding any recovery on any policy.

The insurance required hereunder shall be maintained for the duration of this Agreement.

NOR shall furnish the City Risk Manager with a certificate of insurance and required endorsements evidencing the insurance required. The CITY may withdraw its offer of contract or cancel this contract if certificates of insurance and endorsements required have not been provided prior to the execution of this Agreement.

Full compensation for all premiums which NOR is required to pay on all the insurance described herein shall be considered as included in the prices paid for the various items of work to be performed under the Agreement, and no additional allowance will be made therefor or for additional premiums which may be required by extensions of the policies of insurance.

It is further understood and agreed by NOR that its liability to the CITY shall not in any way be limited to or affected by the amount of insurance obtained and carried by NOR in connection with this Agreement.

Unless otherwise approved by the CITY, if any part of the work under this Agreement is subcontracted, the "basic insurance requirements" set forth above shall be provided by, or on behalf of, all subcontractors even if the CITY has approved lesser insurance requirements for NOR.

17. JOINT LIMITATION ON LIABILITIES AND INDEMNIFICATION.

17.1 Neither party shall be liable to the other party for any loss, damage, liability, claim or cause of action for damage to or destruction of property or for injury to or death of persons arising solely from any act or omission of the other party's officers, agents or employees.

17.2 CITY and NOR agree to indemnify and hold each other harmless from any and all claims, demands, liabilities, losses or causes of action which arise by virtue of its own acts or omissions (either directly or through or by its agents, officers, or employees) to such extent and in such part as the respective parties are found by reason of law to have proximately caused the injury or damage.

17.3 The party against whom any claim arising from any subject matter of this Agreement is filed shall give prompt notice of the filing of the claim to the other party.

18. MERGER AND MODIFICATION. All prior agreements between the parties are incorporated in this Agreement which constitutes the entire agreement. Its terms are intended by the parties as a final expression of their agreement with respect to such terms as are included herein and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend this Agreement constitutes the complete and exclusive statement of its terms and no extrinsic evidence whatsoever may be introduced in any judicial or arbitration proceeding involving this Agreement. This Agreement may be modified only in a writing approved by the CITY Council and NOR and signed by all the parties.

19. NEGATION OF PARTNERSHIP. CITY and NOR shall not become or be deemed partners or joint venturers with one another or associate in any such relationship with one another by reason of the provisions of this Agreement. NOR shall not for any purpose be considered an agent, officer or employee of CITY, and CITY shall not for any purpose be considered an agent, officer or employee of NOR.

20. NO WAIVER OF DEFAULT. The failure of any party to enforce against another a provision of this Agreement shall not constitute a waiver of that party's right to enforce such a provision at a later time, and shall not serve to vary the terms of this Agreement.

21. NON-INTEREST. No officer or employee of the CITY shall hold any interest in this Agreement (California Government Code section 1090).

22. NOTICES. All notices relative to this Agreement shall be given in writing and shall be personally served or sent by certified or registered mail and be effective upon actual personal service or depositing in the United States mail. The parties shall be addressed as follows, or at any other address designated by notice:

CITY: CITY OF BAKERSFIELD
City Hall
1501 Truxtun Avenue
Bakersfield, California, 93301

NOR: NORTH OF THE RIVER
SANITARY DISTRICT NO. 1
5001 Olive Drive
Bakersfield, California 93308

23. TIME OF EFFECTIVENESS. Unless otherwise provided, this Agreement shall take effect when all of the following events have occurred:

23.1 This Agreement has been signed on behalf of NOR by the person(s) authorized to bind NOR hereto;

23.2 This Agreement has been approved by the CITY's Council;

23.3 This Agreement has been signed by the appropriate CITY Department;

23.4 The Office of the CITY Attorney has signed;

23.5 The Office of the City Finance Director has signed; and

23.6 This Agreement has been signed on behalf of the CITY by the Mayor or Vice-Mayor.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, the day and year first-above written.

"CITY"

CITY OF BAKERSFIELD

By:_____
BOB PRICE, Mayor

"NOR"

NORTH OF THE RIVER SANITARY DISTRICT NO. 1

By:_____
President of the Board

APPROVED AS TO CONTENT:
PUBLIC WORKS DEPARTMENT

By:_____
RAUL ROJAS
Public Works Director

By:_____
Manager

More Signatures on Following Page

APPROVED AS TO FORM:
BART J. THILTGEN
City Attorney

By: Alan Dale Daniel
ALAN D. DANIEL
Deputy City Attorney

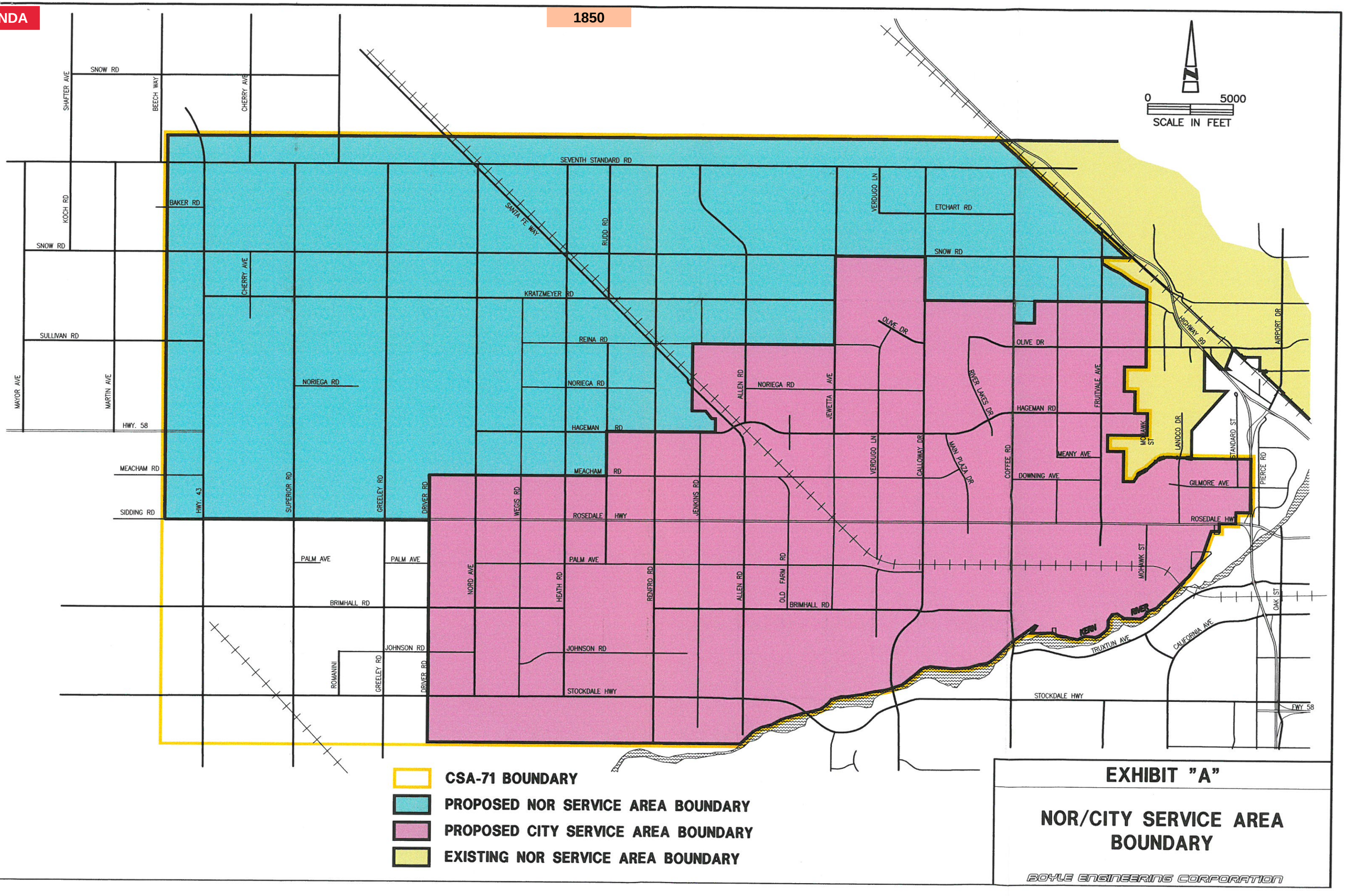
By:
Attorney for North of the River
Sanitary District No. 1

COUNTERSIGNED:

By:
GREGORY J. KLIMKO
Finance Director

AGENDA

1850



CSA-71 BOUNDARY

PROPOSED NOR SERVICE AREA BOUNDARY

PROPOSED CITY SERVICE AREA BOUNDARY

EXISTING NOR SERVICE AREA BOUNDARY

EXHIBIT "A"

NOR/CITY SERVICE AREA BOUNDARY

BOYLE ENGINEERING CORPORATION

DWG: s:\norsd\n0100198\d1695-2 User: dghilarducci Job #: BKN0100199
Time: 12-06-99 1:35:59 PM XRef Files:

PIPELINE CAPACITY AND METER AGREEMENT

This Agreement is made this 28th day of June, 2004 between the CITY OF SHAFTER, a municipal corporation (hereinafter referred to as "SHAFTER", and NORTH OF RIVER SANITARY DISTRICT NO. 1, a special district of the State of California (hereinafter referred to as "NORSD").

RECITALS

WHEREAS, SHAFTER and NORSD are owners of certain sewage treatment plant and collection facilities as described by a Joint Powers Agreement ("JPA") dated February 6, 1990, and

WHEREAS, the JPA outlines NORSD and SHAFTER'S share of costs related to the NORSD outfall sewer pipeline located along 7th Standard Road west of Shafter Avenue (SHAFTER REACH), and

WHEREAS, SHAFTER'S cost for the SHAFTER REACH is ¼ the total cost and has a capacity estimated at 3,000,000 gallons, and

WHEREAS, the JPA requires SHAFTER to meter their flows at the SHAFTER REACH in order to determine SHAFTER'S portion of flow to the treatment facilities, and

WHEREAS, SHAFTER is desirous of utilizing an additional 4.5 miles of sewer pipeline located along 7th Standard Road east of and connecting to the SHAFTER REACH between Santa Fe Way and Shafter Avenue ("SANTE FE REACH") in which SHAFTER has no capacity, and

WHEREAS , SHAFTER is desirous of participating in the Co-Gen currently being installed at the treatment plant, and

WHEREAS, NORSD has installed an upgrade to the raw sewage pumps at the treatment plant. SHAFTER'S cost of said upgrade is 1/3 of the cost per the JPA.

THEREFORE, SHAFTER and NORSD agree as follows:

1. SHAFTER shall participate in the costs of the SANTE FE REACH by making semi annual payments to NORSD as shown on "EXHIBIT A" and attached hereto and made a part hereof.
2. SHAFTER'S allocable share for the participation on the cost of the SANTA FE REACH shall be added to SHAFTER'S existing pipeline debt service payments currently made to NORSD due April 15 and October 15 of each year.
3. SHAFTER shall install a meter to record the flows for the SANTE FE REACH in accordance with NORSD approval. The meter shall be connected to the SCADA system at the treatment plant. The meter shall be installed

prior to any additional flows into the SANTE FE REACH other than the ITT facility.

4. SHAFTER shall participate in the Co-Gen Plant and raw sewage pump upgrade as shown on EXHIBIT "A" attached hereto and made a part hereof.

5. SHAFTER'S allocable share for participation in the cost of the upgrade to the raw sewage pumps at the treatment plant is shown on EXHIBIT "A" attached hereto and made a part hereof.

City of Shafter, a municipal corporation,

By _____

ATTEST: _____

North of River Sanitary District,
a corporation of the State of California

By _____

ATTEST: _____

prior to any additional flows into the SANTE FE REACH other than the ITT facility.

4. SHAFTER shall participate in the Co-Gen Plant and raw sewage pump upgrade as shown on EXHIBIT "A" attached hereto and made a part hereof.

5. SHAFTER'S allocable share for participation in the cost of the upgrade to the raw sewage pumps at the treatment plant is shown on EXHIBIT "A" attached hereto and made a part hereof.

City of Shafter, a municipal corporation,

By _____

ATTEST: _____

North of River Sanitary District,
a corporation of the State of California

By _____

ATTEST: _____

EXHIBIT "A"

	Total	Pipe Capacity: 1/4- 3 million gal/day Shafter's Share
Pipe Capacity- SANTA FE REACH: 3 million gal/day	$2,939,345.00	$734,836.25
Co-Gen- 1/3 (Includes Rrebate)	$392,324.00	$130,774.67
Raw Sewage Pump Upgrade- 1/3	$301,834.69	$100,611.56
Total	**$3,633,503.69**	**$966,222.48**
Interest		4%
Period- Years		20
Annual Payment		($71,096.34)
Semi Annual Payment		**($35,548.17)**

Payments Due: April 15 and October 15
First Payment Due: April 15,2004

NORTH OF THE RIVER SANTA FE REACH
CITY PORTION

Loan Amount	$966,222.48
Interest	4.00%
Term	20 years
Payment	$35,048.00

Pmt #	Payment Date	Repayment Amount	Interest Amount	Principal Amount	Balance Due
	06/28/04				$966,222.48
1	10/15/04	$35,048.00	$11,541.73	$23,506.27	942,716.21
2	04/15/05	35,048.00	18,802.67	16,245.33	926,470.87
3	10/15/05	35,048.00	18,580.18	16,467.82	910,003.06
4	04/15/06	35,048.00	18,150.20	16,897.80	893,105.26
5	10/15/06	35,048.00	17,911.04	17,136.96	875,968.30
6	04/15/07	35,048.00	17,471.37	17,576.63	858,391.67
7	10/15/07	35,048.00	17,214.87	17,833.13	840,558.53
8	04/15/08	35,048.00	16,857.23	18,190.77	822,367.76
9	10/15/08	35,048.00	16,492.42	18,555.58	803,812.18
10	04/15/09	35,048.00	16,032.20	19,015.80	784,796.38
11	10/15/09	35,048.00	15,738.93	19,309.07	765,487.31
12	04/15/10	35,048.00	15,267.80	19,780.20	745,707.11
13	10/15/10	35,048.00	14,955.00	20,093.00	725,614.11
14	04/15/11	35,048.00	14,472.52	20,575.48	705,038.64
15	10/15/11	35,048.00	14,139.40	20,908.60	684,130.04
16	04/15/12	35,048.00	13,720.09	21,327.91	662,802.13
17	10/15/12	35,048.00	13,292.36	21,755.64	641,046.49
18	04/15/13	35,048.00	12,785.80	22,262.20	618,784.29
19	10/15/13	35,048.00	12,409.59	22,638.41	596,145.88
20	04/15/14	35,048.00	11,890.25	23,157.75	572,988.14
21	10/15/14	35,048.00	11,491.16	23,556.84	549,431.30
22	04/15/15	35,048.00	10,958.52	24,089.48	525,341.82
23	10/15/15	35,048.00	10,535.62	24,512.38	500,829.44
24	04/15/16	35,048.00	10,044.03	25,003.97	475,825.47
25	10/15/16	35,048.00	9,542.58	25,505.42	450,320.05
26	04/15/17	35,048.00	8,981.73	26,066.27	424,253.78
27	10/15/17	35,048.00	8,508.32	26,539.68	397,714.10
28	04/15/18	35,048.00	7,932.49	27,115.51	370,598.59
29	10/15/18	35,048.00	7,432.28	27,615.72	342,982.87
30	04/15/19	35,048.00	6,840.86	28,207.14	314,775.73
31	10/15/19	35,048.00	6,312.76	28,735.24	286,040.49
32	04/15/20	35,048.00	5,736.48	29,311.52	256,728.98
33	10/15/20	35,048.00	5,148.65	29,899.35	226,829.62
34	04/15/21	35,048.00	4,524.16	30,523.84	196,305.79
35	10/15/21	35,048.00	3,936.87	31,111.13	165,194.66
36	04/15/22	35,048.00	3,294.84	31,753.16	133,441.50
37	10/15/22	35,048.00	2,676.14	32,371.86	101,069.64
38	04/15/23	35,048.00	2,015.85	33,032.15	68,037.50
39	10/15/23	35,048.00	1,364.48	33,683.52	34,353.98
40	04/15/24	35,042.94	688.96	34,353.98	0.00

	TOTAL	SHAFTER'S SHARE
PIPE CAPACITY	$2,939,345.00	$734,836.25
CO-GEN 1/3 (INCLUDES REBATE)	392,324.00	130,774.67
RAW SEWAGE PUMP UPGRADE - 1/3	301,834.69	100,611.56
TOTAL	$3,633,503.69	$966,222.48

Percentage
25.00%
33.00%
33.00%

COOPERATIVE AGREEMENT BETWEEN THE CITY OF SHAFTER AND NORTH OF RIVER SANITARY DISTRICT REGARDING SEWER CAPACITY

This COOPERATIVE AGREEMENT ("Agreement") by and between CITY OF SHAFTER, a municipal corporation ("SHAFTER") and NORTH OF RIVER SANITARY DISTRICT NO. 1, a special district of the State of California ("NORSD") is made and entered into as of the 17th day of March, 2015 ("Effective Date"). SHAFTER and NORSD are sometimes individually referred to as "Party" and collectively as "Parties."

1. RECITALS

1.1 WHEREAS, SHAFTER and NORSD are owners of a sewage treatment plant and sewage collection facilities ("Sewer Facilities") as described in a Joint Powers Agreement ("JPA") dated February 6, 1990; and

1.2 WHEREAS, the JPA outlines NORSD's and SHAFTER's designated sewer capacity in each of the Sewer Facilities and their share of costs related to improvements to the Sewer Facilities; and

1.3 WHEREAS, in October 2006, NORSD installed a ferric chloride chemical feeding system to the Sewer Facilities and, in January 2008, installed a polymer feed system. NORSD has also made other historical improvements to the Sewer Facilities for which NORSD and SHAFTER must pay their proportionate share of the cost as provided under the JPA. NORSD has incurred a total cost of seven million, ninety nine thousand, nine hundred twenty one dollars and seventy cents ($7,099,921.70) for these improvements (collectively "Improvements") as of the Effective Date and has delivered to SHAFTER an invoice with supporting documentation for payment of SHAFTER's share of the costs for the Improvements in the amount of two million, three hundred forty two thousand, nine hundred seventy four dollars and sixteen cents ($2,342,974.16); and

1.4 WHEREAS, the Improvements increased the total sewer capacity for the sewage treatment plant from 5.5 to 7.5 million gallons per day ("MGD"), which is allocated under the JPA as follows: one-third (1/3 or 2.5 MGD) to SHAFTER and two-thirds (2/3 or 5 MGD) to NORSD; and

1.5 WHEREAS, SHAFTER currently utilizes approximately 1.3 MGD and NORSD utilizes 4.2 MGD of the sewage treatment plant capacity; and

1.6 WHEREAS, on August 13, 2009, the Central Valley Regional Water Quality Control Board adopted a new Waste Discharge Requirements Permit ("WDR Permit") for the sewage treatment plant through Order No. R5-2009-0088, recognizing the newly increased capacity; and

1.7 WHEREAS, at present, SHAFTER does not have adequate sewer collection facilities to serve certain new residential developments and NORSD may not have adequate sewage treatment plant capacity sufficient to handle the anticipated growth in its service area beyond five (5) years; and

1.8 WHEREAS, although the Parties have considered a number of expensive solutions to manage this situation they have agreed in principle to cooperate and share costs, in accordance with the JPA, to line the ponds at the sewer treatment plant, if ultimately required by the State, as an interim solution to defer the cost of new plant construction and to allow the Parties to build reserves, better utilize their existing assets, and reduce eventual financing costs; and

1.9 WHEREAS, SHAFTER now desires to pay NORSD its share of the costs for the installation of the Improvements and to lease a portion of NORSD's excess sewer collection capacity for

its residential developments. SHAFTER will permit NORSD to utilize SHAFTER's excess sewer treatment capacity. No new master sewer plan or associated fee study is expected to be required as a result of this Agreement; and

1.10 WHEREAS, the JPA authorizes the Parties to enter into this Agreement. The parties to the JPA met on December 15, 2014 for a Technical Advisory Committee meeting to discuss this Agreement, at which time the County of Kern expressed no opposition to this Agreement.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants hereinafter contained and for good and valuable consideration, the receipt of which is hereby acknowledged, the Parties agree as follows:

2. TERMS OF AGREEMENT

2.1 Incorporation of Recitals. The Parties hereby affirm the facts set forth in the Recitals above. Said Recitals are incorporated into this Agreement by this reference.

2.2 Improvements. SHAFTER shall participate in the costs of the Improvements, and all current and future improvements to the Sewer Facilities, according to its one-third (1/3) share as provided under the JPA. In exchange, SHAFTER shall be allocated its full one-third (1/3) share in the additional sewer treatment plant capacity as provided under the JPA. The new sewer treatment plant capacity is estimated at 7.5 MGD. As a result, SHAFTER shall possess rights to 2.5 MGD and NORSD shall possess rights to 5.0 MGD of the capacity of the sewer treatment plant. The purpose of this section 2.2 is to confirm the Parties' understanding of the JPA rather than create any new or different obligation or interpretation under the JPA.

2.2.1 SHAFTER acknowledges receipt of NORSD's invoice in the amount of two million, three hundred forty two thousand, nine hundred seventy four dollars and sixteen cents dollars ($2,342,974.16), and a record of all direct costs associated with that invoice, constituting SHAFTER's one-third (1/3) share of the cost of the Improvements incurred by NORSD prior to the Effective Date. Payment of this sum by SHAFTER to NORSD does not relieve SHAFTER of its ongoing obligation under the JPA to participate in the improvement costs for the Sewer Facilities. The purpose of this payment is to bring current SHAFTER's obligation to pay (and NORSD's obligation to invoice) its proportionate share of the improvement costs for the Sewer Facilities as required under the JPA. The JPA will continue to govern SHAFTER's obligation to participate in those costs arising after the Effective Date.

2.2.2 SHAFTER shall pay said invoice in full within thirty (30) days following the Effective Date.

2.3 WDR Permit. SHAFTER and NORSD will continue to work diligently and cooperatively under the JPA to ensure compliance with the WDR Permit for the sewage treatment plant, issued on August 13, 2009 by the Central Valley Regional Water Quality Control Board through Order No. R5-2009-0088. Particularly, the Parties will monitor the need to address possible nitrogen contamination closely, although presently it is understood that the treatment plant's discharge is not affecting surrounding nitrogen levels.

2.4 Sewer Collection Capacity.

2.4.1 NORSD shall lease to SHAFTER the right to utilize up to 0.5 MGD of NORSD's excess sewer collection capacity in the pipeline between the point of connection west of the BNSF railway at Santa Fe Way and 7th Standard Road and the new residential developments north of 7th Standard Road and east of the Calloway Canal. The rate for such lease shall be billed monthly and based

on the average daily flow over the prior month measured by a meter installed pursuant to Section 2.4.2 at a location to be mutually agreed upon by both Parties. The daily flow, measured in thousands of gallons, for each day of the month will be added together and divided by the total number of days in that month. The resulting average daily flow (in thousands of gallons) for that month will then be multiplied by thirty two cents ($0.32) ("Lease Fee") to determine the amount owed for that month beginning on the Effective Date of this Agreement. NORSD shall submit to SHAFTER a monthly invoice by the 15th of the month immediately following the month for which the average daily flow was calculated. SHAFTER shall then pay said invoice in full within thirty (30) days following its receipt of the invoice provided NORSD has provided information supporting the calculation of the average daily flow. Any amount not paid when due, shall bear interest at the maximum legal rate. Exhibit A, attached hereto and incorporated herein by reference, depicts the stretch of sewer line where SHAFTER may use NORSD's excess collection capacity.

2.4.1.1 Annual Adjustment to Lease Fee. The Lease Fee shall be adjusted on an annual basis on the anniversary date of this Agreement by the same percentage as the then most recent increase, if any, in NORSD's sewer service charge. The annual adjustment of Lease Fee shall be made through official notification letter from NORSD to the SHAFTER stating the new Lease Fee.

2.4.1.2 Responsibility for Operations and Maintenance. The Lease Fee is intended to cover NORSD's operations and maintenance costs for this stretch of pipeline. NORSD remains entirely responsible for the maintenance and operation of this stretch of pipeline and shall not seek any additional compensation or reimbursement from SHAFTER for this purpose. NORSD shall keep the pipeline in a state of good repair at all times and shall expeditiously resolve any problems with the pipeline at its sole cost and expense.

2.4.2 All pipelines south of 7th Standard Road will remain the property of NORSD. SHAFTER's use of pipelines south of 7th Standard Road shall be metered at SHAFTER's cost.

2.5 Sewage Treatment Plant Capacity. SHAFTER shall permit NORSD to utilize up to 0.8 MGD of SHAFTER's excess sewage treatment plant capacity in accordance with NORSD's needs at no cost to NORSD. NORSD will not acquire any ownership interest in the excess capacity by its use of SHAFTER's excess sewage treatment plant capacity. Should NORSD cease its use of any portion of SHAFTER's excess capacity at any time while this Agreement is in force, that excess capacity shall remain the property of SHAFTER.

2.6 Further Cooperation. SHAFTER and NORSD shall continue to coordinate and discuss the future needs of the Sewer Facilities under the JPA, and to assess and discuss the status of the borrowed capacity under this Agreement at least once in every twelve month period. Should the sewer treatment plant's average daily flows reach a combined 6.5 MGD, the Parties shall meet within forty-five (45) days to coordinate future plans for the sewer system. In addition, the Parties agree to meet within forty-five (45) days when the following occur : (1) SHAFTER has utilized 0.2 MGD of NORSD's excess sewer collection capacity in the pipeline south of 7th Standard Road; (2) SHAFTER has utilized 0.4 MGD of NORSD's excess sewer collection capacity in the pipeline south of 7th Standard Road; (3) NORSD has utilized 0.2 MGD of SHAFTER's excess sewer treatment plant capacity; (4) NORSD has utilized 0.4 MGD of SHAFTER's excess sewer treatment plant capacity; and (5) NORSD has utilized 0.6 MGD of SHAFTER's excess sewer treatment plant capacity.

2.7 Term and Termination. This Agreement shall remain in effect as written until January 1, 2027. This Agreement may be terminated sooner, in writing, by mutual agreement of all Parties hereto.

2.8 Party Representatives. SHAFTER hereby designates its Public Works Director, or his or her designee, to act as its representative for the performance of this Agreement ("SHAFTER's Representative"). SHAFTER's Representative shall have the power to act on behalf of SHAFTER for all

purposes under this Agreement. NORSD hereby designates its General Manager, or his or her designee, to act as its representative for the performance of this Agreement ("NORSD's Representative"). NORSD's Representative shall have full authority to represent and act on behalf of NORSD for all purposes under this Agreement.

2.9 Indemnification. SHAFTER and NORSD shall defend, indemnify and hold the other Party, its officials, officers, employees, authorized volunteers and agents free and harmless from any and all claims, demands, causes of action, costs, expenses, liability, loss, damage or injury of any kind, in law or equity, to property or persons, including wrongful death, to the extent arising out of or incident to any intentional or negligent acts, errors or omissions of the indemnifying Party, its officials, officers, employees, authorized volunteers or agents in the performance of any activity pursuant to this Agreement, including and without limitation the payment of all consequential damages and reasonable attorneys' fees, expert witness fees and other related costs and expenses of defense. The sole exception to the indemnifying Party's obligation to indemnify shall be for acts of negligence or willful misconduct of the indemnified Party, its officials, officers, employees, authorized volunteers or agents. This is a comparative negligence provision and each Party shall bear its own costs to the extent to which they are each negligent. The indemnifying Party shall defend, at its own cost, expense and risk, with counsel acceptable to the indemnifying Party, any and all such aforesaid suits, actions or other legal proceedings of every kind that may be brought or instituted against the indemnified Party, its officials, officers, employees, authorized volunteers and agents. The indemnifying Party shall pay and satisfy any judgment, award or decree that may be rendered against the indemnified Party, its officials, officers, employees, authorized volunteers and agents in any such suits, actions or other legal proceedings. Each Party's obligation to indemnify shall not be restricted to insurance proceeds, if any, received by SHAFTER or NORSD, their officials, officers, employees, authorized volunteers and agents.

3. MISCELLANEOUS TERMS

3.1 Amendment. This Agreement may be amended at any time by the mutual consent of the Parties by an instrument in writing signed by both Parties.

3.2 Disputes. In the event that any dispute between the Parties arises under this Agreement, the Parties shall first attempt to resolve such dispute at the management level. If the dispute is not resolved at this level within a mutually acceptable period of time (not to exceed 30 calendar days from the date written notice of such dispute is delivered by any Party), the Parties shall attempt to resolve the dispute at the senior management level. If this process and the involvement of senior management does not result in resolution of the dispute within 45 days from the date of referral to upper management, then the dispute shall be referred to and finally resolved through legal proceedings.

3.3 Construction; References; Captions. Since the Parties or their agents have participated fully in the preparation of this Agreement, the language of this Agreement shall be construed simply, according to its fair meaning, and not strictly for or against any Party. Any term referencing time, days or period for performance shall be deemed calendar days and not work days. The captions of the various articles and paragraphs are for convenience and ease of reference only, and do not define, limit, augment, or describe the scope, content, or intent of this Agreement.

3.4 Entire Agreement. This Agreement constitutes the entire and integrated agreement of SHAFTER and NORSD with respect to the subject matter hereof and supersedes any and all prior and contemporaneous oral or written negotiations, representations or agreements.

3.5 Notices, Demands and Communications Between the Parties.

Formal notices, demands and communications between SHAFTER and NORSD shall be deemed

sufficiently given if: (i) by commercial overnight delivery; (ii) by messenger service for immediate personal delivery; or (iii) by electronic transmittal, including electronic mail and/or fax transmissions, subject to written verification of receipt by the receiving party. Such written notices, demands and communications may be sent in the same manner to such other addresses as either Party may from time to time designate by written notice to the other Party.

All notices, demands and communications shall be sent, as follows:

TO SHAFTER:	TO NORSD:
City of Shafter Attn: City Manager 336 Pacific Avenue Shafter, CA 93263	North of River Sanitary District Attn: General Manager 204 Universe Avenue Bakersfield, CA 93308
Copy to:	Copy to:
Best Best & Krieger LLP Attn: City Attorney – City of Shafter 2855 E. Guasti Road, Suite 400 Ontario, CA 91764	Klein, DeNatale, Goldner, Cooper, Rosenlieb & Kimball, LLP Attn: General Counsel – NORSD 4550 California Avenue Second Floor. Bakersfield, CA 93309 P.O. Box 11172 Bakersfield, CA 93389-1172

Notices shall be deemed effective upon receipt or with respect to electronic transmission, upon receipt of written verification from the receiving Party.

3.6 Counterparts. This Agreement may be signed in counterparts, each of which shall constitute an original.

3.7 Attorneys' Fees. Except as otherwise expressly provided herein, each Party who files any action or brings any action or proceeding against the other arising from this Agreement, seeks resolution of disputes pursuant to this Agreement or is made a party to any action or proceeding brought by any other person or governmental entity, shall bear its own costs and fees.

3.8 Laws and Regulations. Each Party shall keep itself fully informed of and in compliance with all local, state and federal laws, rules and regulations in any manner affecting the performance of this Agreement, and shall give all notices required by law. Each Party shall be liable for all violations of such laws and regulations in connection with this Agreement. If either Party performs any of its obligations hereunder knowing that its actions are contrary to such laws, rules and regulations and without giving written notice to the other, the violating Party shall be solely responsible for all costs arising therefrom. The violating Party shall defend, indemnify and hold the other, its officials, directors, officers, employees and agents free and harmless, pursuant to the indemnification provisions of this Agreement, from any claim or liability arising out of any failure or alleged failure to comply with such laws, rules or regulations.

3.9 Approvals. Approvals required of SHAFTER or the NORSD, or any officers, agents or employees of either Party, shall not be unreasonably withheld and approval or disapproval shall be given within a reasonable time.

3.10 Further Actions and Instruments. Each of the Parties shall cooperate with and provide

reasonable assistance to the other to the extent contemplated hereunder in the performance of all obligations under this Agreement and the satisfaction of the conditions of this Agreement.

3.11 Third Party Beneficiaries. This Agreement and the performance of the Parties obligations hereunder are for the sole and exclusive benefit of SHAFTER and NORSD. No person or entity who or which is not a signatory to this Agreement shall be deemed to be benefited or intended to be benefited by any provision hereof, and no such person or entity shall acquire any rights or causes of action against either SHAFTER or NORSD hereunder as a result of a Party's performance or non-performance of its obligations under this Agreement.

3.12 Governing Law. This Agreement shall be governed by the laws of the State of California without regard to conflicts of laws principles. This Agreement shall be deemed to have been made in the County of Kern, California, regardless of the order of the signatures of the Parties affixed hereto. Any litigation or other legal proceedings which arise under or in connection with this Agreement shall be conducted in a federal or state court located within or for Kern County, California. The Parties consent to the personal jurisdiction and venue in federal or state court located within or for the County of Kern, California and hereby waive any defenses or objections thereto including defenses based on the doctrine of forum non conveniens.

3.13 Waiver. No delay or omission in the exercise of any right or remedy of a non-defaulting Party on any default shall impair such right or remedy or be construed as a waiver. Either Parties' consent or approval of any act by the other Party requiring its consent or approval shall not be deemed to waive or render unnecessary its consent to or approval of any subsequent act of the other Party. Any waiver by either Party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

3.14 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party. All warranties and promises to indemnify shall survive the termination, abandonment, or completion of this Agreement.

3.15 Legal Counsel. Each Party acknowledges that: (i) it has read this Agreement; (ii) it has had the opportunity to have this Agreement explained to it by legal counsel of its choice; (iii) it is aware of the content and legal effect of this Agreement; and (iv) it is not relying on any representations made by the other Party or any of the employees, agents, representatives, or attorneys of the other Party, except as expressly set forth in this Agreement.

3.16 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder.

3.17 Binding Effect. The terms of this Agreement shall inure to the benefit of, and shall be binding upon, each of the Parties and their respective successors and assigns.

3.18 Authorized Representatives. The person or persons executing this Agreement on behalf SHAFTER and NORSD, as applicable, warrants and represents that he/she has the authority to execute this Agreement on behalf of that Party and that he/she has the authority to bind that Party to the performance of

its obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the dates set forth below.

[SIGNATURES ON THE FOLLOWING PAGE]

SIGNATURE PAGE
TO
COOPERATIVE AGREEMENT BETWEEN THE CITY OF SHAFTER AND NORTH OF RIVER SANITARY DISTRICT REGARDING SEWER CAPACITY

SHAFTER
City of
Shafter

By: _____
Scott Hurlbert, City Manager

Dated: 3-19-2015

NORSD
North of River Sanitary District

By: _____
LaRue Griffin, General Manager

Dated: 3/26/15

APPROVED AS TO LEGAL FORM:

BEST BEST & KRIEGER LLP

By: _____
Stephen P. Deitsch, City Attorney

APPROVED AS TO LEGAL FORM:

By: _____
General Counsel

ATTEST:

By: _____
Christine Wilson, City Clerk

ATTEST:

By: _____
District Secretary

EXHIBIT A
MAP OF SEWER COLLECTION LINE

AGENDA

1850

EXPRESS AVE

ZACHARY AVE

ZERKER RD

99 NORTH HWY

FANUCCHI WAY

SEVENTH STANDARD RD

SANTA FE WAY

RUDD AVE

ZERKER RD

ETCHART RD

SHANE ST

SNOW RD

QUAIL CREEK RD

COFFEE RD

CALLOWAY DR

KRATZMEYER RD

OLIVE DR

NORD AV

HEATH RD

HENRY RD

VEGA MEADOWS RD

OLD FARM RD

JEWETT AV

NORIEGA RD

PAGEMAN RD

32 33 34 35 36 31

4 3 2 1 5

9 10 11 12 7 8

16 15 14 13 18

EXHIBIT "A"

City Limts

NORSD Service Area

NORSD Main

Status

LEASED NORSD PIPE

FUTURE CITY OUTFALL PIPE

EXISTING NORSD OUTFALL PIPE

CITY OF SHAFTER

NORTH

0 500 1,000 2,000 3,000 Feet

1 inch = 2,000 feet

Appendix B
2023 Master Sewer Plan

AGENDA

1850



SANITARY SEWER MASTER PLAN

FINAL

MARCH 2023







ARDURRA

Sanitary Sewer Master Plan

North of River Sanitary District

FINAL

Prepared for:

North of River Sanitary District

204 Universe Avenue,

Bakersfield, CA 93308

March 1, 2023



Prepared by:



ARDURRA

1401 Commercial Way, Suite 100

Bakersfield, CA 93309

Confidential and Proprietary
Do not distribute without approval.

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Abbreviations

ADWF	Average Dry Weather Flow
ASCE	American Society of Civil Engineers
Bakersfield	City of Bakersfield
CCTV	Closed Circuit Television
CI	Cast Iron
CIP	Capital Improvement Program
CMMS	Computerized Maintenance Management System
CSA-71	County (of Kern) Service Area 71
DI	Ductile Iron
District	North of River Sanitary District
du	dwelling unit
DWF	Dry Weather Flow
EPA	Environmental Protection Agency
Facility ID	Unique identifier geodatabase assigned to a facility like pipe, manhole, etc.
FAR	Floor Area Ratio
FOG	Fats, Oils and Grease
fps	feet per second
FY	Fiscal Year (e.g., FY 2023 is July 1, 2022, to June 30, 2023)
GIS	Geographic Information System
gpd	gallons per day
GWI	Groundwater Infiltration
HDPE	High Density Polyethylene
I/I	infiltration and inflow
IEC	Infrastructure Engineering Corporation (now Ardurra)
JPA	Joint Powers Authority
lf	lineal feet
Master Plan	Sanitary Sewer Master Plan
mg	million gallons
mgd	million gallons per day
mgd/ac	million gallons per day/acre
NASSCO	National Association of Sewer Service Companies
NEMA	National Electrical Manufacturers Association
NORSD	North of River Sanitary District
O&M	Operations and Maintenance
Oildale	an unincorporated community, east of Hwy 99 and north of the Kern River
Outfall Sewer	Main east-west trunk line 33-inch to 54-inch from Oildale to WWTP
PACP	Pipeline Assessment and Certification Program
PDF	Peak Design Flow
PDWF	Peak Dry Weather Flow
PLC	Programmable Logic Controller
PVC	Poly-vinyl chloride
PWWF	Peak Wet Weather Flow
RDI/I	Rainfall Dependent Infiltration and Inflow
SB	Senate Bill
SCADA	Supervisory Control and Data Acquisition

Abbreviations

SFRE	Single Family Residential Equivalent
Shafter	City of Shafter
SOI	Sphere of Influence
SGMA	Sustainable Groundwater Management Act
sq. ft.	square feet
SSMP	Sewer System Management Plan
SSO	Sanitary Sewer Overflow
U.S.	United States
USEPA	United States Environmental Protection Agency
VCP	Vitrified Clay Pipe
WEF	Water Environmental Federation
WWTP	Wastewater Treatment Plant

Executive Summary

This report presents an evaluation of the sanitary sewer system within the North of River Sanitary District (NORSD or District) service area that encompasses the City of Shafter, the unincorporated community of Oildale, and the northern portion of County Service Area 71 (CSA 71) which includes parts of the City of Bakersfield. The NORSD collection system drains to its Wastewater Treatment Plant (WWTP) located on Palm Avenue and Seventh Standard Road via a trunk sewer main referred to as "Outfall Sewer." This 2022 Sewer Master Plan (Master Plan) updates the 2018 document to include a facilities condition assessment for its lift stations, force mains, and gravity sewers, updates to sewer load projections and peaking factors, land use and development changes, and hydraulic model updates derived from updated field survey and flow meter data.

This Master Plan presents the findings, conclusions, and recommendations regarding the existing and projected state of the NORSD collection system. A 10-year Capital Improvement Plan (CIP) for the District is developed based on the capacity and condition related deficiencies identified. Improvements generally consists of rehabilitation work on its existing lift stations, force mains, and capacity-related improvements to its gravity sewers.

Activities during Master Plan development included a field assessment of District lift stations by Ardurra and field data checks of sewer inverts and flow monitoring data collection by District staff. A desktop condition assessment of the District's gravity sewers was performed based on existing pipe condition rating data developed from Closed-Circuit Television (CCTV) inspections conducted by District staff. Sewer flow projections were developed for near-term future and build out conditions using updated development plans. A hydraulic model was developed and calibrated in InfoSWMM (by Innovyze, now Autodesk) based on flow metering data and utilized to identify sewer capacity deficiencies. Projects were developed and prioritized based on the deficiencies and capital costs were prepared for a 10-year planning horizon as shown in Table ES-1.

Key Findings

The sewer capacity evaluation found that the existing system has sufficient capacity under existing and near-term future peak design flow (PDF) conditions except for the 10-inch diameter main along Lincoln Avenue and Oildale Avenue between Hurrle Ave and Decatur St. As development increases and buildout conditions are reached, further capacity-related improvements will be required. A total of thirteen capacity-related projects are proposed as shown in Figure ES-1. CIP1 is proposed for near-term future, and the remaining projects are proposed for buildout conditions. During model development and system evaluation, inconsistent inverts were found at various locations primarily due to GIS input errors and different datums used in as-builts. It is recommended that the District further review these areas and field verify if needed.

The desktop pipeline condition assessment found a high number of 8-inch vitrified clay pipes (VCP) that were built over 60 years ago to be in the Grade 5 PACP category, which means they are in very poor structural condition. These mains will need to be replaced within the next 5 to 10 years. The rest of the Grade 5 mains that were constructed in 1960 onwards are recommended to be subject to spot repairs.

The lift station and force main assessment found Lift Stations 3 and 5 to be in the best overall condition and Lift Stations 2 and 4 to be in overall fair condition. Common to all lift station sites is the need to replace gates for security, improve the grades and add crushed rock, and install flow meters. Specifically, Lift Station 1 will require site improvements that consist of upgrading to a larger gate for access and improving the driveway surface to minimize stormwater ponding. In addition, District staff currently installs and configures temporary equipment at the station premises in order to switch operations between the active and redundant force mains; therefore, installation of permanent valving and piping is required. Lift Station 2 will require rehabilitating the wet well and replacing all the corroded interior piping, valves, and supports. Lift Station 3 will require replacing all the corroded interior piping, valves, and supports as well. Lift Station 4 is being relocated in the near future and Lift Station 5 requires a compatible backup generator, which the District is currently procuring.

Manhole assessments were not performed as part of this project scope. However, as part of its asset management program, the District is performing ten manhole rehabilitation projects along its Outfall Sewer trunk lines. The District has completed two projects. Projects 3 and 4 are currently under construction. The remaining six projects are expected to be completed in the next ten years. Further, it is recommended that manhole inspections be performed prior to any main replacement work to ensure each manhole's structural integrity in anticipation of future flows.

Recommendations

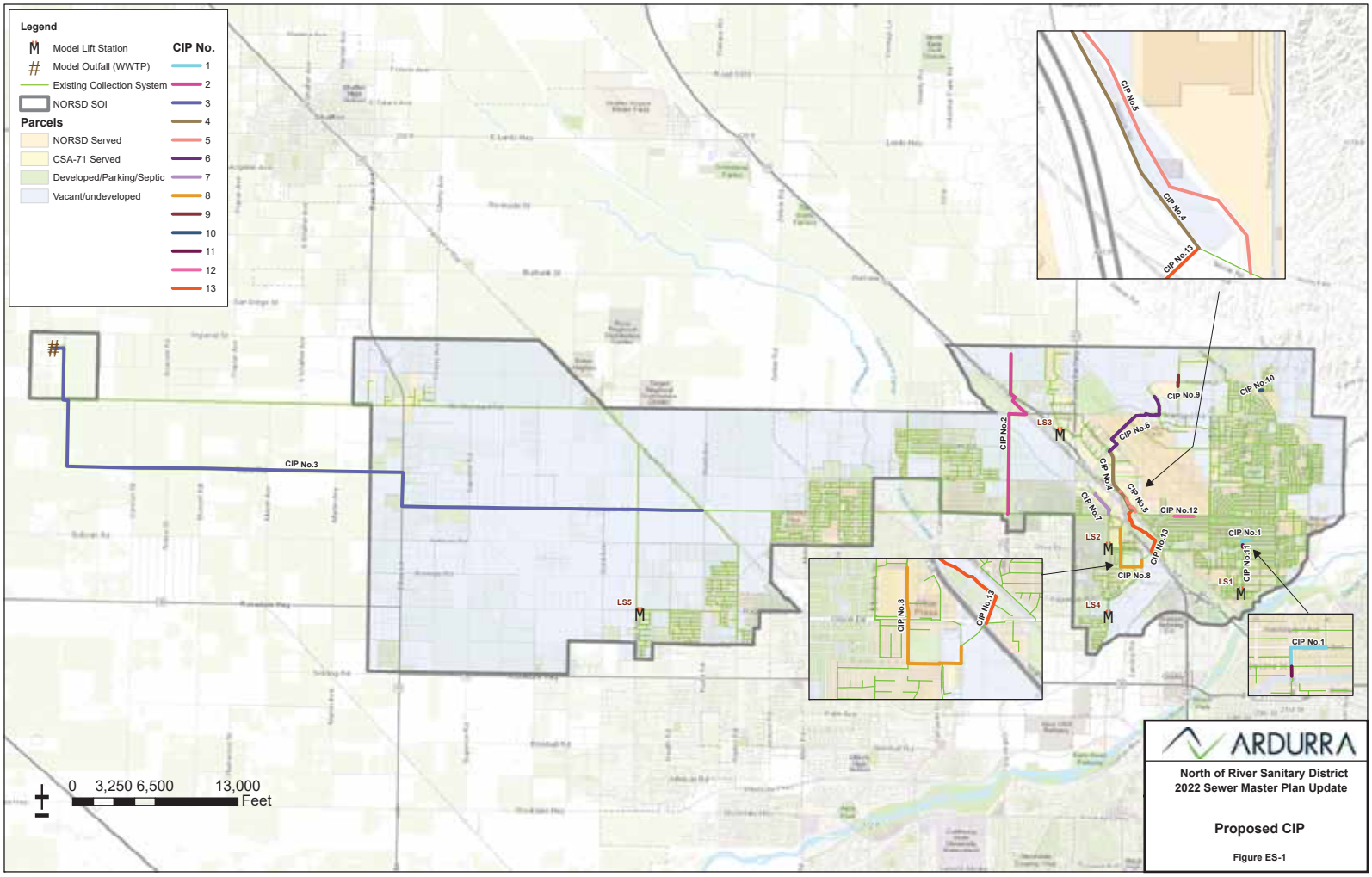
Based on the findings of this study, a recommended CIP was developed for sewer improvements in the NORSD service area. A prioritized CIP is presented in Table ES-1 for a 10-year (near-term) planning period that is phased in 5-year increments and recommended projects to be considered as the system reaches buildout (FY 2033 – 2050) conditions. All cost estimates from previous years, specifically for Lift Station 3 force main are brought to 2022 costs using ENR[1]'s cost index table as of October 2022. Cost estimates for the Wastewater Treatment Plant is from a more recent February 2023 estimation provided by Woodard & Curran. All costs are rounded to the nearest $1,000. Cost estimation details are included in Section 9.

Total CIP cost for FY 2023 – 2028, FY 2028 – 2033, and FY 2033 – 2050 are $22,035,000, $299,341,000, and $235,150,000 respectively.

[1] Engineering News Record (www.enr.com)

Table ES-1. Capital Improvement Plan

Item No.	Category	Facility	Summary Project Description	FY 2023-2028	FY 2028-2033	FY 2033 - 2050
1	Capacity-Related Improvements	Pipe	CIP1, Upsize ~ 1,020 feet of 10- to 15-inch on Lincoln Ave. & Oildale	$466,000		
2	Capacity-Related Improvements	Pipe	CIP3, Add ~ 13,028 feet of 42-inch and ~ 50,374 feet of 48-inch trunk line between Rudd Ave. and WWTP Outfall along Kratzmeyer Rd. and Snow Road; includes ~ 106 new manholes at 600-ft apart			$59,191,000
3	Capacity-Related Improvements	Pipe	CIP4 to CIP13, Upsize or install ~45,698 feet of main; no new manhole installations will be required			$16,693,000
4	Site Improvements	Lift Station (LS) 1	Rehabilitation	$554,000		
5	Site Improvements	LS 2	Rehabilitation	$498,000		
6	Site Improvements	LS 3	Improvements	$302,000		
7	Site Improvements	LS 5	Improvements	$357,000		
8	Force Main Improvements	LS 1 Force Main	Rehabilitate old force main (FM1)	$900,000		
9	Force Main Improvements	LS 1 Force Main	Replace 3,800 feet of 10-inch FM 2 in 2040			$1,482,000
10	Force Main Improvements	LS 2 Force Main	Replace ~ 1,100 feet of 10-inch PVC force main with kind along Olive Drive from Mohawk Road to Victor Street	$429,000		
11	Force Main Improvements	LS 3 Force Main	Construct force main redundancies	$858,000		
12	Force Main Improvements	LS 3 Force Main	Complete 1,900 feet of redundant 8-inch force main in 2050			$684,000
13	Force Main Improvements	LS 4 Force Main	Relocate lift station; could result in addition of redundant force main (NORSD portion is approx. 2/3 of total cost)	$3,901,000		
14	Force Main Improvements	LS 5 Force Main				
15	Condition-Related Improvements	Pipe	Remove and Replace (R/R) ~ 23,937 feet of Grade 5 PACP Pipes	$4,330,000	$4,330,000	$21,600,000
16	Condition-Related Improvements	Pipe	Spot Repair ~ 7,305 feet of Grade 5 PACP Pipes	$7,908,000	$7,908,000	$21,600,000
17	Condition-Related Improvements	Manholes	Rehabilitate Manholes along Outfall Sewer	$1,500,000	$1,500,000	
18	Other	Flow Meters	Two Permanent Installations	$32,000	$3,000	
19	WWTP Expansion	WWTP	12 MGD Expansion		$285,600,000	
20	WWTP Expansion	WWTP	18 MGD Expansion			$113,900,000
	TOTAL			**$22,035,000**	**$299,341,000**	**$235,150,000**


Legend
Model Lift Station
Model Outfall (WWTP)
Existing Collection System
NORSD SOI
Parcels
NORSD Served
CSA-71 Served
Developed/Parking/Septic
Vacant/undeveloped
CIP No.
1
2
3
4
5
6
7
8
9
10
11
12
13
CIP No.3
CIP No.2
CIP No.4
CIP No.5
CIP No.6
CIP No.7
CIP No.8
CIP No.9
CIP No.10
CIP No.11
CIP No.12
CIP No.13
LS1
LS2
LS3
LS4
LS5
0 3,250 6,500 13,000
Feet
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Proposed CIP
Figure ES-1

1. Introduction

This section provides an overview of the project background, purposes of this Sanitary Sewer Master Plan (Master Plan), and associated scope of work.

1.1. Background and Purpose

North of River Sanitary District (NORSD or District) was formed in 1940 as an independent Special District of the State of California to serve the unincorporated community of Oildale located north of the Kern River in Kern County. In 1990, a Joint Powers Agreement[2] (JPA) was executed by NORSD, Kern County (County Service Area 71 [CSA-71]), and the City of Shafter for NORSD to administer, operate, and maintain wastewater collection and treatment facilities within its service area. At present, the District's service area spans approximately 54 square miles and serves a total population of approximately 71,000 which includes the unincorporated Oildale area, northwest portions of the City of Bakersfield, and the City of Shafter.

Due to continued growth in its service area since the JPA, the District's collection system and wastewater treatment plant (WWTP) have undergone several improvements based on results from several sewer system master plans and studies. In 2013, a sewer master plan (SMP) completed by AECOM and a subsequent update by the same firm was completed in 2018. Both sewer system master plans recommended improvements to the WWTP and collection system to mitigate capacity limitations based on growth projections within the District's service area.

Since 2018, the District has made several advances in terms of gathering better Geographic Information System (GIS) data of its collection system, condition of its mains, and invested in more flow meters (both temporary and permanent) to provide more accurate wastewater flow measurements. This information can be used to refine flow projections and to build and calibrate a better hydraulic model to understand existing and future system capacity limitations. In addition, due to changing hydrological patterns and declining aquifer water tables[3] as well as implementation of water conservation measures in the region, wastewater generation factors used and flows projected in the previous master plans will need to be reviewed and updated, particularly for build-out. The combination of better data and changing water use patterns are the main drivers for a new master plan in 2023 that will be used to refine improvement costs related to WWTP expansion and determine project costs to mitigate capacity-deficient sewers. In addition, the 2023 Master Plan incorporates improvements recommended from lift station facilities assessments, improvements from a previous force main study performed by IEC in 2020 and results from the District's pipeline condition assessments via its asset management plan database. A capital improvement program (CIP) is developed for a 10-year (near-term) and buildout planning period.

The Sewer Capacity Fee study will be updated to estimate availability of adequate funds for capital projects developed from the 2023 Master Plan associated with future needs. The Sewer Service Charge will be updated to account for current expenses, revenues, debt service, and reserves. For the Sewer Capacity Fee and Service Charge tasks, Ardurra has sub-contracted with Bartle Wells. The CIP will differentiate which improvement provides benefits to existing customers versus future customers so as to facilitate setting defensible capacity fees and service charges.

1.2. Scope of Work

This Master Plan includes the following tasks:

- Partner with District staff to perform data review and field verifications on areas with missing/inconsistent invert data
- Clean up and update the District's sewer collection system Geographic Information System (GIS) database with available as-built drawings, inspection reports, and field verified data
- Analyze data from recent flow monitoring performed by District staff to capture the current flow characteristics for model verifications
- Update existing and future flows based on the latest flow monitoring data and land use information

[2] Refer to Page 14 JPA

[3] Section 2, North of River Sanitary District, Recycled Water Study, Provost & Pritchard Consulting Group, December 2019

- Build and calibrate an InfoSWMM-based sewer model using new field data and updated GIS network
- Review and update the District's planning criteria based on professional manual and planning criteria used by other local agencies
- Evaluate the system under various flow conditions using the updated model and identify capacity-related issues
- Estimate CIP costs in Master Plan from condition assessment studies performed by the District. Include areas of concerns like hot spots, overflows, and areas requiring odor control in Master Plan.
- Develop a prioritized and phased capital improvement projects based on condition assessment results and capacity analysis results
- Develop a 2023 Sewer Master Plan Report
- Perform Sewer Capacity Fee Study
- Develop Sewer Service Charge

1.3. Authorization

The Master Plan project was approved by the Board on June 28th, 2022. Ardurra entered into an agreement with NORSD to develop the Master Plan on June 29th, 2022.

1.4. Data Sources

This Master Plan was developed using various data and information, including but not limited to the following:

- North of River Sanitary District, Sewer Master Plan Update, AECOM, March 30, 2018 (2018 SMP)
- North of River Sanitary District No.1, Sewer Master Plan, AECOM, February 28, 2013 (2013 SMP)
- North of River Sanitary District, Sewer Force Main Study, Technical Memorandum, IEC, April 28, 2020
- North of River Sanitary District, Recycled Water Study, Provost & Pritchard Consulting Group, December 2019
- Oildale Mutual 2020 Urban Water Management Plan
- City of Bakersfield 2020 Urban Water Management Plan
- City of Shafter 2020 Urban Water Management Plan
- The Metropolitan Bakersfield General Plan
- Kern Council of Governments, Regional Growth Forecast for Kern Council of Governments Methodology and Forecasts 2020 to 2050, The California Economic Forecast, December 2019 (2020-2050 Reginal Forecast)
- Kern Council of Governments, 2022 Regional Transportation Plan/Sustainable Communities Strategy, June 2022 (2022 RTP/SCS)
- Field Trip – Lift Station Assessments, August 5th, 2022
- District Flow Metering, September 4 – September 9, 2022
- NORSD GIS layers
- NORSD Parcel and Tax Roll database
- Lift Station pump Tests, Curves, As-Builts
- NORSD Asset Management Plan database
- NORSD District No. 1 Sphere of Influence Update and Amendment, AECOM, April 2019

- District and local bid results
- Phase 1 Investigation – S. Oildale Drive Backup Force Main from Lift Station #1 to Decatur Street, Provost & Pritchard Consulting Group, September 2022

1.5. Report Organization

This Master Plan is presented with the following sections:

- Executive Summary
- Section 1 – Introduction
- Section 2 – Planning Area
- Section 3 – Existing System Description
- Section 4 – Wastewater Flow Characteristics and Projections
- Section 5 – Planning Criteria
- Section 6 – Hydraulic Model Build & Calibration
- Section 7 – Capacity Evaluation
- Section 8 – Facilities Condition Assessments
- Section 9 – Capital Improvement Program

1.6. Acknowledgments

Ardurra would like to thank District personnel Pat Ostly, Joe Ferrari, and Raymond Arredondo for their help throughout this Master Plan development.

2. Planning Area

This section provides a description of the geography, land use, and population of the NORSD service area.

2.1. Study Area

NORSD is located east of Interstate 5 (I-5) in northern Kern County, California. The NORSD sewer service area is approximately bounded by State Highway 99 to the east, Beech Avenue to the west, and Imperial Street to the north (about half a mile north of Seventh Standard Road). Its southern boundary jogs between Rosedale Highway to the west and Snow Road to the east. The District's sphere of influence (SOI) includes two large parcels located about 15 miles west of Highway 99 at approximately 640-acres each. One parcel is a dairy farm located at the intersection of Sullivan Road and Brandt Road which the District doesn't own but retains some mineral rights. the other parcel which is owned by the District is the District's Wastewater Treatment Plant (WWTP) located near the intersection of Palm Ave. and Seventh Standard Road.

The District provides wastewater collection services to the City of Shafter, the unincorporated community of Oildale, and the northern portion of County Service Area 71 (CSA-71) which includes portions of the City of Bakersfield. The District, in total, serves a population of approximately 71,000 that spans a service area of approximately 30 square miles. The District's SOI designates its probable future boundary and service area[4] and therefore dictates its current buildout boundary spanning an area of approximately 54 square miles. The study area, the District's service area boundary, adjoining municipality and agency boundaries, and SOI limits are shown in Figure 2-1.

The topography east of Hwy 99 around Oildale slopes up gently from elevations of about 400 to 500 feet above sea level (ASL) to about 730 feet ASL the northeast. The topography west of Hwy 99 is generally flatter with small changes in elevation either north to south or east to west. On average, the ground elevation west of Highway 99 to the WWTP changes east-west from about 450 feet to 300 feet ASL over a distance of approximately 15 miles from Oildale area to the plant. Table 7 (page 20) of the 2013 SMP provides more details of the ground surface slopes in the study area.

The climate is typical of the San Joaquin Valley with hot, dry summers and mild, foggy winters. Average summer temperatures[5] typically vary between 60- and 90 plus- degrees Fahrenheit (F) and often exceed 100 degrees F. Average winter temperatures vary between 40- and 60-degrees F, with night and morning ground fog and occasional frosts. Average annual total precipitation is about 6 to 7 inches, most occurring between November and April. Evapotranspiration rates[6] averages about 5 feet per year, with higher rates occurring between April and August. Average wind speeds in winter are about 4 to 6 miles per hour and slightly higher in summer at about 7 to 8 miles per hour[7]. Table 2-1 summarizes recent climate data from the California Irrigation Management Information System (CIMIS) website, which includes the range in temperatures, evapotranspiration rates and precipitation for the past year at its monitoring station in Shafter.

The four primary water purveyors that serve NORSD include Oildale Mutual Water Company, California Water Service Company, City of Bakersfield Domestic Water System, and Vaughn Water Company. Potable water supply sources within the District's service area include groundwater, surface water from Kern River, and water from the California State Water Project. The U.S. Drought Monitor (USDM) update on August 16, 2022, notes that a majority of Kern County including NORSD is within an Exceptional Drought (D4) Category, which is the most severe in rank. Due to low precipitation, groundwater table levels are below 25th percentile of normal levels[8].

As a result, inflow, and infiltration (I/I) into the sewer system from ground water and rainfall were assumed to be non-significant factors in the capacity analysis detailed in Section 4. It should also be noted that due to the water supply constraints mentioned and encouraged by the 2014 Sustainable Groundwater Management Act (SGMA) ruling, one of NORSD's future goal is to produce recycled water at its WWTP.

[4] https://calafco.org/lafco-law/faq/what-are-sphere-influence-studies
[5] Source: Western Regional Climate Center (https://wrcc.dri.edu/cgi-bin/cliMAIN.pl?ca0442)
[6] Source: California Irrigation Management Information System (https://cimis.water.ca.gov/Content/pdf/CimisRefEvapZones.pdf)
[7] Source: https://www.ncei.noaa.gov/pub/data/ccd-data/wndspd20.dat
[8] Source: California Water Watch (Statewide Hydroclimate and Water Supply Conditions Map) https://cww.water.ca.gov/maps?tab=gwLevels

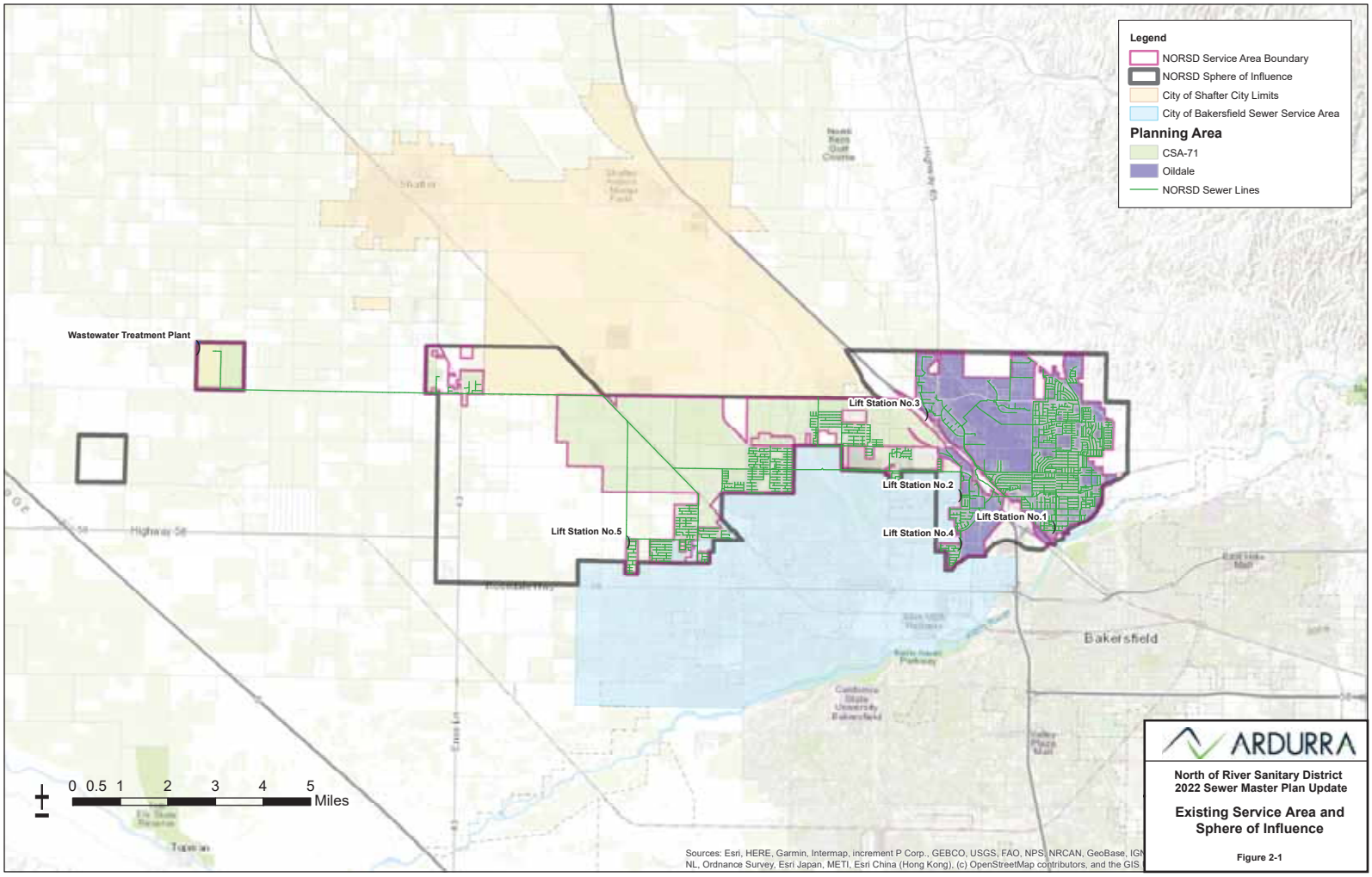

Legend
NORSD Service Area Boundary
NORSD Sphere of Influence
City of Shafter City Limits
City of Bakersfield Sewer Service Area
Planning Area
CSA-71
Oildale
NORSD Sewer Lines
Wastewater Treatment Plant
Lift Station No.3
Lift Station No.2
Lift Station No.1
Lift Station No.4
Lift Station No.5
Highway 58
Bakersfield
0 0.5 1 2 3 4 5
Miles
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Existing Service Area and Sphere of Influence
Figure 2-1
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN
NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS

Table 2-1. Climate Data

Month	Average Max. Temperature (F)	Average Min. Temperature (F)	Average Total Precipitation (in.)	Evapotranspiration Rate (in.) for Zone 15
Jan	57.4	38.5	1.04	1.24
Feb	63.6	42.1	1.16	2.24
Mar	69.0	45.4	1.12	3.72
Apr	75.7	49.7	0.67	5.70
May	84.2	56.6	0.21	7.44
Jun	92.1	63.3	0.07	8.10
Jul	98.6	69.2	0.01	8.68
Aug	96.7	67.7	0.04	7.75
Sep	91.0	63.1	0.10	5.70
Oct	80.5	54.0	0.30	4.03
Nov	67.3	44.1	0.59	2.10
Dec	57.8	38.5	0.85	1.24
ANNUAL	77.8	52.7	6.17	57.94

2.2. NORSD Service Area Population Projections

Table 2-2 and Table 2-3 contains a summary of population projections and percent growth rates calculated for Oildale, CSA-71, and the City of Shafter throughout 2050. Population by buildout is not provided as the time of buildout is unknown, but this Master Plan is aiming to proactively plan for future capacity needs and serves as a road map for the District to build necessary wastewater facilities by the time buildout is reached.

The baseline population and growth rate for the City of Shafter was determined from the Shafter's 2020 UWMP. Shafter's population[9] in 2020 was estimated to be 20,441 which includes the Southeast Shafter area also referred to as the Gossamer Grove (Gossamer) development. The growth rate projected of 2.15% for the City of Shafter was taken from its 2020 UWMP.

Based on Kern County's 2020-2050 Reginal Forecast, the average household size for SF home is approximately 3.5 since 2017. The baseline population for CSA-71 was determined from the District's Tax Roll Database. Each single family (SF) residential unit was assigned a multiplier of 1. Each SF unit was assumed to have a population of 3.5 and a total of 4,022 SF units accounted for 14,077 people. There were 7 residential areas (not units) designated as multi-family (MF) residential use in the database. The multipliers for this category ranged from 2 to 4 depending on the size of the development. A similar multiplier of 3.5 persons per unit was applied to 7 MF units totaling 56 persons. An additional 644 SF units are from Kern County. The base population of 16,387 for the CSA-71 was derived from the residential unit estimations above. The growth rate projected of 4.6% for CSA-71 were determined based on review and analysis of new service connection records from 2013 to 2021 obtained from the District's permit history database and upon discussion with District.

The Oildale Mutual Water Company (OMWC) service area population is estimated to be 36,726 in its 2020 UWMP. OMWC's area includes the Southeast Shafter or Gossamer development. To approximate the Oildale community population contributing flows to the NORSD system (Oildale – NORSD), the population from Gossamer development (since its captured in the City of Shafter population count above) and areas east and west of OMWC not contributing to the NORSD system would need to be subtracted. The 2020 Gossamer development from Table 2-4 shows approximately 790 SF units had a Certification of Occupancy[10]. From this, we can assume that these homes are habitable, and the maximum population in 2020 was approximately 2,765 using the 3.5 persons/SF unit factor. The east and west areas surrounding the Oildale community is

[9] Source: City of Shafter 2020 UWMP, Table 2.4 – Recent City/Water Service Area Population

[10] Source: City of Shafter's Community Development Department

farmland, industrial, business, and oil fields. From the Google Earth "time-lapse" feature, aerial imagery in 2020 shows about a dozen large SF residential lots north of Kern River and Panorama Park which could account for approximately 38 people. Based on these assumptions and the methodology discussed above, the Oildale – NORSD 2020 base population is estimated to be 33,919. The growth rate projected of 0.24% for Oildale was also determined based on review and analysis of new service connection records obtained from the District's permit history database and refined upon discussion with District.

Table 2-2. District Population Forecast

Year	City of Shafter	Oildale - NORSD	CSA-71	Total Estimated
Base Year - 2020	20,441	33,919	16,387	70,747
2021	20,880	34,000	17,141	72,022
2022	21,329	34,082	17,929	73,341
2023	21,788	34,164	18,754	74,706
2024	22,256	34,246	19,617	76,119
2025	22,735	34,328	20,519	77,582
2026	23,224	34,410	21,463	79,097
2027	23,723	34,493	22,450	80,666
2028	24,233	34,576	23,483	82,292
2029	24,754	34,659	24,563	83,976
2030	25,286	34,742	25,693	85,721
2031	25,830	34,825	26,875	87,530
2032	26,385	34,909	28,111	89,405
2033	26,953	34,993	29,404	91,350
2034	27,532	35,077	30,757	93,366
2035	28,124	35,161	32,172	95,457
2036	28,729	35,245	33,652	97,626
2037	29,346	35,330	35,200	99,876
2038	29,977	35,415	36,819	102,211
2039	30,622	35,500	38,512	104,634
2040	31,280	35,585	40,284	107,149
2041	31,953	35,670	42,137	109,760
2042	32,640	35,756	44,075	112,471
2043	33,341	35,842	46,103	115,286
2044	34,058	35,928	48,224	118,210
2045	34,791	36,014	50,442	121,246
2046	35,539	36,100	52,762	124,401
2047	36,303	36,187	55,189	127,679
2048	37,083	36,274	57,728	131,085
2049	37,880	36,361	60,384	134,625
2050	38,695	36,448	63,161	138,304

Table 2-3. Estimated Annual Growth Rates in Communities Served by NORSD

City of Shafter	Oildale – NORSD	CSA-71
2.15%*	0.24%	4.6%

**Note: includes the high growth rate area of Gossamer Grove*

Table 2-4. Gossamer Grove Development Occupancy Certificate

Year	Total SF Units
2016	169
2017	118
2018	188
2019	137
2020	178
2021	186
August 2022	138

Data Source: City of Shafter's Community Development Department

2.3. Land Use

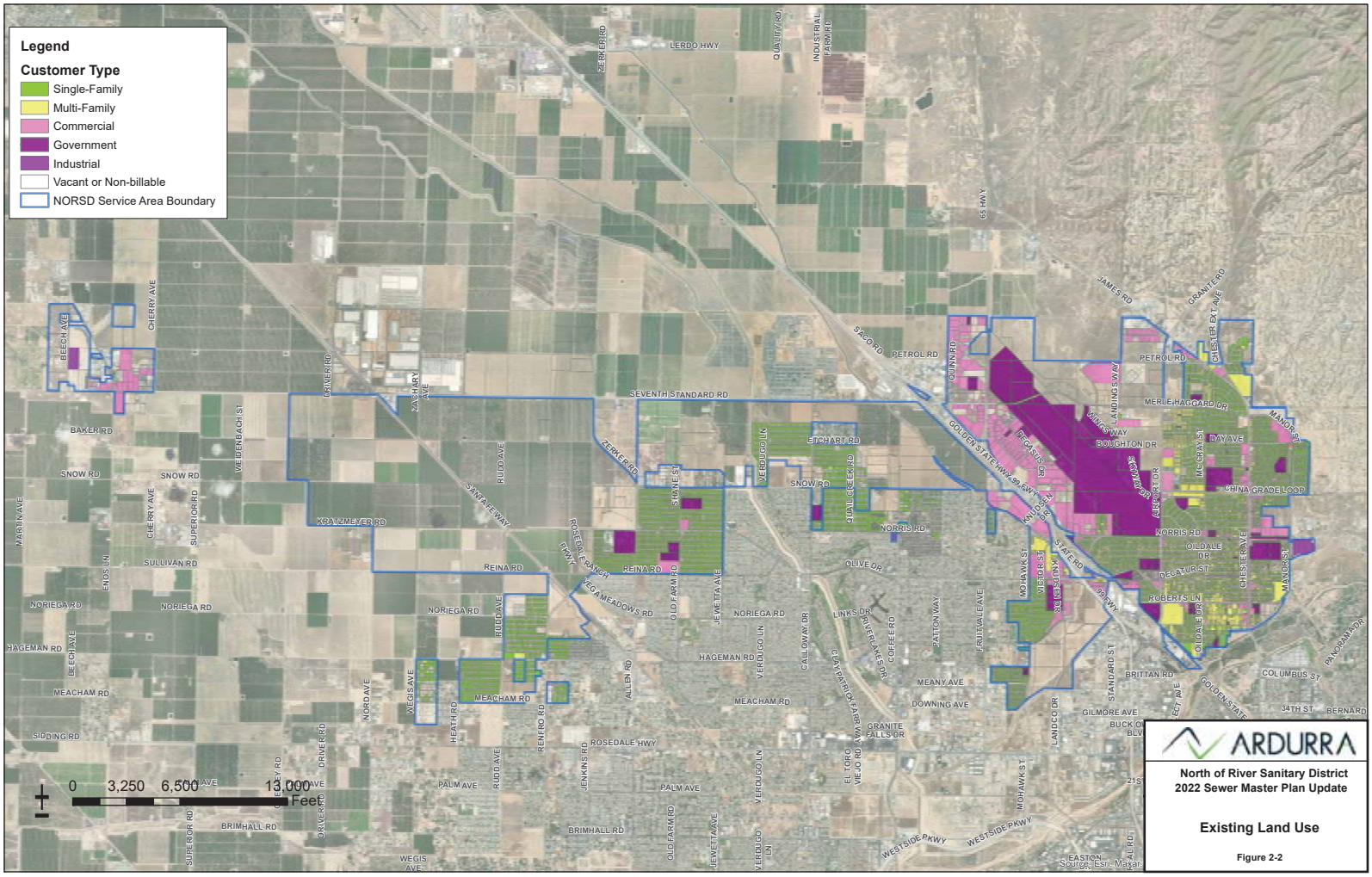
2.3.1. Existing Land Use

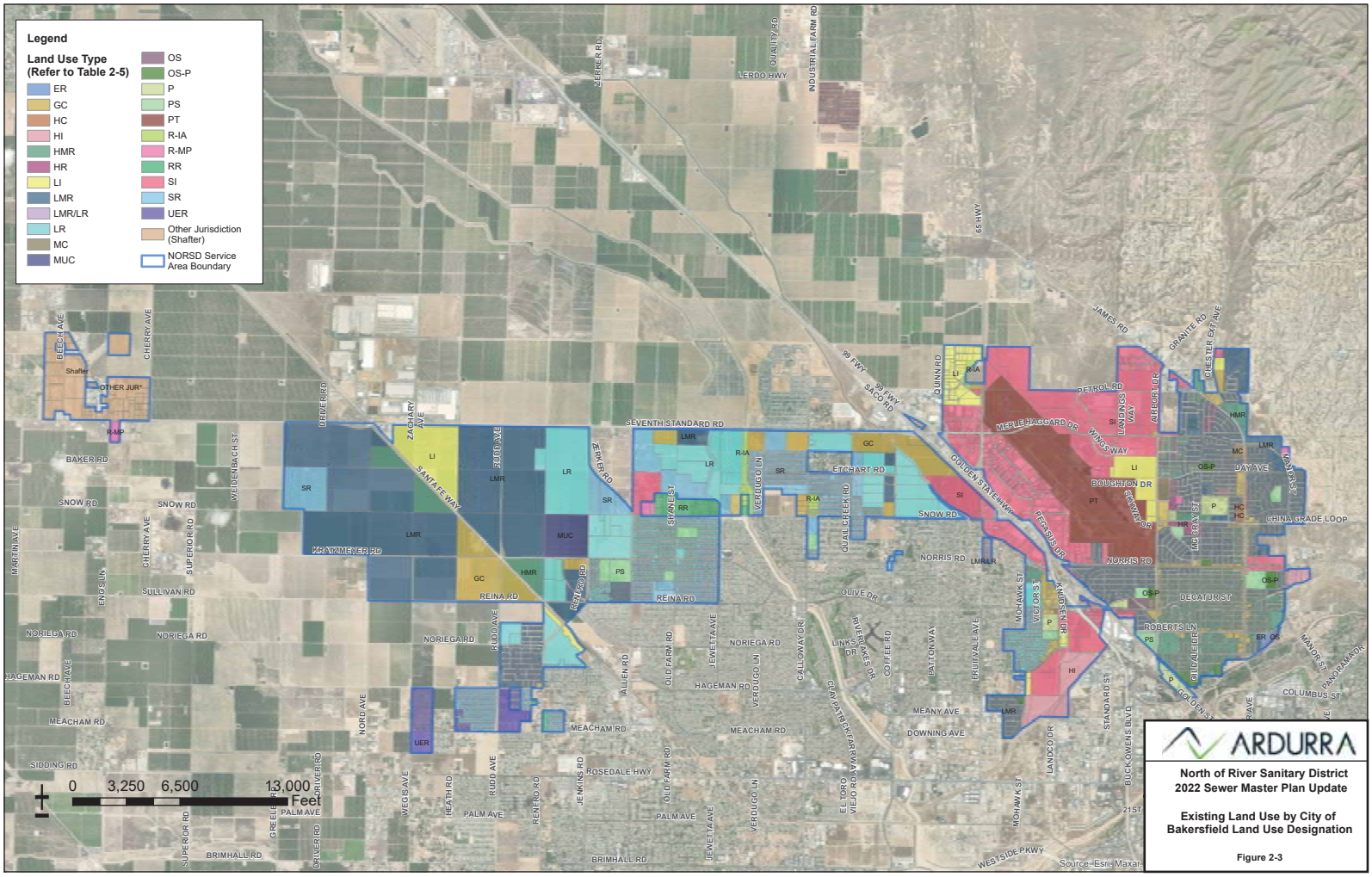
The District's annexed service area encompasses approximately 25 square miles. Approximately 39% of the service area is developed and the remaining area is vacant or undeveloped. Undeveloped parcels were determined based on the District's tax roll information, the City of Bakersfield's building footprint GIS layer, and ESRI's aerial imagery. The District categorizes its customers into five land use types which includes single-family residential, multi-family residential, commercial, government, and industrial, as shown in Figure 2-2. There are a few parcels outside of the District service boundary that are currently served by the District or discharge wastewater into the District's collection system. Approximately 69% of the Oildale area is developed while approximately 17% of the CSA-71 area is developed.

Figure 2-3 shows the District's service area by City of Bakersfield's land use designation. Table 2-5 summarizes the District's existing land use information.

Table 2-5. Existing Land Use Summary

Land Use Type	Description	CSA-71 Area				Oildale Area				Total District Service Area			
		Developed (acres)	Undeveloped (acres)	Total (acres)	% Developed	Developed (acres)	Undeveloped (acres)	Total (acres)	% Developed	Developed (acres)	Undeveloped (acres)	Total (acres)	% Developed
R-IA	RESOURCE – INTENSIVE AGRICULTURE	2.9	58.4	61.3	4.8%	0.0	11.1	11.1	0.0%	2.9	69.5	72.4	4.1%
GC	GENERAL COMMERCIAL	2.1	636.3	638.3	0.3%	202.2	39.8	242.0	83.5%	204.3	676.1	880.3	23.2%
HC	HEAVY COMMERCIAL	0.0	0.0	0.0	-	25.8	0.3	26.1	99.0%	25.8	0.3	26.1	99.0%
MC	MAJOR COMMERCIAL	0.0	0.0	0.0	-	26.7	14.9	41.6	64.2%	26.7	14.9	41.6	64.2%
MUC	MIXED USE COMMERCIAL	0.0	158.8	158.8	0.0%	0.0	0.0	0.0	-	0.0	158.8	158.8	0.0%
PT	PUBLIC TRANSPORTATION CORRIDORS	0.0	0.0	0.0	-	764.2	199.3	963.5	79.3%	764.2	199.3	963.5	79.3%
P	PUBLIC FACILITIES	0.0	0.0	0.0	-	77.9	46.5	124.4	62.6%	77.9	46.5	124.4	62.6%
HI	HEAVY INDUSTRIAL	0.0	0.0	0.0	-	24.2	169.3	193.6	12.5%	24.2	169.3	193.6	12.5%
LI	LIGHT INDUSTRIAL	0.0	316.4	316.4	0.0%	122.4	181.8	304.2	40.2%	122.4	498.2	620.5	19.7%
SI	SERVICE INDUSTRIAL	0.0	215.7	215.7	0.0%	859.9	1092.1	1952.0	44.1%	859.9	1307.8	2167.6	39.7%
OTHER JURIS	OTHER JURISDICTION	97.0	389.3	486.3	19.9%	0.0	0.0	0.0	-	97.0	389.3	486.3	19.9%
R-MP	RESOURCE – MINERALS & PETROLEUM	17.0	14.4	31.4	54.0%	4.4	10.4	14.8	29.5%	21.3	24.9	46.2	46.2%
OS-P	PARKS AND RECREATION	0.0	0.0	0.0	-	58.3	11.6	69.9	83.4%	58.3	11.6	69.9	83.4%
ER	ESTATE RESIDENTIAL	0.0	0.0	0.0	-	2.8	8.4	11.1	25.0%	2.8	8.4	11.1	25.0%
HMR	HIGH MEDIUM RESIDENTIAL	0.0	197.1	197.1	0.0%	746.5	32.6	779.0	95.8%	746.5	229.7	976.1	76.5%
HR	HIGH DENSITY RESIDENTIAL	0.0	0.0	0.0	-	74.6	0.6	75.2	99.2%	74.6	0.6	75.2	99.2%
LMR	LOW MEDIUM DENSITY RESIDENTIAL	172.7	2522.7	2695.4	6.4%	1023.8	129.5	1153.3	88.8%	1196.5	2652.2	3848.7	31.1%
LMR/LR	LOW MEDIUM DENSITY RESIDENTIAL / LOW DENSITY RESIDENTIAL	13.3	0.6	13.9	95.9%	0.0	0.0	0.0	-	13.3	0.6	13.9	95.9%
LR	LOW DENSITY RESIDENTIAL	283.0	1421.0	1703.9	16.6%	115.9	0.4	116.3	99.6%	398.8	1421.4	1820.2	21.9%
RR	RURAL RESIDENTIAL	3.8	113.8	117.6	3.2%	0.0	0.0	0.0	-	3.8	113.8	117.6	3.2%
SR	SUBURBAN RESIDENTIAL	626.4	610.3	1236.7	50.7%	41.7	3.5	45.2	92.3%	668.1	613.8	1281.9	52.1%
UER	URBAN ESTATE RESIDENTIAL	65.9	148.4	214.3	30.8%	0.0	0.0	0.0	-	65.9	148.4	214.3	30.8%
PS	PUBLIC/PRIVATE SCHOOLS	99.4	0.0	99.4	100.0%	93.1	0.0	93.1	100.0%	192.5	0.0	192.5	100.0%
OS	OPEN SPACE	0.0	0.0	0.0	-	3.0	1.8	4.7	62.4%	3.0	1.8	4.7	62.4%
Total		**1,383**	**6,803**	**8,187**	**16.9%**	**4,267**	**1,954**	**6,221**	**68.6%**	**5,651**	**8,757**	**14,408**	**39.2%**


Legend
Customer Type
Single-Family
Multi-Family
Commercial
Government
Industrial
Vacant or Non-billable
NORSD Service Area Boundary
0 3,250 6,500 13,000
Feet
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Existing Land Use
Figure 2-2


Legend
Land Use Type (Refer to Table 2-5)
ER
GC
HC
HI
HMR
HR
LI
LMR
LMR/LR
LR
MC
MUC
OS
OS-P
P
PS
PT
R-IA
R-MP
RR
SI
SR
UER
Other Jurisdiction (Shafter)
NORSD Service Area Boundary
0 3,250 6,500 13,000 Feet
Source: Esri, Maxar,
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Existing Land Use by City of Bakersfield Land Use Designation
Figure 2-3

2.3.2. Future Land Use

Future land use for the District is analyzed within the District's Sphere of Influence (SOI) for near-term future (in 10 years, or by 2032) and buildout conditions. Buildout time frame was not defined as discussed in Section 2.2. Future land use estimation is based on the *Metropolitan Bakersfield General Plan*, the recently completed *Coffee Road Interceptor Sewer Feasibility Analysis* as well as District staff input.

For near-term future condition, a list of specific developments is anticipated to be completed by near-term future with infill developments in the remaining areas proportionate to population growth. Table 2-6 summarizes the anticipated developments over the next 30 years based on input and discussion with District staff. These future developments are categorized as near-term and buildout. Figure 2-4 shows the locations of the anticipated developments.

For buildout condition, all undeveloped areas within the District's SOI are assumed to be developed, the existing developed areas and specific future developments are assumed to remain unchanged through build out. Buildout land use estimation follows the methodology used in the 2013 SMP and 2018 SMP, which assumed development densities in terms of Single-Family Residential Equivalent (SFRE) per acre for each land use type per the Metropolitan Bakersfield General Plan land use designations. Land use shapefiles were obtained from the City of Bakersfield's website. Future land use for areas north of 7th Standard Rd within the City of Shafter's jurisdiction were not analyzed due to lack of information. Assumption is made that City of Shafter would construct additional sewer to convey wastewater exceeding Shafter's existing capacity right of 3.0 MGD in the existing Outfall Sewer. Figure 2-5 shows the land use within the District's SOI per City of Bakersfield's *Metropolitan Bakersfield General Plan* land use designation. Estimation of future SFRE is further discussed in **Section 4.4 – Wastewater Flow Projection**.

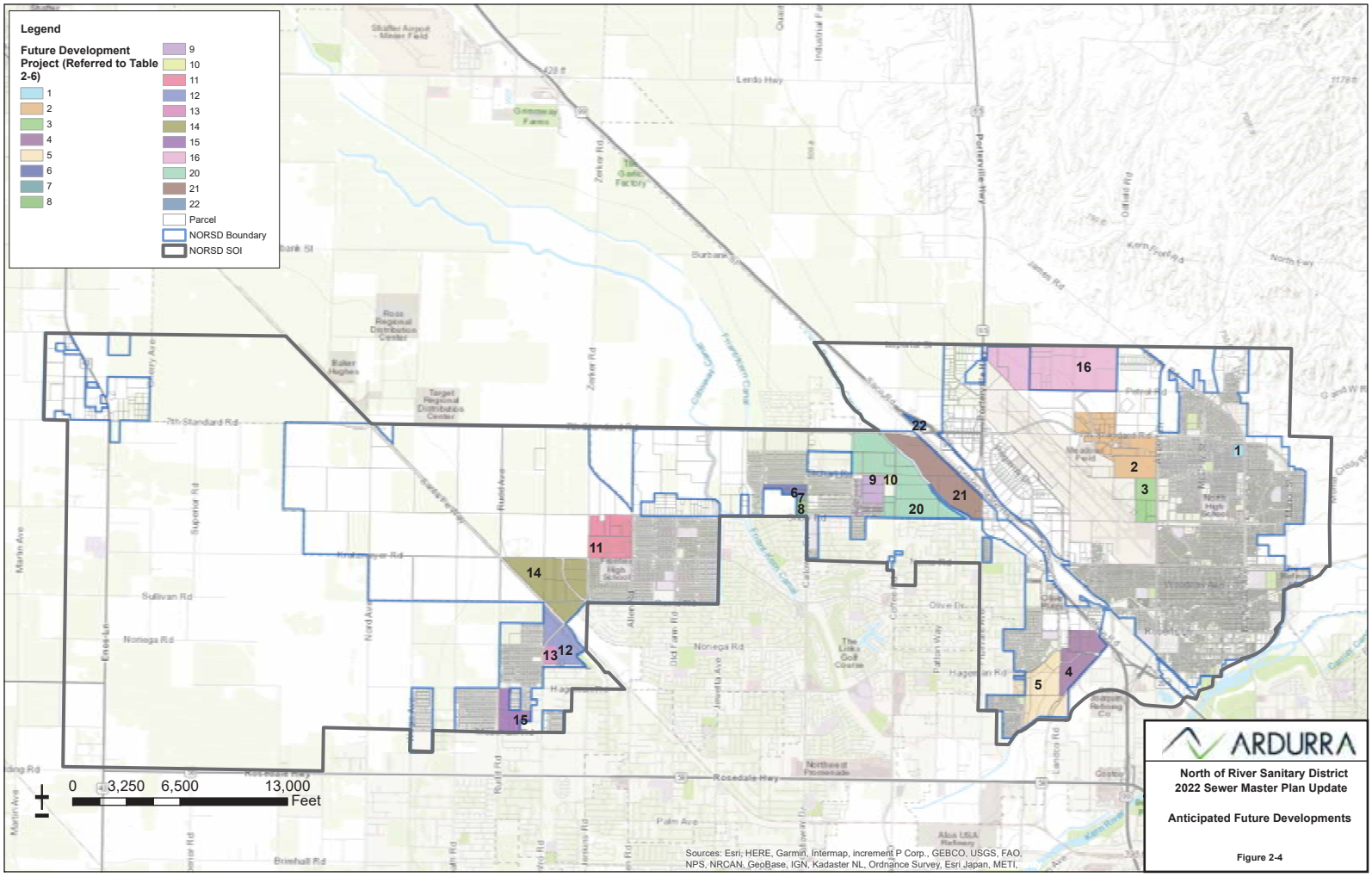
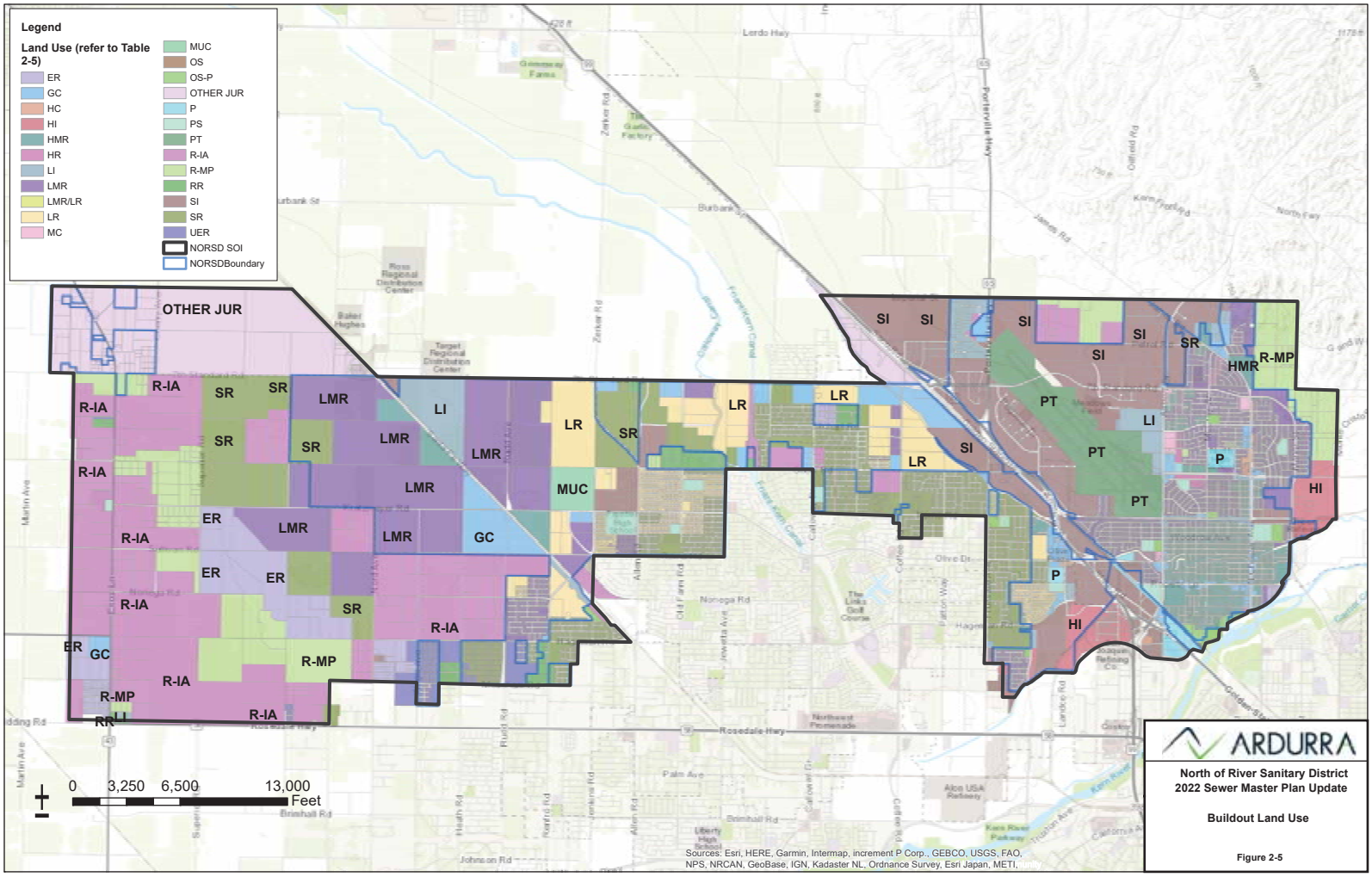

Legend
Future Development Project (Referred to Table 2-6)
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
20
21
22
Parcel
NORSD Boundary
NORSD SOI
0
3,250
6,500
13,000
Feet
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI,
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Anticipated Future Developments
Figure 2-4

Table 2-6. Anticipated Future Developments

Project Number	Category	Location	Single Family (acre)	Multi-Family (unit)	Multi-Family (acre)	Commercial (acre)	Industrial (acre)	Institutional (acre)	Development Timeline
1	*1 – Multifamily*	*APN 491-012-17; 3601 N. Chester Ave., Bakersfield; Oildale Area*		152					within 5 Years
2	*2A – Commercial*	*Oildale*				246			within 5 Years
3	*2B – Commercial*	*Oildale*				78			within 10 Years
4	*3A – Commercial*	*CSA-71*				138			within 5 Years
5	*3B – Commercial*	*CSA-71*				196			within 10 Years
6	*4A – School*	*CSA-71*						29	within 5 Years
7	*4B – Multifamily*	*APN 492-090-34; CSA-71*			5				within 10 Years
8	*4C – Commercial*	*CSA-71*				14			within 5 Years
9	*5A – Single Family*	*CSA-71*	79						within 5 Years
10	*5B – Multifamily*	*CSA-71*	6						within 10 Years
11	*6 – Single Family*	*CSA-71*	157						within 5 Years
12	*7A – Single Family*	*CSA-71*	104						within 10 Years
13	*7B – Single Family*	*CSA-71*	18						within 5 Years
14	*8 – Single Family*	*CSA-71*	254						within 10 Years
15	*9 – Single Family*	*CSA-71*	70						within 5 Years
16	*Subarea C*	*North of Highway 99 and south of Imperial Road*					750		Buildout
17	*Subarea D*	*To ½ mile north of Imperial Road*					890		Buildout
18	*Subarea E*	*To ½ mile north of Imperial Road (Burbank Road)*					830		Buildout
20	*Subarea A, Residential*	*South of the Beardsley/Lerdo Canal*	270						Buildout
20	*Subarea A, Commercial*	*South of the Beardsley/Lerdo Canal*				80			Buildout
21	*Subarea B 1, Industrial*	*North of the Beardsley/Lerdo Canal and south of Highway 99*					130		Buildout
21	*Subarea B 1, Commercial*	*North of the Beardsley/Lerdo Canal and south of Highway 99*				120			Buildout
22	*Subarea B 2, Industrial*	*North of the Beardsley/Lerdo Canal and south of Highway 99*					10		Buildout

Note: Projects 1 through 15 were provided by District staff and most probably developed within 5 to 10 years. Acreage for these projects were calculated from GIS. Projects 16 through 22 were obtained from the March 2019 “Final Coffee Road Interceptor Analysis” report, by AECOM.


Legend
Land Use (refer to Table 2-5)
ER
GC
HC
HI
HMR
HR
LI
LMR
LMR/LR
LR
MC
MUC
OS
OS-P
OTHER JUR
P
PS
PT
R-IA
R-MP
RR
SI
SR
UER
NORSD SOI
NORSDBoundary
OTHER JUR
R-IA
SR
LMR
LI
LR
MUC
GC
ER
R-MP
RR
SI
PT
HMR
P
HI
0 3,250 6,500 13,000 Feet
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI,
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Buildout Land Use
Figure 2-5

3. Existing Sewer System Description

The District's sewer collection system was constructed in the early 1940's to serve the present-day Oildale community, north of Kern River. As the original treatment plant outgrew its capacity to serve developing communities in the surrounding area, a Joint Powers Agreement (JPA) was executed in 1990 by NORSD, CSA-71, and the City of Shafter to construct a new wastewater treatment plant (WWTP). The trunk sewer line that ranges in size from 33- to 54-inches in diameter was constructed from the original plant to the current WWTP and is commonly referred to as the "Outfall Sewer". In 2022, the District's collection system includes approximately 191 miles of gravity sewers ranging from 6-inch to 54-inch in diameter, five lift stations with two to three pumps each, about 2.4 miles of force mains ranging from 4-inch to 10-inch in diameter, and one wastewater treatment plant (WWTP). Collector sewers convey flows from Oildale, Shafter and CSA-71 communities to the Outfall Sewer which gravity flows into the District's WWTP near the intersection of Palm Avenue and Seventh Standard Road. The existing plant's wastewater treatment capacity is 7.5 million gallons per day (MGD). The plant undergoes an "undisinfected secondary" treatment process and effluent is discharged into nearby storage ponds. The WWTP is monitored via a Supervisory Control and Data Acquisition (SCADA) System. Figure 3-1 shows the District's existing collection system layout.

3.1.1. Service Areas

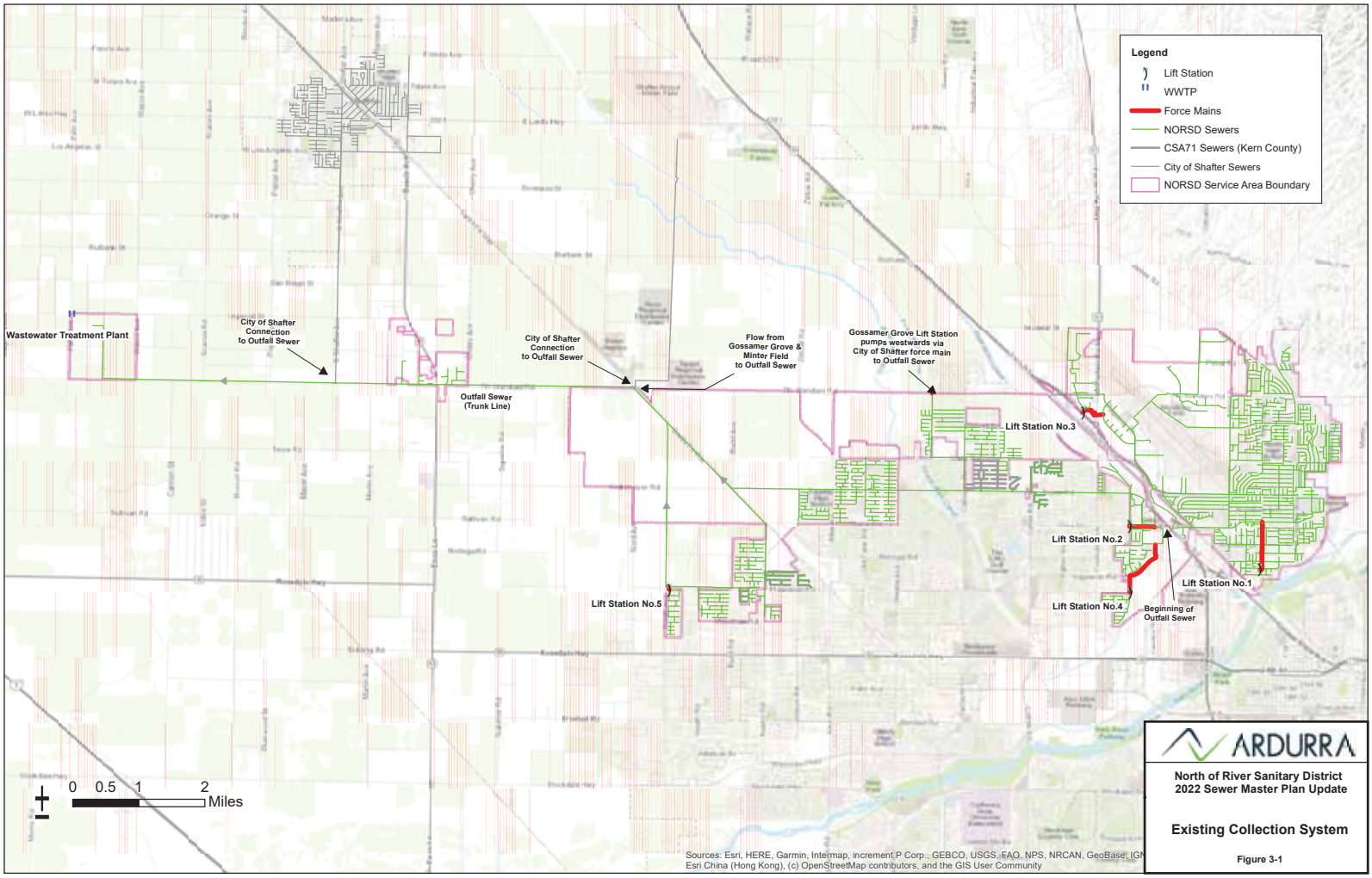
As mentioned, the three communities that discharge into the District's collection system are CSA-71, Oildale area, and the City of Shafter. The City of Shafter connects to the Outfall Sewer at Shafter Avenue and at Santa Fe Way along 7th Standard Road. Flows from Gossamer Grove area and Minter Field enter the Outfall Sewer at the Santa Fe Way connection. The connecting sewers are owned and maintained by the City of Shafter. Flow from the Oildale community west of Highway 99 are discharged into the 33-inch Vitrified Clay Pipe (VCP) pipe underneath Highway 99 near Olive Drive and State Road gravitationally. Flows from area south of the Beardsley Canal and area north of intersection of Highway 99 and Highway 65 are pumped by Lift Station 1 and Lift Station 3, respectively. Flows from these two pump stations consequently converge into the 33-inch pipe underneath Highway 99 near Olive Drive and State Road. This 33-inch line is the beginning of the Outfall Sewer trunk line. East of Highway 99, gravity flows into Lift Stations 2 and 4 are pumped north towards a 33-inch trunk line south of Olive Road near Knudsen Dr. The CSA-71 service area includes the rest of the customers in the NORSD service area.

3.1.2. Trunk and Gravity Sewers

Table 3-1 shows the gravity sewers by material and size. About 67% of the sewers in the District are 8-inch in diameter and about half of these are of VCP type. The Outfall Sewer which is a trunk main, constitutes pipes between 33- and 54-inches, most of which are made of High Density Polyethylene (HDPE) material.

Table 3-1. Gravity Sewers by Material and Size

Diameter	Pipe Lengths (ft) by Material					Total Length (ft)	Percentage (%)
	CI	DI	HDPE	PVC	VCP		
6				64	18,524	18,588	2%
8	102			325,707	324,529	650,338	67%
10				19,653	50,629	70,282	7%
12	425			19,506	25,724	45,655	5%
14		910				910	0%
15				21,479	22,850	44,329	5%
18			2,624	2,672	5,274	10,570	1%
21				7,801		7,801	1%
24				2,676	12,972	15,648	2%
27				7,768		7,768	1%
30				5,192		5,192	1%
33			14,420		2,316	16,737	2%
36			21,695			21,695	2%
42			23,806			23,806	2%
48			13,631			13,631	1%
54			23,781			23,781	2%
Total	**527**	**910**	**99,956**	**412,518**	**462,819**	**976,730**	**100%**


Legend
Lift Station
WWTP
Force Mains
NORSD Sewers
CSA71 Sewers (Kern County)
City of Shafter Sewers
NORSD Service Area Boundary
Wastewater Treatment Plant
City of Shafter Connection to Outfall Sewer
City of Shafter Connection to Outfall Sewer
Flow from Gossamer Grove & Minter Field to Outfall Sewer
Gossamer Grove Lift Station pumps westwards via City of Shafter force main to Outfall Sewer
Outfall Sewer (Trunk Line)
Lift Station No.3
Lift Station No.2
Lift Station No.1
Lift Station No.4
Lift Station No.5
Beginning of Outfall Sewer
0 0.5 1 2
Miles
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN
Esri China (Hong Kong), (c) OpenStreetMap contributors, and the GIS User Community
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Existing Collection System
Figure 3-1

3.1.3. Lift Stations

The District owns and operates five sewer lift stations with two to three pumps at each station. Lift Stations (LS) 1 and 3 are located in the Oildale area. LS 2 and 4 are located west of Highway 99 along Mohawk Street. LS 5 is the newest station and located in the Rosedale area towards the west end of the system. LS 1 is the only station with an on-site emergency generator. All stations except LS 2 have a connection for a portable emergency generator and a bypass pump. Table 3-2 summarizes the pump and wet well information of the lift stations.

Table 3-2. Lift Station and Wet Well Summary Description

Lift Station (LS)	Year Installed/ Rehabilitated	Location	No. of Pumps	Pump Capacities (gpm)	Wet Well Invert Elevation (ft) | Maximum Depth (ft)
LS 1	1955/ 2016	Southwest corner of S. Oildale Drive & Huskey Drive	3 (2 speed)	850/1200; 850/1200; 850/1200	390.68 | 18.57
LS 2	1971/ 1978	Northeast corner of Olive Drive & Mohawk Street	2	810; 810	405.96 | 23.05
LS 3	2000/NA	Spectrum Parkway (in easement of Barry's RV Outlet Property)	2	300; 300	441 | 15.5
LS 4	2000/NA	Northeast of intersection of Mohawk Street & Krebs Road	3	990; 990; 600	377.7 | 32.8
LS 5	2016/NA	Northwest of Northfield Way and Stonewick Drive	2	480; 480	316.77 | 20.97

3.1.4. Force Mains

The system consists of approximately 2.4 miles of force mains ranging from 4-inch to 10-inch in diameter. Table 3-3 summarizes the force main information. LS 1 has two 10-inch force mains; one for pumping from the lift station to manhole MH 3276 just north of the Beardsley Canal (FM2) and the other, a much older one (FM1), pumps to DMH-846 in Decatur St. and is used for emergency backup purposes with the bypass pump.

Table 3-3. Lift Station Force Main Summary Description

Lift Station (LS)	Year Installed	Diameter	Material	Length (ft)
LS 1	2016 (FM2)	10-inch	Ductile Iron (DI)	3,750
LS 1	1940/1950 (FM1)	10-inch	Cast Iron (CI)	3,800
LS 2	1971	10-inch	Polyvinyl Chloride (PVC)	2,100
LS 3	2000	8-inch	PVC	2,200
LS 4	2000	10-inch	PVC	4,300
LS 5	2016	4-inch	PVC	255

3.1.5. Wastewater Treatment Plant

The NORSD wastewater treatment plant (WWTP) is located near the intersection of Palm Avenue and Seventh Standard Road, approximately 15 miles west of Highway 99. The current plant has a treatment capacity of 7.5 MGD. A review of recent plant data from 2020 through August 2022 shows that average monthly flow between 5.4 and 5.9 MGD. The plant utilizes an undisinfected secondary treatment process whereby wastewater is oxidized and until sufficient organic matter is removed to enable effluent usage for surface irrigation of limited crops. Plant effluent is currently discharged into four unlined effluent storage

ponds. Water is pumped to irrigate feed and fodder crops (alfalfa, wheat, corn), with some minor losses due to evaporation and percolation into the groundwater. With the passage of California's Sustainable Groundwater Management Act in 2014 (SGMA), NORSD recognized the potential increase in value of the treated effluent for higher reuse quantities and contracted with Provost and Pritchard (P & P) to conduct a study in 2019. The 2019 P & P Recycled Water Study recommends that the District explore local partnerships for recycled water use and apply for State grant funding for plant upgrades to meet the required effluent standards. A WWTP-specific master planning effort is currently being conducted by another consultant; therefore, will not be evaluated for capital improvements in this sewer system master plan but is included as part of capital budgeting in Section 9.

3.1.6. Operation and Maintenance

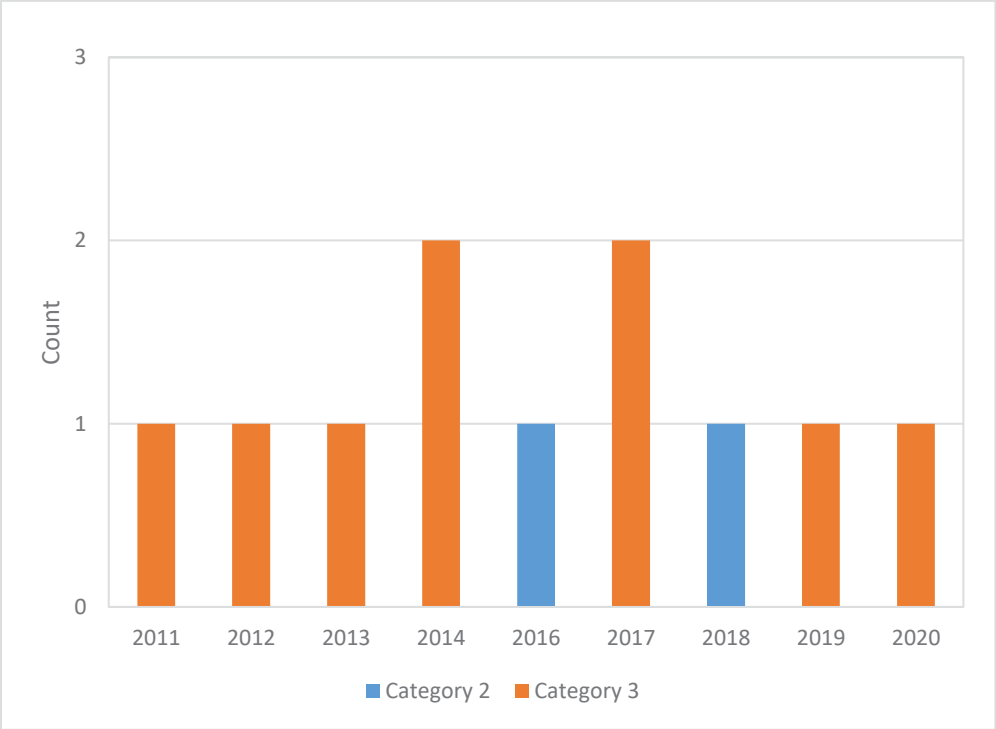
The District's 2015 Sewer System Management Plan (SSMP) details the District's asset management program (AMP) which includes its sewer system operation and maintenance (O&M) efforts. The program is managed by District staff via a GIS-based system that is used to track inspection observations, assign work orders, and schedule maintenance activities by staff and contractors. An outside GIS vendor periodically updates the mapping components (e.g., pipes, valves, manholes, lift stations, interagency connections, boundary data, etc.) and associated attributes to the asset management database.

The District performs routine inspections of its collection systems facilities which includes, but not limited to, manholes, lift stations, force mains, and Closed-Circuit Television (CCTV) camera inspections of its sewer mains. Known problem areas in the collection system are logged in the AMP system and categorized into frequency of cleaning such as bi-weekly, monthly, quarterly, semi-annually, and annually. Routine main flushing also includes areas requiring frequent cleaning or referred to as "hot spot" areas of the system. Maintenance activities at lift stations include weekly visual inspections and valve exercising, monthly valve cleaning, FOG removal, annual backflow prevention inspections, annual inspection of submersible pumps, maintenance of spare pumps, etc. Work orders are generated and archived in the AMP system and are associated with specific sewer system assets.

Using the information derived from the AMP system, the District has developed a rehabilitation and replacement plan to identify and prioritize collection system deficiencies and implement short-term and long-term rehabilitation actions to address each deficiency. For example, CCTV inspections that are performed by staff on a weekly basis are coded in accordance with NASSCO's Pipeline Assessment & Certification Program (PACP). Based on the observations, the asset is assigned a grade of 0 to 5. The higher grade indicates a further state of degradation. Assets graded 5 are placed on a rehabilitation list typically for replacement or spot repair. All other grades are monitored and reviewed for further degradation.

Figure 3-2 shows SSO occurrences in the District system between 2011 and 2020 by Category per the State Water Resource Control Board SSO reporting website. Most events fall under Category 3 which are minor spills that were less than 1,000 gallons and did not reach any surface water. Most SSO events occurred in the Oildale area with the exception of three events that occurred at LS 1 and 4 force mains. According to the District, none of these events were due to main capacity-related deficiencies. The District also has several manholes installed with SmartCover© monitoring devices, five are located in the collection system and one is located within the WWTP. These devices provide remote monitoring and alarming capabilities when flows reach restricted levels in a manhole and helps staff with early detections of SSOs in the District collection system.

Figure 3-2. Existing Sanitary Sewer Overflows by Spill Category



Source: State Water Resources Control Board SSO Reporting website (https://www.waterboards.ca.gov/water_issues/programs/sso/docs/index.php)

4. Wastewater Flow Characteristics and Projections

This section discusses the District's wastewater flow characteristics under existing conditions as well as wastewater flow projections under near-term future, and buildout conditions.

4.1. Wastewater Flow Component

Below are brief descriptions of wastewater flow components used in this Master Plan.

4.1.1. Average Dry Weather Flow

The Average Dry Weather Flow (ADWF) includes base wastewater flow (BWF) and groundwater infiltration (GWI). BWF is domestic (or sanitary) wastewater flow from residential, commercial, institutional, and industrial wastewater. GWI is defined as groundwater entering the collection system through pipe joints and manhole walls due to structural defects or improper construction.

4.1.2. Peak Dry Weather Flow

Domestic sewer flows vary throughout the day due to different customer water use patterns. Peak Dry Weather Flow (PDWF) is the highest hourly peak flow during dry period and is determined by multiplying a peaking factor to the ADWF.

4.1.3. Peak Wet Weather Flow

Peak Wet Weather Flow (PWWF) is the highest hourly flow during a significant rain event and is estimated as Peak Dry Weather Flow (PDWF) plus Peak Rainfall Dependent Infiltration/Inflow (RDII). Typically, peak RDII was derived from flow monitoring data collected for wet weather events. However, flow monitoring data for wet weather condition was not available during this master plan, so PWWF cannot be determined.

4.1.4. Peak Design Flow

Due to the absence of flow data to study system response during a wet weather condition, Peak Design Flow (PDF) is used instead, for system capacity evaluation in this Master Plan. PDF is determined based on peak daily flow data recorded at the treatment plant over the past five years as well as peaking factors used by neighboring agencies. More information is provided in the following section.

4.2. Flow Monitoring Study

Flow data from various sources were used to characterize the District's wastewater. A few permanent meters were installed to record treatment plant influent and wastewater discharged from the City of Shafter. Flow data was collected from permanent meters installed at the discharge side of the influent pump station at the WWTP, at the City of Shafter's interceptor connection at Shafter Avenue (Shafter Ave Interceptor), at the pump discharge of the Gossamer Grove Pump Station, and at the City of Shafter's interceptor connection capturing flows from the Minter Field Airport area (Minter Field Interceptor). In addition, Wonderful Industrial Park within the City of Shafter also discharges wastewater into the District's collection system, but it is unmetered. Wastewater from Gossamer Grove Pump Station, Minter Field Interceptor, and Wonderful Industrial Park are discharged into District's 42-inch trunk line (Outfall Sewer) at intersection of Santa Fe Way and Seventh Standard Road (MH-2631).

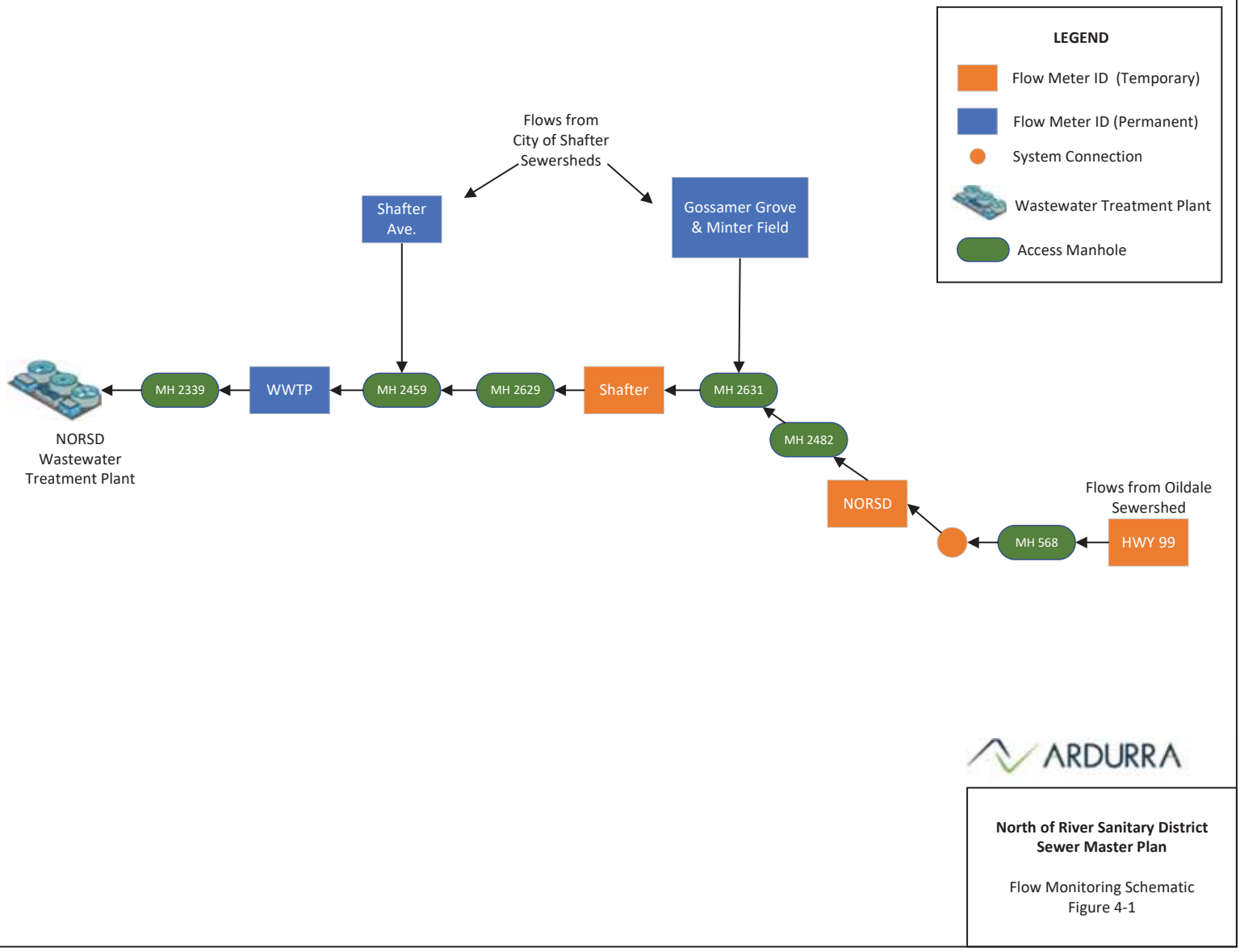
The District recently installed a permanent meter upstream of the WWTP to capture plant influent flow quantities and patterns more accurately. As part of this Master Plan, a flow monitoring study was conducted by District staff between September 4 and September 9, 2022, for the purposes of model calibration and developing sewer generation factors. Data from three temporary flow meters and four permanent meters were analyzed as shown in the flow schematic in Figure 4-1. Figure 4-2 shows the locations of these meters.

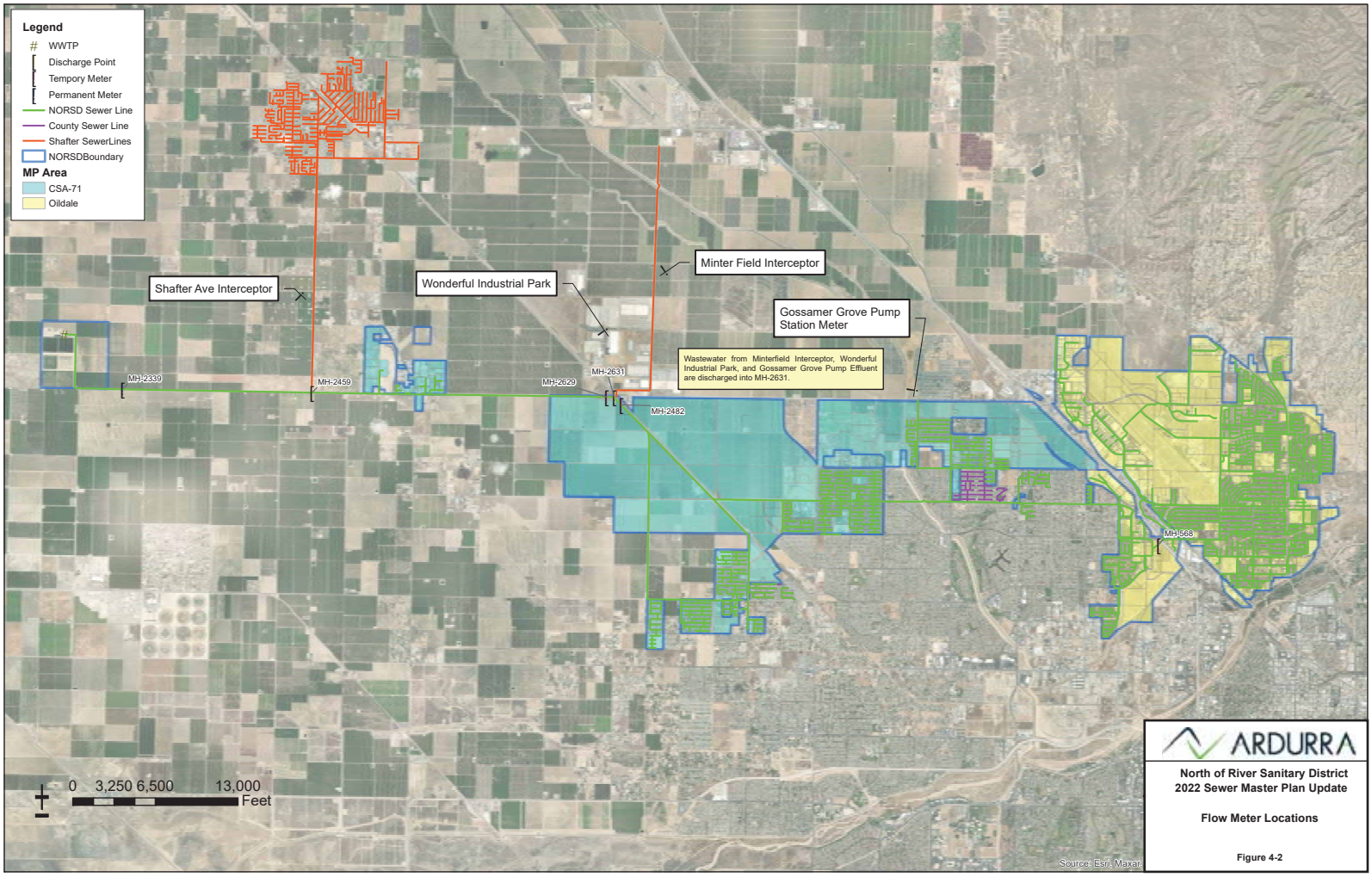
4.2.1. Flow Monitoring Sites

The location, description, and type of data collected at each flow metering site is shown in Table 4-1.

Table 4-1. Flow Meter Locations

Monitor ID	Access Manhole ID	Flow Meter Location	Monitored Pipe Diameter (in.)	Notes
NORSD	MH-2482	Upstream inlet to manhole; along Santa Fe Highway	42	5-min interval flows; Submersible probes; Meter captures flow, velocity, head; Temporary Meter
Shafter	MH-2629	Upstream inlet to manhole; adjacent to 4430 Bowles St., Shafter, CA along Seventh Standard Rd.	42	5-min interval flows; Submersible probes; Meter captures flow, velocity, head; Temporary Meter
Hwy 99	MH-568	Upstream Inlet to manhole	33	5-min interval flows; Meter captures flow, velocity, head, area; Temporary Meter
WWTP	MH-2339	Upstream of MH Inlet	54	15-min interval flows; Raven-Eye installed by District; Permanent Meter
Shafter Avenue	MH-2459	Shafter Avenue	unavailable	10-sec interval flows from District SCADA; Permanent Meter
Gossamer Grove	Gossamer Grove Pump Station	Effluent side of Gossamer Grove Pump Station, discharge to MH-2629.	Unavailable	10-sec interval flows from District SCADA; Permanent Meter
Minter Field	Minter Field Trunk Line	Minter Field Airport	unavailable	Daily flows; Permanent Meter


LEGEND
Flow Meter ID (Temporary)
Flow Meter ID (Permanent)
System Connection
Wastewater Treatment Plant
Access Manhole
Flows from City of Shafter Sewersheds
Shafter Ave.
Gossamer Grove & Minter Field
NORSD Wastewater Treatment Plant
MH 2339
WWTP
MH 2459
MH 2629
Shafter
MH 2631
MH 2482
NORSD
Flows from Oildale Sewershed
MH 568
HWY 99
ARDURRA
North of River Sanitary District
Sewer Master Plan
Flow Monitoring Schematic
Figure 4-1


Legend
WWTP
Discharge Point
Tempory Meter
Permanent Meter
NORSD Sewer Line
County Sewer Line
Shafter SewerLines
NORSDBoundary
MP Area
CSA-71
Oildale
Shafter Ave Interceptor
Wonderful Industrial Park
Minter Field Interceptor
Gossamer Grove Pump Station Meter
Wastewater from Minterfield Interceptor, Wonderful Industrial Park, and Gossamer Grove Pump Effluent are discharged into MH-2631.
MH-2339
MH-2459
MH-2629
MH-2631
MH-2482
MH-568
0 3,250 6,500 13,000
Feet
Source: Esri, Maxar,
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Flow Meter Locations
Figure 4-2

4.2.2. Flow Monitoring Results

Flow monitoring data collected from the temporary meters and permanent meters was evaluated to determine the ADWF, PDWF, PDF, as well as sewer generation factor for the District. Due to flow meter calibration issues and mass balance inaccuracies, meter data at MH-2482 and MH-2629 was omitted, and flow data between 9/6/2022 and 9/9/2022 was used for model calibration.

4.2.2.1. Dry Weather Flow Data

Table 4-2 summarizes the observed ADWF and PDWF from different sources of flow data. To be consistent, flow data between 9/6/2022 and 9/9/2022 from the temporary meters and the permanent meters were used for the analysis.

Table 4-2. Dry Weather Data Summary Table

FM Site	Monitored Pipe Diameter (in.)	Observed ADWF (mgd)	Observed PDWF (mgd)	Observed PDWF Factor
HWY99 (MH-548)	33	2.680	3.70	1.38
NOR_WWTP (MH-2339)	42	5.497	7.07	1.29
Gossamer Grove	-	0.045	0.11	2.44
Minter Field	-	0.012	-	-
Shafter Ave	-	1.284	2.00	1.56
Wonderful Industrial Park	-	0.020*	-	-

* Wastewater from Wonderful Industrial Park is unmetered, and the flow rate is estimated by the number of employees of all businesses located in the industrial park.

4.2.2.1. Historical Plant Influent

Due to time constraints, the flow monitoring study was conducted for a short period (less than a week) which cannot capture flow characteristics during weekends and wet weather condition. Flow data at the discharge side of the influent pump station at the WWTP was utilized to check the historical plant influent flows. Table 4-3 summarizes the historical plant influent for the past 5 years.

Table 4-3. Historical Plant Influent

	Influent Flow		Shafter Ave		Gossamer Grove	
Year	Average Daily Influent Flow (mgd)	Max. Daily Influent Flow (mgd)	Average Shafter Ave Flow (mgd)	Max. Shafter Ave Daily Flow (mgd)	Average Gossamer Grove Flow (mgd)	Max. Gossamer Grove Daily Flow (mgd)
2017	5.44	6.44	1.40	1.80	unavailable	unavailable
2018	5.59	6.74	1.29	1.67	0.05	0.11
2019	5.64	7.57	1.34	1.85	0.05	0.16
2020	5.77	7.61	1.35	1.88	0.08	0.27
2021	5.78	6.52	1.33	1.54	0.10	0.16
Average	**5.64**	**6.98**	**1.34**	**1.75**	**0.07**	**0.17**

The average daily flow for the past 5 years (2017-2021) based on the plant influent data is estimated to be **5.64 mgd**, **1.34 mgd**, **0.07 mgd** for plant influent, Shafter Ave Trunk Line, and Gossamer Grove Pump Effluent, respectively, and are used as existing ADWF for this Master Plan.

4.2.2.2. Peak Design Flow

Due to the absence of wet weather flow data, Peak Design Flow (PDF) was established to evaluate system capacity. As shown in Table 4-3, the maximum daily influent flow observed from the past 5 years is 7.61 mgd, which occurred on 4/8/2020. It was within the region's typical wet season from October to May.[11] Based on the historical precipitation data at the Meadows Field Station from Weather Underground[12], there was a rain event between 4/5/2020 and 4/10/2020 with the highest daily precipitation of 0.91 inch occurred on 4/8/2020. Since more granular data is not available for flow data and precipitation data, the system's RDII response to rain events cannot be determined.

The historical maximum daily influent flow is approximately 1.36 times the existing ADWF. This factor applies to the observed PDWF factor at the HWY99 (MH-548) Meter resulting in a peaking factor of 1.88. To evaluate the capacity of the existing collection system, a peaking factor of **2** is used in this Master Plan. This is also a peaking factor that is used by various neighboring agencies as shown in Appendix A – Design Criteria. Existing gravity mains were evaluated against the "trigger" depth over diameter (d/D) ratios of 0.70 and 0.85 depending on sizes, which are further discussed in Section 6. Remaining capacity in the pipe is reserved for additional wet weather flows.

Additional flow monitoring study is recommended for the District for future update of the Master Plan or hydraulic model. The flow monitoring study is recommended to capture flow data during significant rain events with longer monitoring period, which can be used to study the District's collection system responses during wet weather events and update the peaking factor to account for PWWF if needed.

4.3. Wastewater Generation Factors

The District's sewer connection fees and sewer service charges are calculated based on Single Family Residential Equivalents (SFRE). Numbers of current SFRE are determined based on the following criteria provided by the District:

- Single family residential: 1 unit = 1 SFRE
- Multi-family residential: 1st unit = 1 SFRE, remaining units = 72% of SFRE
- Commercial: Sewer Service Charge (SSC) Multiplier times 0.21 to determine number of SFRE
- Government and Industrial: determine number of SFRE based on the number of SFRE from provided invoices

The District's service area can be divided into two parts: Oildale and CSA-71. The District's collection system collects wastewater from Oildale and CSA-71 areas plus wastewater from City of Shafter. HWY99 Meter (MH-548) captures wastewater from the majority of Oildale area, and the observed ADWF is 2.68 mgd as shown in Table 4-2. Based on the flow data listed in Table 4-2, ADWF from CSA-71 area and a small portion of Oildale area as shown in Figure 4-2 can be calculated by subtracting the ADWFs of HWY99, Gossamer Grove, Minter Field, and Shafter Ave Sites from the NOR_WWTP site, and is determined to be 1.48 mgd. Calculated gallons per day per SFRE (gpd/ SFRE) for the two areas are shown in Table 4-4.

[11] City of Bakersfield 2020 Urban Water Management Plan

[12] https://www.wunderground.com/history/monthly/us/ca/bakersfield/KBFL/date/2020-4

Table 4-4. Sewer Generation Factor Calculation

Flow Meter Tributary Area	Estimated SFRE	Metered ADWF[2] (mgd)	gpd/ SFRE
Oildale (MH-568)	14,317	2.68	187.2
CSA-71[1]	7,053	1.48	209.3
Total	21,370	4.16	194.5

1. CSA-71 Tributary Area includes a small portion of Oildale area west of Hwy 99.
2. Refer to Table 4-2. Metered ADWF for CSA-71 Tributary Area was estimated by subtracting ADWF of HWY99, Gossamer Grove, Minter Field, Shafter Ave, and Wonderful Industrial Park from NOR_WWTP.

In the District's 2013 SMP, the gpd/SFRE determined for the Oildale area is 245, and the gpd/SFRE determined from CSA-71 is 297. The reduction in flows per SFRE is most likely the effects of increase water conservation measures implementation and mandated water conservation restrictions in the past few years. A wastewater generation factor of 300 gpd/SFRE was used for estimating buildout flows in both the 2013 SMP and the 2018 SMP. To be conservative by applying a 5% safety factor to the higher gpd/SFRE of 209.3, a wastewater generation factor of 220 gpd/SFRE is used to project buildout flows for capacity evaluation.

4.4. Future Wastewater Flow Projection

The District's wastewater flow is projected for near-term future (in 10 years, or 2032), and buildout conditions. As shown in Section 2.3.2, a list of known future developments were provided by the District. Projects 1-15 are anticipated to be completed in near-term future, and the remaining ones are anticipated to be completed by buildout. This master plan follows the same assumptions on development densities used in the 2013 SMP to calculate additional SFRE within the District's SOI for future phases. SFRE densities for undeveloped areas were assumed by land use type based on the Metropolitan Bakersfield General Plan, Projected SFRE is then multiplied by the wastewater generation factor of 220 gpd/SFRE to estimate the additional future flows. The number of additional SFRE from City of Shafter was not considered and wastewater flow from City of Shafter is assumed to be capped at Shafter's capacity right of 3 mgd in the existing Outfall Sewer. Details of the SFRE density assumption and breakdown of sewer flows by map sections within the SOI are included in Appendix B – Buildout Wastewater Flow Estimations. Table 4-5 summarized the calculated SFRE for existing and buildout conditions.

Table 4-5. SFRE Estimations

Area	Existing SFRE	Buildout SFRE
Oildale	16,102	33,735
CSA-71	5,268	58,857
Total	**21,370**	**92,591**

Near-term future (2032) flow and 2050 flows without water saving reduction are projected by calculating the near-term future project flows plus the projected increase in existing flow due to infill growth. Increase in existing flow is assumed to be proportionate to population growth to account for densification and changes in land use in existing developed areas and remaining vacant areas. Growth rates for each planning areas are listed in Table 2-3. Buildout flow is projected by assuming all undeveloped areas within the District's SOI to be developed. Table 4-6 lists the projected near-term future (2032) wastewater flow, 2050 wastewater flow, and buildout wastewater flow.

Table 4-6. Wastewater Flow Estimations

Area	Existing (mgd)	Near-term 2032 (mgd)	2050 (mgd)	Buildout (mgd)	2050 with Water Saving Reduction (mgd)	Buildout with Water saving reduction (mgd)
Oildale	3.05	4.01	4.14	6.91	3.81	5.64
CSA-71	1.10	2.79	4.92	12.89	3.89	8.98
Shafter	1.44	1.78	2.62	3.00	2.33	3.00
Total	5.60	8.58	11.68	22.81	10.03	17.62

In 2018, the California Legislature enacted Senate Bill 606 (SB 606) and Assembly Bill 1688 (AB 1688) that establishes long-term standards for water suppliers. The two laws emphasize on water efficiency and set indoor residential water use standard to be 55 gallons per capita per day (gpcd) until January 2025 and decreasing to 50 gpcd in January 2030. On September 28, 2022, Governor Newsom approved SB 1157 which further reduces indoor residential water use standards from 52.5 gpcd to 47 gpcd between January 1st, 2025, and January 1st, 2030, and from 50 gpcd to 42 gpcd in January 2030. Assuming a 100% return to sewer ratio and a SF household size of 3.5, the wastewater generation factor would be reduced to 147 gpd/SFRE. With consideration of effects of the water efficiency legislature and other applicable standards and plumbing codes, new developments are assumed to be able to achieve 147 gpd/SFRE through water-efficient appliances, fixtures, and design. Existing users are assumed to stay at current wastewater generation rate as the existing flows already reflect the effects of continuous water conservation implementations over the past few years. The wastewater generation factor of 147 gpd/SFRE is approximately 75.6% of the existing system-wide wastewater generation factor of 194.5 gpd/SFRE as listed in Table 4-4. For the 2050 flow projection with water saving reduction, a factor of 0.756 is applied to the projected increase in existing flow due to infill growth to account for water saving reduction. Flows from new developments are estimated with the wastewater generation factor of 147 gpd/SFRE. Wastewater flow estimated for 2050 and buildout conditions with water saving reduction are shown in Table 4-6.

For conservative purposes of evaluating the collection system capacity to accommodate future flows, flows projected without water saving reduction in Table 4-6 are used as the future ADWFs for hydraulic analysis. Similar to estimation of existing PDF, a peaking factor of 2 was applied to future ADWFs to estimate future PDFs.

5. Hydraulic Model Build & Calibration

In support of the Master Plan, a wastewater collection system hydraulic model was developed to conduct a capacity analysis for the system. The District's sewer system model was built and calibrated in the InfoSWMM software environment. This platform combines a fully dynamic hydraulic modeling engine developed and approved by the Environmental Protection Agency (EPA) with Geographic Information System (GIS) integration that can take advantage of the District's sewer system GIS database developed over time.

5.1. Model Network Build

The District's sewer system GIS database was utilized to build the collection system model via the "GIS gateway" tool in InfoSWMM. An initial quality check of the District's GIS database was performed before importation. Invert information of manholes and gravity mains in the GIS database were from two primary sources: 1. As-builts, and 2. Field measurements. For field measurements, District staff measures the manhole inverts by measuring manhole rim elevations and depth to manhole center bottom. Pipe inverts at outlet/inlets to a manhole were not measured. Based on the GIS database review, field measured inverts are not quite consistent with as-built inverts. More than 80% of the inverts have +/- 0.5 ft difference between field measurement and as-built inverts, and approximately 40% of the inverts have +/- 1 ft difference between field measurement and as-builts inverts. Inverts from both sources result in negative slopes and extreme steep slopes at a small portion of pipes, but inverts from as-builts were found with less discrepancies and better reflecting the actual slopes in field. Therefore, inverts from as-builts were used as the primary invert source input for the model.

A list of sewer lines with negative slopes, slope greater than 10%, and or missing upstream and/or downstream inverts were provided to the District for clarification and correction. District staff reviewed invert data and performed field measurements to close data gaps for about top 50 data records out of about 250 records that showed negative slopes.

Once the District's sewer GIS database were imported into InfoSWMM, the network was reviewed for connectivity. Areas with discrepancies were documented. Once system network connectivity check was completed, the system was also loaded with dummy flows to further check on areas with surcharge issues. Sewer line profiles of these areas were checked and profiles that did not show downward slopes were modified/corrected based on as-builts or nearest upstream and downstream sewer line/ manhole inverts. During this process, a few areas were found with different datums used from different as-builts. Modifications were made to these areas and documented in the model as well as a separate model error log document. Fields were created in InfoSWMM to log the facilities with modifications made. As a result, further data scrubbing was performed in InfoSWMM to be able to execute the modeling program.

5.2. Flow Allocation

Wastewater flows were loaded to the model apportioned on a manhole-by-manhole basis. Based on the SFRE and gpd/SFRE estimated for existing flow as shown in Table 4-4, sewer flow was calculated on a parcel level. Each parcel was assigned to a tributary manhole in the collection system based on spatial joint to the closest manhole and manually checked and modified at areas near pump stations, force mains, and parallel pipes. Sewer flows to each tributary manhole were summed and loaded in the model.

5.3. Model Calibration

To make sure that the model accurately represents the existing system conditions, the model was calibrated based on flow monitoring data. Model calibration is an iterative process of comparing model prediction to actual field data and adjusting model parameters to produce model results that are within an acceptable agreement of the field measurements. The model was only calibrated to dry weather conditions as there was not wet weather events captured during the flow monitoring study.

There are no established standards on the calibration accuracy for hydraulic model calibration in the United States as the required level of accuracy depends on the expected use of the model. However, a popular source referenced in the U.S. for model calibration criteria comes from a U.K. based organization called the Chartered Institute of Water and Environmental Management (CIWEM) that produces the "Wastewater Planning Users Group Code of Practice for the Hydraulic Modeling of Sewer Systems" or WaPUG Manual. Table 5-1 below lists the WaPUG calibration criteria.

Table 5-1. WaPUG Calibration Criteria[13]

Parameter	General	Critical Locations	Comments
Shape*	Good match (NSEC if used >0.5)	Good match (NSEC if used >0.5)	An evaluation technique may be used to compare the shape such as the Nash-Sutcliffe Efficiency Co-efficient (NSEC) method together with a visual check.
Time of peaks and troughs	+/- 0.5 hour	+/- 0.5 hour	The timing of peaks and troughs should be similar having regard to the duration of the event
Peak depth (unsurcharged)	+/- 0.33 ft or +/- 10% whichever is greater	+/- 0.33 ft	
Peak depth (surcharged)	1.64 ft to - 0.33 ft	+/- 0.33 ft	Relaxation may be appropriate in deep sewers. Where coupled 1D-2D models are used the 'critical locations' criteria should be applied
Peak flow	+ 25% to -15%	+/- 10%	
Flow volume	+20% to -10%	+/- 10%	Excluding poor/missing data

* Shape or pattern of the flow and depth

September 7, 2022, was selected as the representative day for dry weather flow calibration. Hourly diurnal patterns were initially created by averaging the hourly flows between 9/6/2022 and 9/9/2022 at HWY99 meter site and the Shafter Ave interceptor flow data and input into the model for calibration. Calibration is an iterative process with model input parameters such as diurnal patterns, demands, and roughness coefficients being adjusted. During the calibration process, diurnal patterns were modified for better match to observed flow shape at the two meter sites. No other changes were made to the final calibrated model. Figure 5-1 shows the calibrated and normalized diurnal patterns.

[13] CIWEN Wastewater Planning Users Group Code of Practice for the Hydraulic Modeling of Urban Drainage Systems, Version 01, 2017

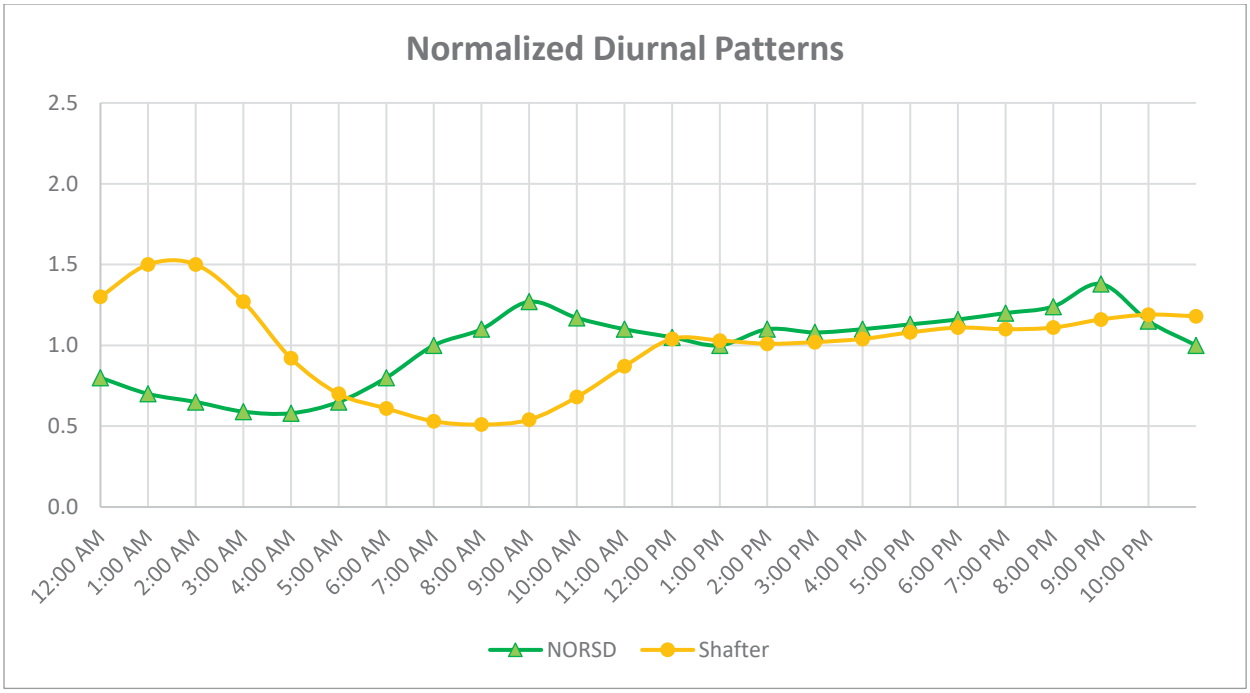


Figure 5-1. Normalized Diurnal Patterns

Table 5-2 summarizes the metered and modeled data at the two meter sites. Comparison graphs of the metered flow and depth to model predictions are shown in Figure 5-2 to Figure 5-5.

Table 5-2. Model Calibration Summary for September 7, 2022

Location	Model	Metered	Percent Difference
HWY99 (MH-548)			
Peak Flow (mgd)	3.51	3.80	-7.6%
Maximum Depth (ft)	12.28	12.19	0.7%
Average Depth (ft)	10.61	10.24	3.6%
Minimum Depth (ft)	8.26	8.00	3.3%
Total Volume (MG)	5.38	5.36	0.3%
NOR_WWTP (MH-2339)			
Peak Flow (mgd)	7.09	7.19	-1.4%
Maximum Depth (ft)	17.88	19.61	-8.8%
Average Depth (ft)	15.62	16.98	-8.0%
Minimum Depth (ft)	12.61	13.68	-7.8%
Total Volume (MG)	11.05	10.63	3.9%

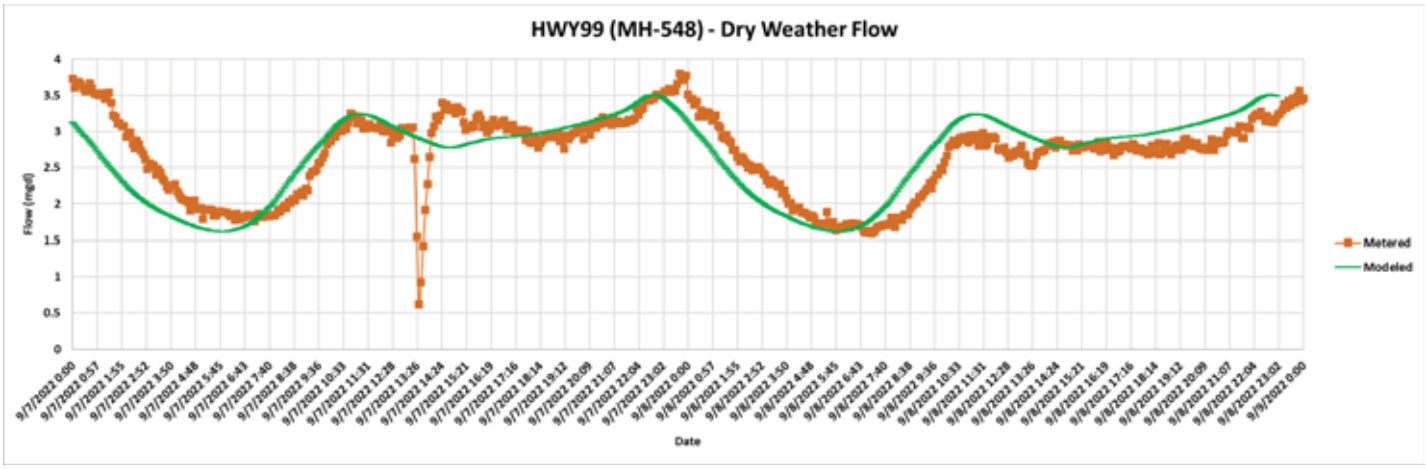


Figure 5-2. Model Flow and Metered Flow Comparison at HWY99 (MH-548)

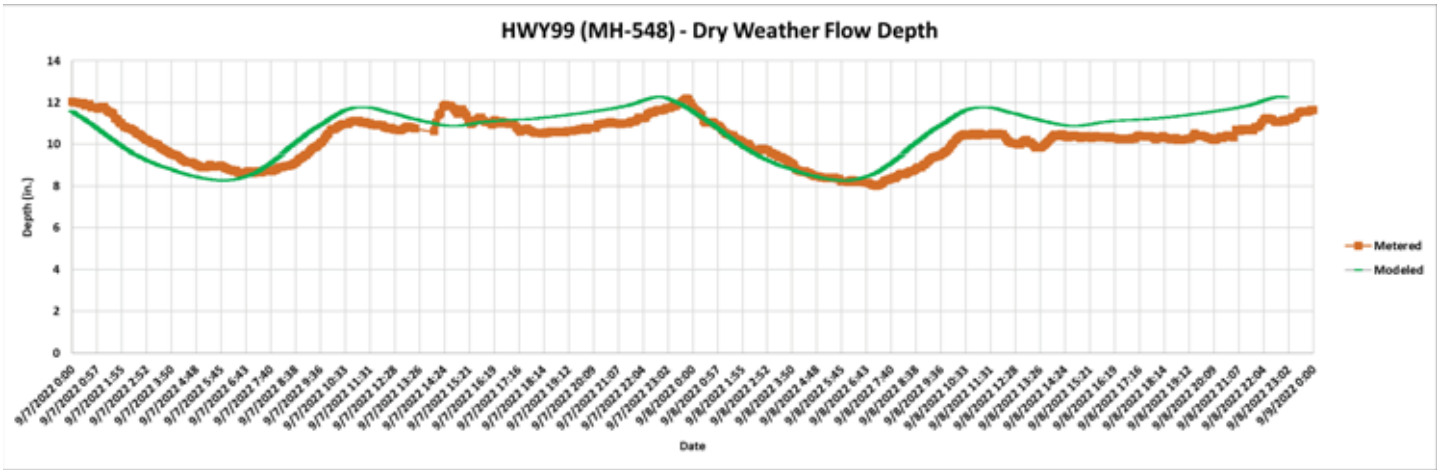


Figure 5-3. Model Depth and Metered Depth Comparison at HWY99 (MH-548)

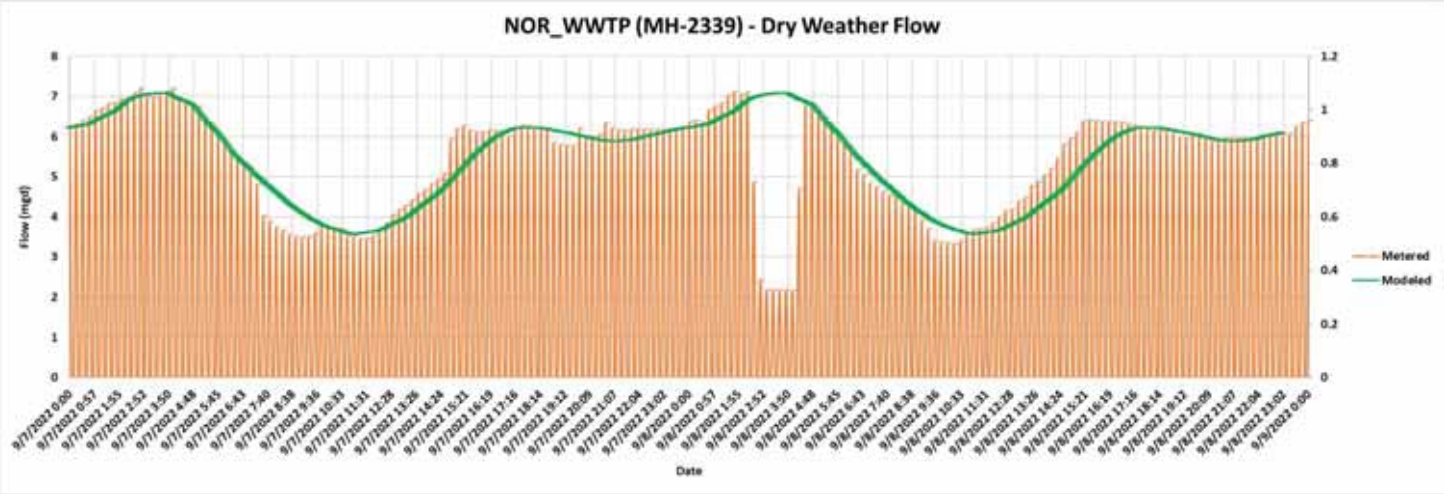


Figure 5-4. Model Flow and Metered Flow Comparison at NOR_WWTP (MH-2339)

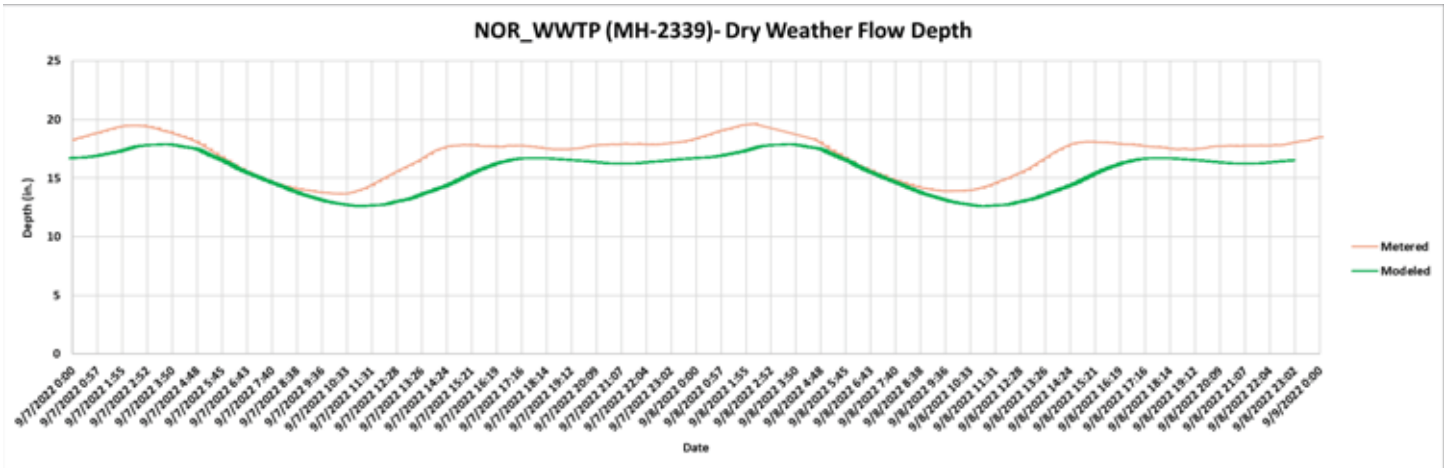


Figure 5-5. Model Depth and Metered Depth Comparison at NOR_WWTP (MH-2339)

Overall, the model flows and depths agree closely with the observed data and are within 10% difference. Adjusting the diurnal pattern to bring closer match at NOR_WWTP site would result in model peak time deviating from the observed peak time at the HWY99 site. The calibration results were reviewed and approved by District staff before performing capacity evaluation. In order to further refine the model in future updates, it is recommended that the District conduct additional flow monitoring study in the system capturing flows in smaller tributary areas over longer periods as well as during wet weather events.

6. Planning Criteria

As part of the Master Plan, the District's sewer design criteria were reviewed and compared against criteria used by other agencies and local municipalities within Central Valley along with industry standards recommended in the Gravity Sanitary Sewer Design and Construction Manual[15]. The comparison matrix and recommended design criteria details are presented in Appendix A. Based on discussions with the District, the design criteria used for the capacity evaluation and improvements in this Master Plan are summarized below.

6.1. Gravity Sewers

Table 6-1 is a summary of planning criteria for the District's gravity sewers.

Table 6-1. Planning Criteria for Gravity Mains

Design Criteria	Parameter
Depth to diameter (d/D) for existing gravity mains	Maximum d/D = 0.70 for 12-inch or smaller pipes Maximum d/D = 0.85 for pipes greater than 12"
Depth to diameter (d/D) for new gravity mains	Maximum d/D = 0.50 for 12-inch or smaller pipes Maximum d/D = 0.75 for pipes greater than 12"
Minimum velocity	2 fps when flowing half full
Maximum velocity	10 fps
Minimum diameter for new pipe	8 inches
Manning's n	0.013
Minimum Slope (ft /100 ft)	6" - 0.5% 8" - 0.5% 10" - 0.25% 12"- 0.2% 15" - 0.15% 18" - 0.12% 21" - 0.11% > 21"- 0.1% or sloped to provide 2 fps min. velocity

6.2. Manhole

For new manholes, spacing is recommended to be 400 feet for sewers 12-inches or smaller in diameter and 600 feet for sewers greater than 12-inches in diameter.

[15] Gravity Sanitary Sewer Design and Construction (2nd Ed. WEF Manual of Practice no. FD-5) is published by the American Society of Civil Engineers (ASCE) and the Water Environment Federation (WEF).

6.3. Lift Station and Force Main

6.3.1. Firm capacity for Pumps

Pumps at each lift station should be capable of handling Peak Design Flow with the largest pump out of service/operation.

6.3.2. Force Main Criteria

Minimum diameter of a new force main shall be 4-inches. The force main should be of pressure-rated DIP, HDPE, or PVC material with a Hazen-Williams roughness coefficient factor of C=130. Force mains should be sized to meet pipe velocity requirements and optimal pump design (e.g., highest efficiency with lowest energy cost) under minimum and maximum pumping flow conditions. Under all conditions force mains should exhibit a velocity of 3 fps to re-suspend settled solids and a maximum velocity of 8 fps to minimize surge.

7. Capacity Evaluation

This section discusses the model results on system capacity evaluation for existing and future conditions and identified system deficiencies per planning criteria presented in Section 6.

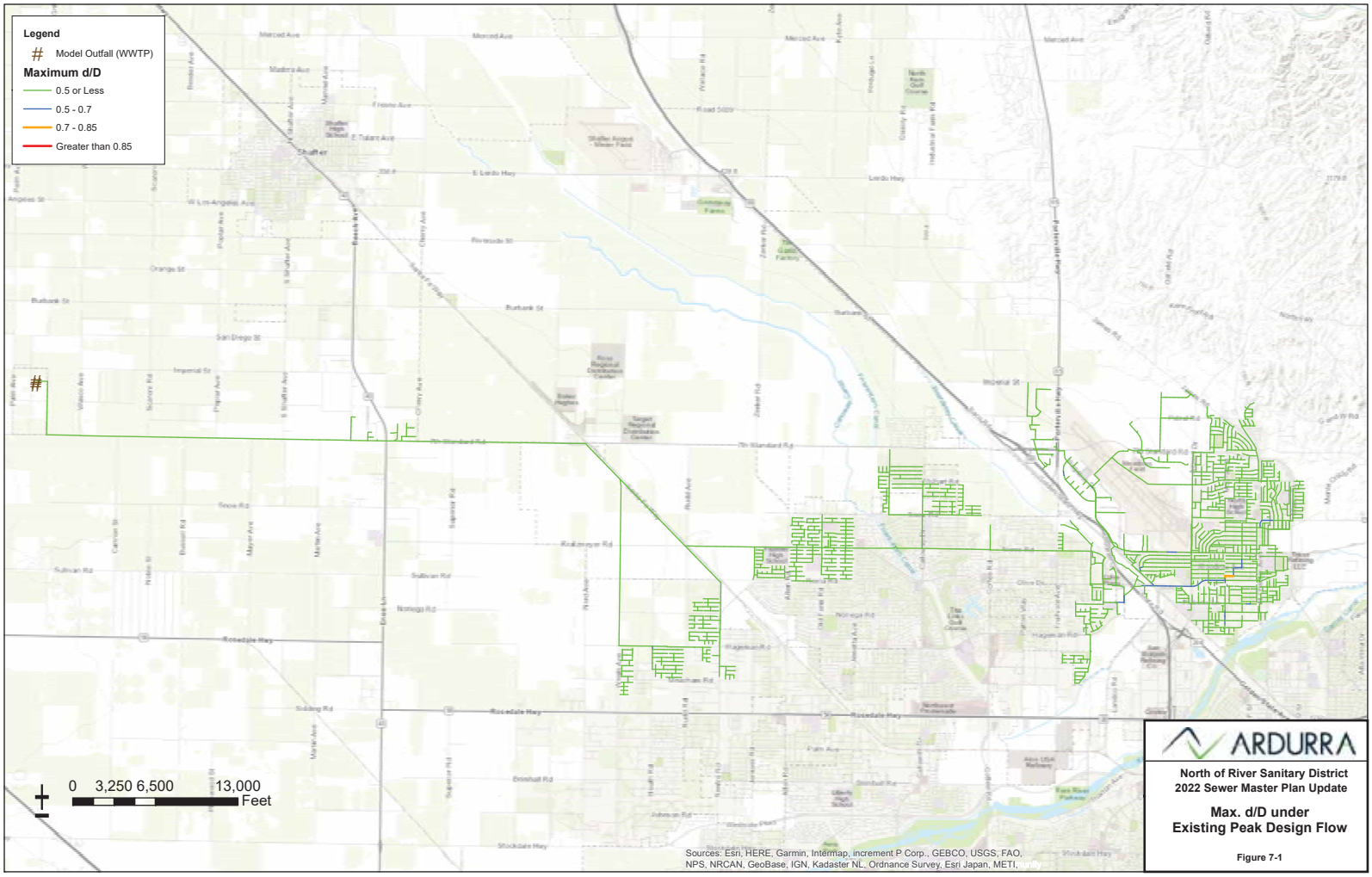
7.1. Capacity Evaluation

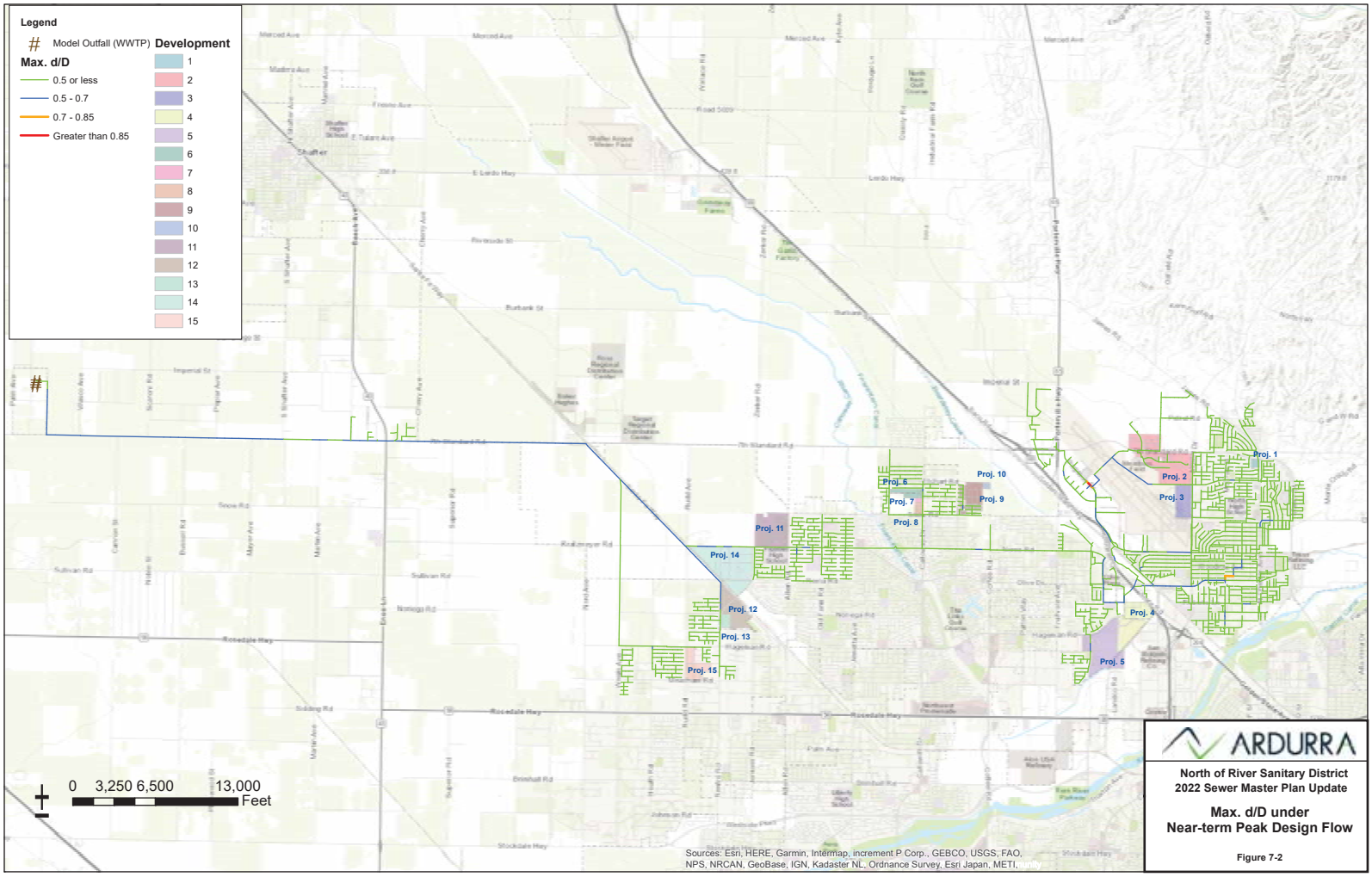
7.1.1. Gravity Mains

The system was evaluated utilizing the calibrated model under three scenarios: Existing PDF condition, Near-term PDF condition, and Buildout PDF condition. Capacity analysis of gravity mains is generally evaluated based on the depth of flow to the diameter of the pipe (d/D) under PDF scenario. Model results for existing, near-term future, and buildout under PDF conditions were evaluated to identify the deficient pipelines for each time frame. Figures 7-1 to 7-3 illustrates the locations of the deficient pipelines for existing, near-term future, and buildout PDF conditions, respectively. Model results are included as Appendix C – InfoSWMM Hydraulic Model Results.

Some of the deficient pipelines shown in the figures were due to backwater condition of their downstream deficient pipelines and will meet the planning criteria once the downstream deficient pipelines are upsized. Model results indicate that the existing system have sufficient capacity for existing PDF except three 10-inch line segments in Lincoln Ave and Oildale Dr exhibiting maximum d/D exceeding 0.7. The existing system can accommodate near-term future growth at most areas except the aforementioned area and at two 15-inch line segments near Pegasus Drive and Mars Court, as shown in Figure 7-4. However, these two line segments are predicted to exhibit backwater condition due to smaller outlet pipes and higher outlet inverts downstream. It is recommended this area to be field verified.

Model results show the existing system cannot accommodate buildout flows under PDF condition. Two major areas include the system upstream of Norris Rd and Hwy99, and the existing Outfall Sewer west of Pather Falls Ave and Calloway Canal. Some of the collector sewer show deficiencies due to allocating future loadings. It is likely that new collector sewers and interceptor sewers will be built for the new developments. The existing Outfall Trunk line cannot accommodate build out flows resulting in flows backing up at upstream interceptor sewers and collector sewers as shown in Figure 7-3.


Legend
Model Outfall (WWTP)
Maximum d/D
0.5 or Less
0.5 - 0.7
0.7 - 0.85
Greater than 0.85
0 3,250 6,500 13,000
Feet
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI,
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Max. d/D under
Existing Peak Design Flow
Figure 7-1



ARDURRA

North of River Sanitary District
2022 Sewer Master Plan Update

Max. d/D under Near-term Peak Design Flow

Figure 7-2

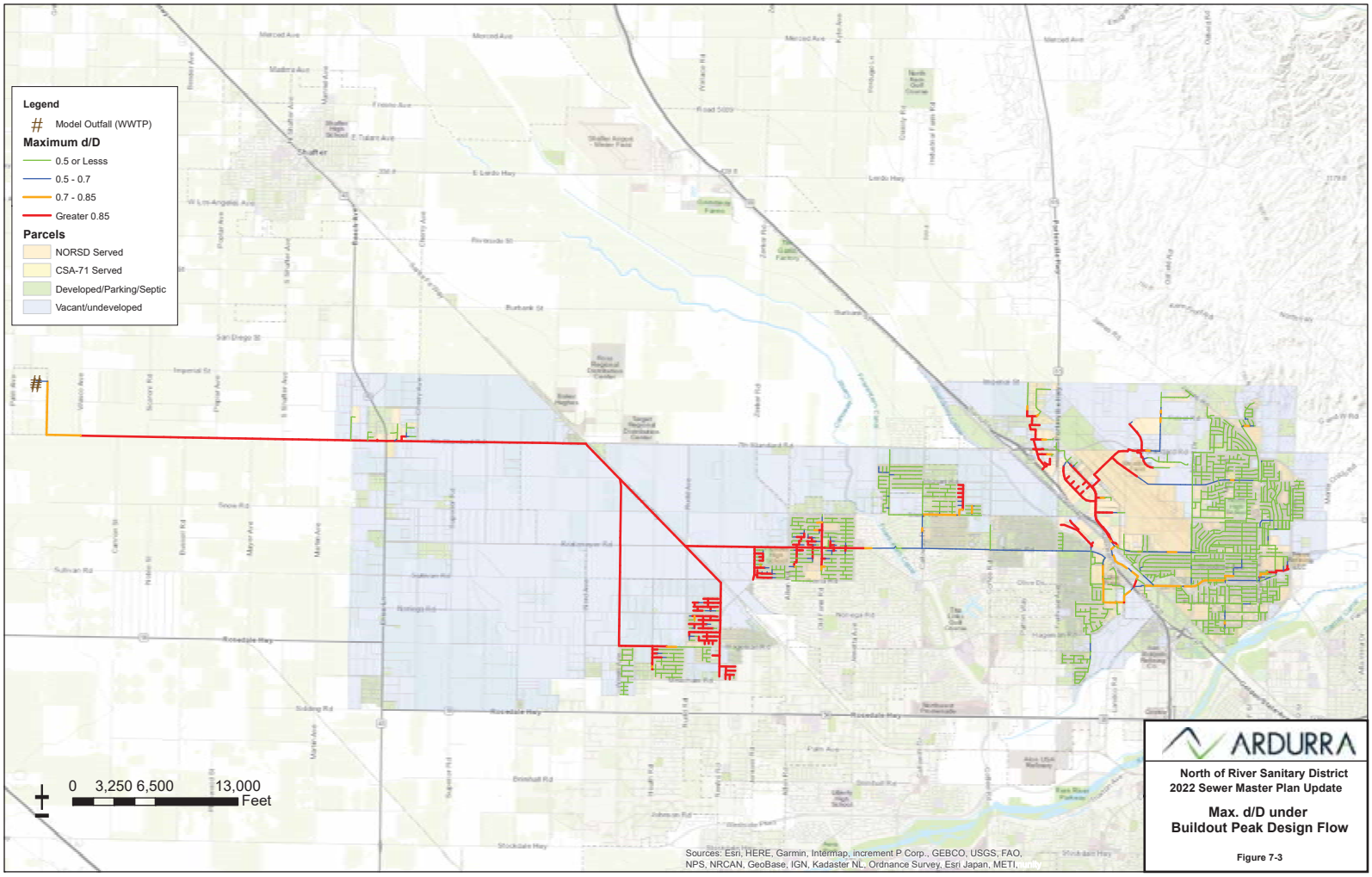

Legend
Model Outfall (WWTP)
Maximum d/D
0.5 or Lesss
0.5 - 0.7
0.7 - 0.85
Greater 0.85
Parcels
NORSD Served
CSA-71 Served
Developed/Parking/Septic
Vacant/undeveloped
0 3,250 6,500 13,000
Feet
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI,
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Max. d/D under
Buildout Peak Design Flow
Figure 7-3

Figure 7-4. Area Recommended for Field Verification



7.1.2. Lift Stations

Model results indicated that all lift stations have sufficient capacity to accommodate future growth through buildout under PDF condition except LS 3. LS 3 shows sufficient capacity to accommodate near-term future growth but becomes deficient under buildout PDF condition. This is based on the assumption that the undeveloped areas north of LS 3 will be served by LS 3. A new interceptor was proposed in the March 2019 "Final Coffee Road Interceptor Analysis" report, which was prepared by AECOM, to convey any future flows from the undeveloped areas north of LS 3. Additional information is provided in Section 9. Table 7-1 summarizes the model results of maximum influents to the lift stations under existing, near-term, and buildout PDF conditions.

Table 7-1. Model Results for Lift Station

Lift Station (LS)	Design Capacity (mgd)	Existing Max. Influent (mgd)	Near-term Max. Influent (mgd)	Buildout Max. Influent (mgd)
LS 1	1.73	1.21	1.23	1.38
LS 2	1.17	0.11	0.11	0.24
LS 3	0.43	0.12	0.12	1.42*
LS 4	2.40	0.34	0.81	0.94
LS 5	0.69	0.03	0.04	0.17

* Model results indicated flooding upstream. Max. Influent is estimated using a peaking factor of 2 to ADWF.

7.1.3. Force Main

Model results for force mains are summarized in Table 7-2. Model results indicate that maximum velocities of all force mains are below the design criteria requirement of 8 fps under PDF conditions with the exception of the 4-inch force main at LS 5.

Table 7-2. Model Results for Force Mains

Name	Size (in.)	Max. Flow (mgd)	Max. Velocity (fps)	Note
LS 1 FM	10	1.6	4.5	Two pumps turn on at maximum under existing, near-term, and buildout PDF conditions
LS 2 FM	10	2.4	6.8	Two pumps turn on at maximum under existing, near-term, and buildout PDF conditions
LS 3 FM	8	0.94	4.2	One pump turns on at maximum under existing and near-term PDF conditions and two pumps turn on at maximum under buildout PDF condition
LS 4 FM	10	2.6	7.4	One pump turns on at maximum under existing and near-term PDF conditions and two pumps turn on at maximum under buildout PDF condition
LS 5 FM	4	0.56	9.9	One pump turn on at maximum under existing, near-term, and buildout PDF conditions

8. Facilities Condition Assessment

A desktop condition assessment of the District's collection system mains and a field inspection of its lift stations were completed as part of this Master Plan.

8.1. Gravity Mains

The District's mains are CCTV-ed on a regular basis and a PACP rating is assigned to each pipe upon inspection. The rating is input and documented in the District's AMP database as mentioned in Section 3.1.6.

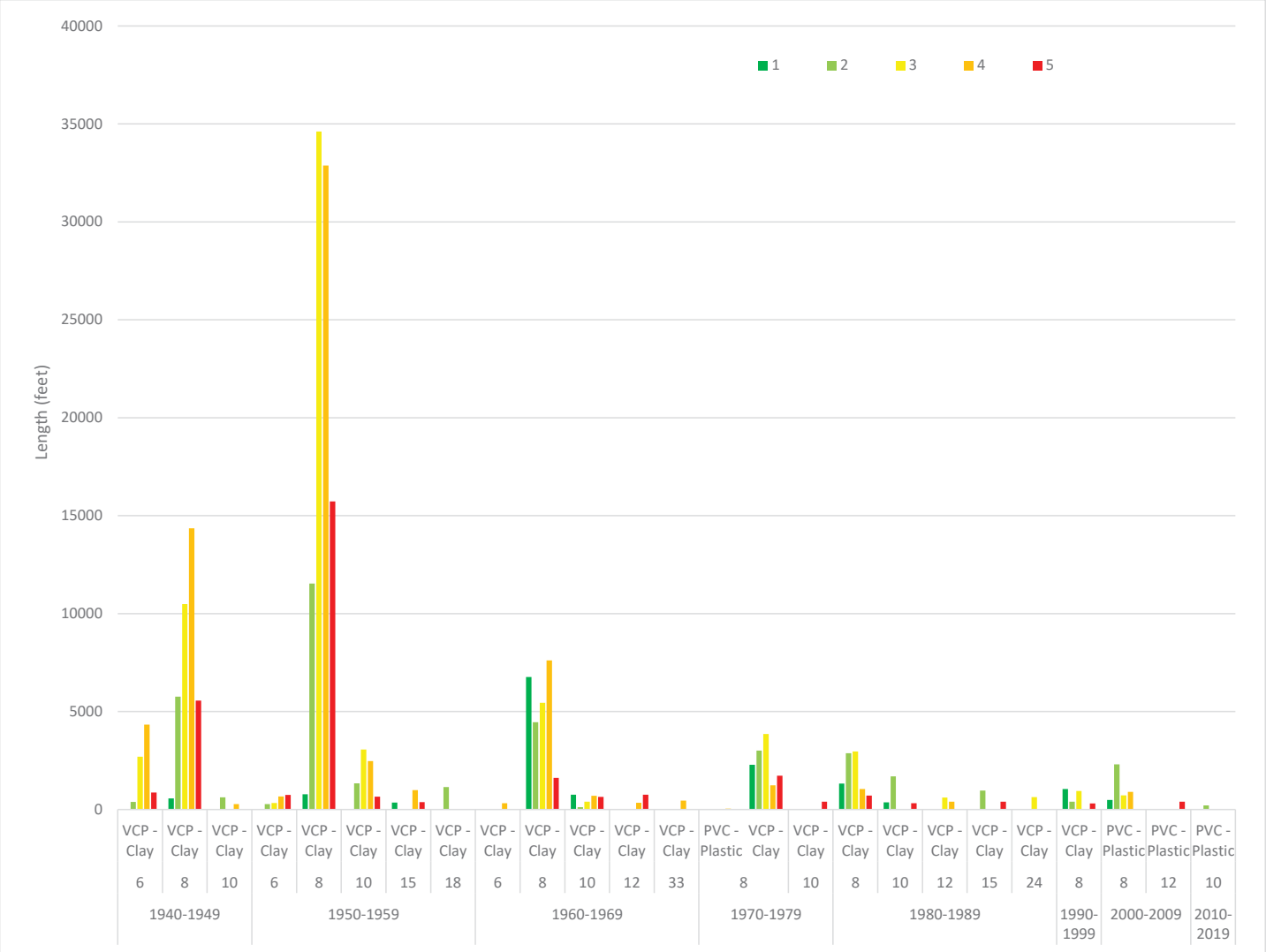
8.1.1. Pipe Condition Assessment Summary

Sewer mains graded with a PACP rating of 5 have the poorest condition and are typically set aside by the District for capital improvements. The District performs rehabilitation via spot-repair or remove and replace methodology. Grade 5 pipes tend to have structural issues like major cracks in pipes or joints, severe sags, or other degradation that reduces its function to direct sewer flow efficiently. Pipes with a rating less than 5 are monitored and reviewed for further degradation during routine inspections. Table 8-1 shows that pipes with the highest percentage in Grade 4 and 5 categories are 8-inch VCPs that were constructed before 1960. Figure 8-1 shows District pipes broken down by material, size, age, and PACP Grade.

Table 8-1. Gravity Mains Grade 4 and 5 PACP Ratings by Age, Size, and Material

Install Period	Diameter (in)	Material	Grade 4 (ft.)	Grade 5 (ft.)	Percentage of Grade 4 Pipes	Percentage of Grade 5 Pipes
1940-1949	6	VCP - Clay	4,338	865	6%	3%
	8	VCP - Clay	14,352	5,564	21%	18%
	10	VCP - Clay	276			
1950-1959	6	VCP - Clay	673	743	1%	2%
	8	VCP - Clay	32,873	15,722	48%	50%
	10	VCP - Clay	2,468	662	4%	2%
	15	VCP - Clay	991	381	1%	1%
	18	VCP - Clay				
1960-1969	6	VCP - Clay	326			
	8	VCP - Clay	7,608	1,616	11%	5%
	10	VCP - Clay	695	646	1%	2%
	12	VCP - Clay	348	759	1%	2%
	33	VCP - Clay	452		1%	0%
1970-1980	8	PVC - Plastic	47			
	8	VCP - Clay	1,234	1,729	2%	6%
	10	VCP - Clay		401	0%	1%
1980-1990	8	VCP - Clay	1,043	715	2%	2%
	10	VCP - Clay		326	0%	1%
	12	VCP - Clay	400		1%	0%
	15	VCP - Clay		398	0%	1%
	24	VCP - Clay				
1990-2000	8	VCP - Clay		316	0%	1%
2000-2010	8	PVC - Plastic	899		1%	0%
	12	PVC - Plastic		399	0%	1%
2010-2020	10	PVC - Plastic				
TOTAL			**69,021**	**31,242**	**100%**	**100%**

Figure 8-1. District Pipe Lengths by Diameter, Age, Material, and PACP Grade



Source: NORSD Asset Management database (Grades 1 through 5 PACP Rating), 10/27/2022

8.1.2. Hot Spot Areas

Hot spot areas are sewers that require frequent flushing because of sediment accumulations or low/stagnant flows that develop odor issues. The District's hot spot areas are mostly located in the Oildale area and are identified in its AMP database.

8.2. Lift Stations

As part of the facilities assessment, a field visit was conducted on August 5th, 2022, to evaluate the condition of the District's five existing lift stations. An evaluation of the electrical, mechanical, and civil components of each facility was performed based on a combination of visual inspections, record drawings reviews and interviews with District staff. Details of the assessments including site visit photographs to substantiate observations are documented in the Lift Station Condition Assessment Technical Memorandum (LS Assessment TM) in Appendix D. Summary findings are presented in Table 8-2 below.

Table 8-2. Lift Station and Wet Well Condition Summary

Lift Station (LS)	Electrical	Mechanical	Civil / Site	Wet Well Lining
LS 1	Good	Good	Fair	Epoxy, Good
LS 2	Fair	Fair	Fair	Bitumastic, Fair
LS 3	Good	Good	Good	Good
LS 4	Fair	Fair (Except for Wet Well Piping, Poor)	Fair	PVC, Fair
LS 5	Good	Good	Good	Good

A good condition indicates that the equipment is new or does not need repair or replacement within the next five years. A fair condition indicates that the equipment is in working order. A poor condition indicates that some components are out of order and require repair or replacement within the next CIP budget cycle. The electrical condition considers the motor control panel, emergency generator connection and/or onsite emergency generator, site lighting, and SCADA integration. The mechanical condition considers the condition of wet well piping and pumps, dry well piping, valves, and pressure gauges, and emergency bypass pumping. The civil condition considers the site ground surface, fence, and gate. The wet well lining condition identifies the type of lining, as applicable, and the condition of that lining.

8.3. Force Mains

Ardurra (formerly IEC) completed a Sewer Force Main Study (2020 FM Study) in April of 2020 to document the velocities in the lift station force mains and identify the potential to construct a redundant crossing under State Route 65 for the LS 3 Force Main. Another force main study was conducted by AECOM in July 2022 to evaluate the feasibility to relocate the current LS 4 in preparation for a proposed expansion to serve anticipated future developments in the vicinity. The 2020 FM Study and the 2022 LS 4 Study are both included as attachments within the LS Assessment TM located in Appendix D of this Master Plan. Summary findings are discussed below.

Table 8-3 lists force main installation year and expected useful-life expectancy based on construction materials for each lift station. Life expectancy was estimated using Ardurra' s experience, including recently collected CCTV and condition assessment data of similar diameter (4- to 24-inch) and material type (PVC and DI). The District's AMP database also tracks life expectancies of its sewer assets but may need to be updated to reflect more recent values.

A new redundant force main (FM2) was constructed at LS 1 in 2015. The older force main (FM1) was retained as an emergency backup and to facilitate maintenance activities. Corrosion assessments for these force mains were recommended in the 2020 FM Study due to their age and material susceptibility to corrosion. The District is scheduling to conduct a CCTV inspection of FM1 in 2023 to determine areas of corrosion defects as it plans to rehabilitate FM1 and integrate it back into the system to

provide redundancy[16]. LS 2 force main is past its useful life and a portion of it is scheduled for replacement in 2023. The District plans to replace about 1,100 feet of the 10-inch force main with kind. Force mains for LS 3, 4 and 5 are newer PVC force mains and are recommended to be inspected as they are near their respective useful lives.

Table 8-3. Expected Useful Life of Existing Force Mains

Lift Station	Year Installed	Diameter	Material	Length (ft)	Useful Life (Years)	Estimated Replacement Year
LS 1	2015 (FM2)	10-inch	Ductile Iron (DI)	3,750	25	2040
LS 1	1955 (FM1)	10-inch	Cast Iron (CI)	3,800	-	2023
LS 2	1971	10-inch	Polyvinyl Chloride (PVC)	2,100	50 - 70	2021 - 2041
LS 3	2000	8-inch	PVC	2,200	50 - 70	2050 - 2070
LS 4	2000	10-inch	PVC	4,300	50 - 70	2050 - 2070
LS 5	2015	4-inch	PVC	255	50 - 70	2065 - 2085

[16] Source: Phase 1 Investigation – S. Oildale Drive Backup Force Main from Lift Station #1 to Decatur Street, Provost & Pritchard Consulting Group, September 2022

8.4. Wastewater Treatment Plant

A condition assessment of the WWTP is not part of this Master Plan scope.

9. Capital Improvement Program

9.1. Capacity-related Improvements

Profiles of the deficient pipelines identified from the model results were further reviewed, and profiles that do not show downward slopes were checked against as-builts if available or modified by interpolation based on nearest upstream and downstream pipe/manhole inverts. Areas with potential incorrect flow direction, pipe size, input errors, or different datums are noted for the District to further review and field verification.

Pipes 12-inch or smaller in size exhibiting d/D greater than 0.7 and pipes greater than 12-inch in size exhibiting d/D greater than 0.85 are recommended to be upsized. Exceptions are made to segments that are the sole segments within the vicinity slightly exceeding the maximum d/D criteria. These segments are not proposed to be upsized. Existing interceptor is not available nearby for the majority of undeveloped parcels within the CSA-71 Area. New interceptor sewers and collector sewers are assumed to be built by the developers for these areas and are assumed to eventually discharge into the District's Outfall Sewer or the proposed new parallel Outfall Sewer.

Proposed pipeline improvements were grouped into projects, as shown in Figure 9-1. Table 1 summarizes the proposed capacity-related CIP projects.

Table 9-1. Proposed CIP Summary

CIP No.	Name	Existing Diameter (in.)	Future Diameter	Length (ft)
1	Lincoln Ave & Oildale	10	15	1,011
1 Total				**1,011**
2	Coffee Rd Interceptor	-	15	9,412
			18	5,255
2 Total				**14,667**
3	Kratzmeyer Rd/Snow Rd Trunk Line	-	42	13,028
			48	50,374
3 Total				**63,403**
4	Pegasus Rd Interceptor	8, 10, 15, 18	15	160
			18	2,233
			24	2,911
4 Total				**5,304**
5	Pegasus Rd Collector	8	12	3,464
5 Total				**3,464**
6	Merle Haggard Dr/Wings Way	10,12,14,15	15	4,202
			18	3,355
6 Total				**7,557**
7	Dole Ct	8	12	2,172
7 Total				**2,172**
8	Victor St	33	36	5,172
8 Total				**5,172**
9	Landings Way	8, 10	12	919
9 Total				**919**

Table 9-1. Proposed CIP Summary (cont.)

CIP No.	Name	Existing Diameter (in.)	Future Diameter	Length (ft)
10	Countryside Dr	8	12	291
10 Total				**291**
11	Oildale Dr	10	15	186
11 Total				**186**
12	Norris Rd	10	12	1,543
12 Total				**1,543**
13	HWY99	24	27	3,793
			30	632
13 Total				**4,424**
Grand Total				**110,112**

CIP1 is recommended for existing condition, and the remaining CIP projects are recommended for buildout condition. CIP2 and CIP3 recommended herein were also proposed in other planning documents. CIP2 was developed based on the proposed alignment presented in the Coffee Road Interceptor Sewer Feasibility Analysis prepared by AECOM in March 2019. With implementation of CIP2, LS 3 will not need to be upsized.

CIP3 was developed based on the proposed alignment presented in the District's 2018 SMP. A parallel Trunk Sewer was proposed in the 2018 SMP to handle peak flows starting at Victor St parallel along existing Outfall Sewer alignment to the WWTP. An alternative alignment was proposed between Kratzmeyer Rd/Snow Rd. With the updated peaking factor as well as sewer generation factor used in this Master Plan, sufficient capacity was shown in the existing Outfall Sewer between Victor St and Alderbrook Ln under Buildout PDF condition. In addition, less subsurface space is available in a portion of 7th Standard Road with installation of the 24-inch gas main by Southern California Gas Company. CIP3 proposes a new trunk line in Kratzmeyer Rd/Snow Rd between Santa Fe Way and WWTP following the proposed alignment in the 2018 SMP. A portion of the existing Outfall Sewer between Lanco Dr and Victor St is proposed to be upsized as CIP8.

CIP4, CIP5, CIP6, and CIP13 are recommended as the existing sewer mains in 7th Standard Rd crossing the Meadows Field Airport and along Pegasus Dr do not have sufficient capacity to accommodate build-out flows from the undeveloped areas east of the Meadows Field Airport and are recommended to be upsized.

Table 9-2 and Table 9-3 summarize the inverts and pipe sizes used for the conceptual alignments for CIP2 and CIP3, respectively. Manhole IDs presented in the tables are shown in Figure 9-2 and Figure 9-3.

Table 9-2. Coffee Rd Interceptor Conceptual Alignment Summary

Manhole	Length	Invert (ft)	Ground Elev. (ft)*	Slope	Depth (ft)
MH-1288	-	390.3	406.5	0.35%	-
JCT_56	2666	399.6	412.6	0.35%	13.1
JCT_58	2589	408.7	422.1	0.60%	13.4
JCT_54	2640	424.5	440.8	0.60%	16.3
JCT_52	1251	432.0	452.8	0.60%	20.8
JCT_50	128	432.8	452.8	0.60%	20.0
JCT_48	1489	441.7	456.4	0.60%	14.7
JCT_46	336	443.7	460.9	0.60%	17.1
JCT_44	426	446.3	460.3	0.90%	14.0
JCT_42	3143	474.6	494.0	-	19.4

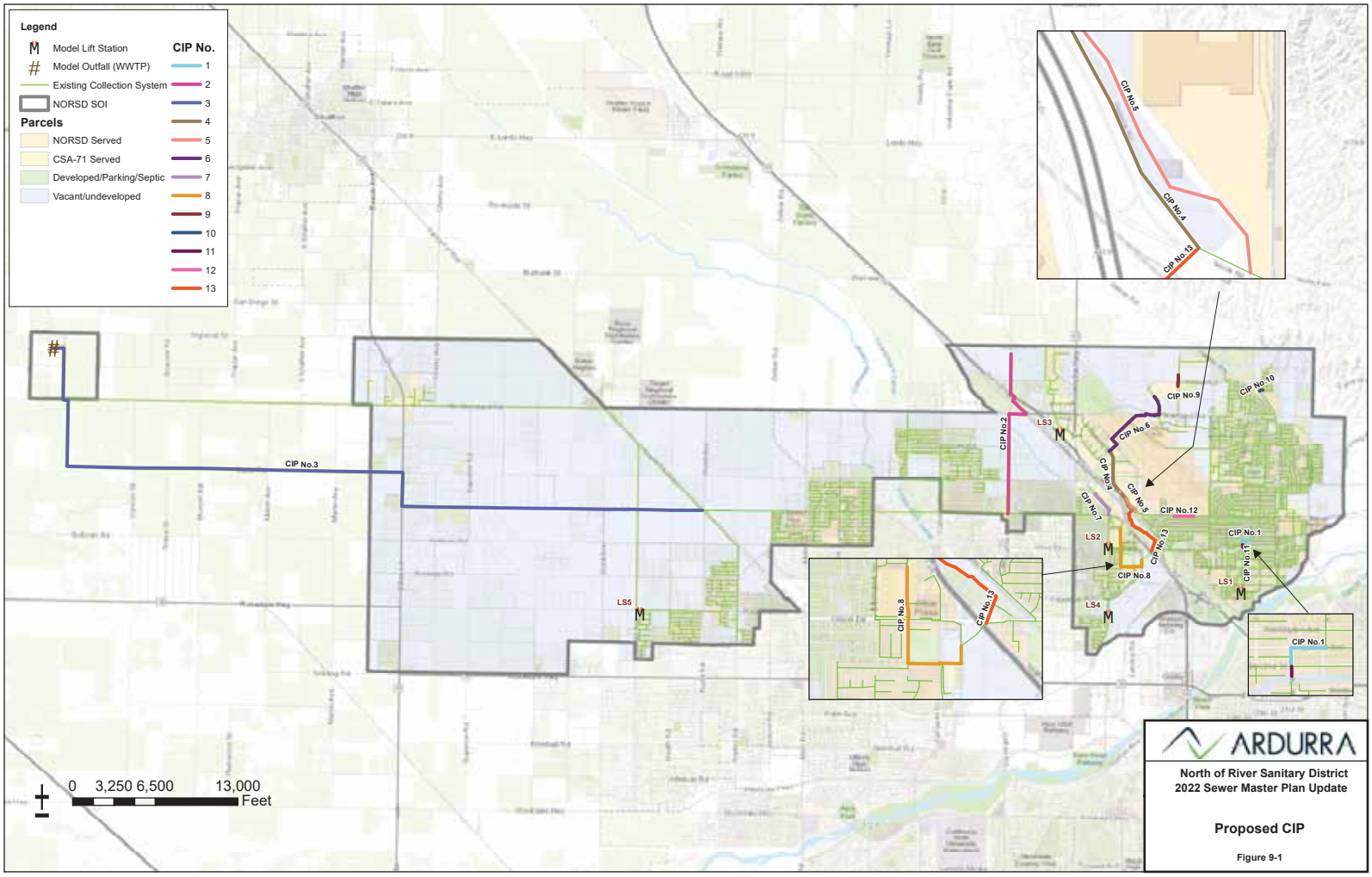
* Note: Ground elevation obtained from USGS 1/3 Arc Second n36w120 20210610

Table 9-3. Kratzmeyer Rd/Snow Rd Trunk Line Conceptual Alignment Summary

Manhole	Length	Invert (ft)	Ground Elev. (ft)	Slope	Depth (ft)
Outfall	-	289.9	315.0	0.060%	25.1
JCT_88	5033	292.9	308.7	0.060%	15.9
JCT_90	468	293.2	307.9	0.060%	14.7
JCT_86	5178	296.3	304.3	0.065%	8.0
JCT_84	5258	299.7	311.7	0.065%	12.0
JCT_82	5279	303.1	317.9	0.065%	14.8
JCT_80	5314	306.6	323.8	0.065%	17.2
JCT_78	5314	310.0	328.4	0.065%	18.4
JCT_76	5267	313.4	329.9	0.065%	16.5
JCT_74	2631	315.2	332.9	0.066%	17.7
JCT_72	2664	316.9	332.6	0.066%	15.6
JCT_70	2682	318.7	332.7	0.066%	14.0
JCT_68	2631	320.4	335.7	0.066%	15.2
JCT_66	2656	322.2	337.3	0.066%	15.1
JCT_64	2634	323.9	339.6	0.066%	15.7
JCT_62	2654	325.7	342.3	0.066%	16.7
MH-1032	2638	327.4	337.5	0.066%	10.1
JCT_60	2627	329.1	347.9	0.066%	18.8
MH-1085	2475	330.8	346.0	-	15.2

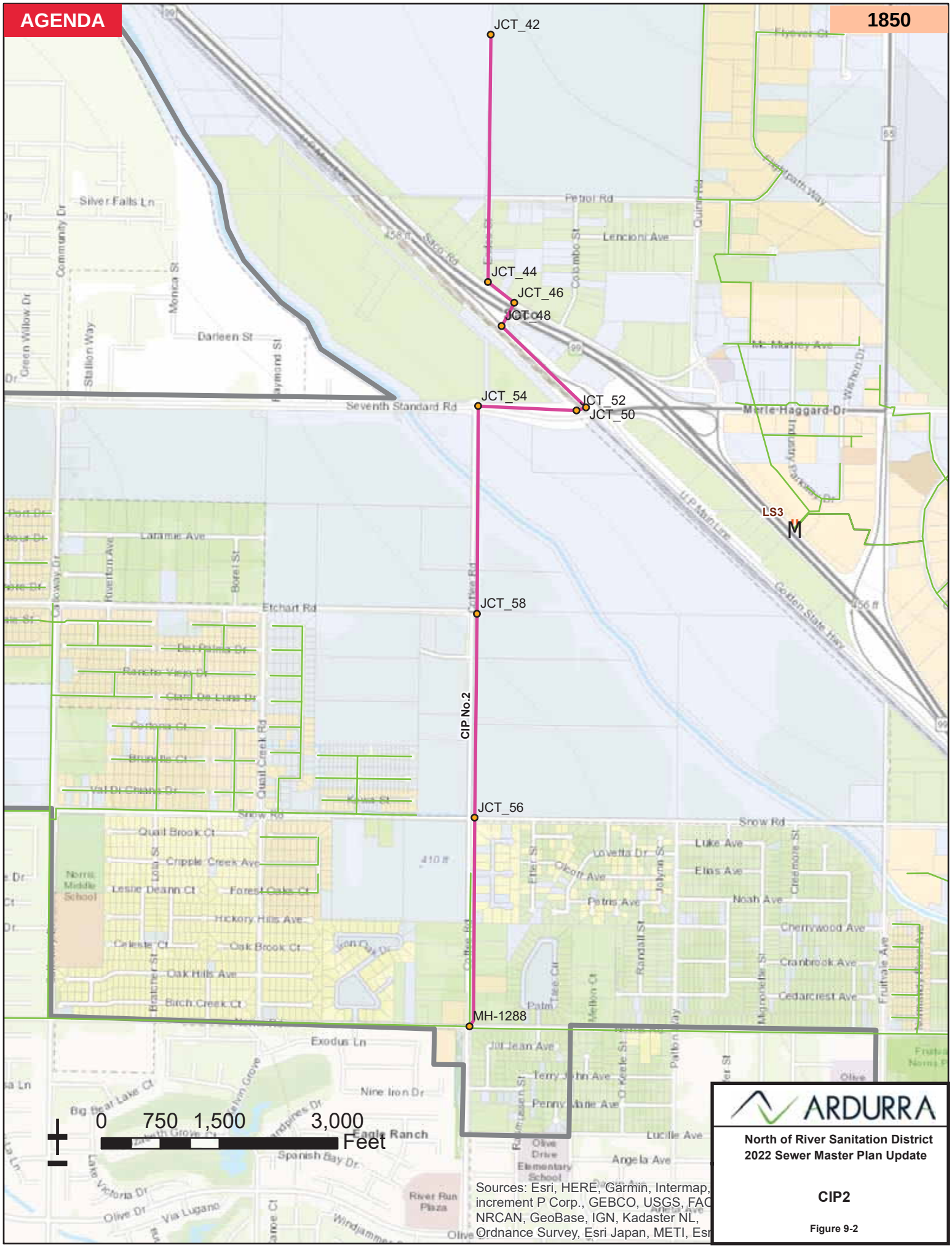
* Note: Ground elevation obtained from USGS 1_3 Arc Second n36w120 20210610

Finally, due to uncertainties related to amount and location of future sewer loads from redevelopment projects, it is recommended that the capacity evaluation be updated as more refined sewer loadings become available for the NORSD service area.


Legend
Model Lift Station
Model Outfall (WWTP)
Existing Collection System
NORSD SOI
Parcels
NORSD Served
CSA-71 Served
Developed/Parking/Septic
Vacant/undeveloped
CIP No.
1
2
3
4
5
6
7
8
9
10
11
12
13
CIP No.3
CIP No.2
CIP No.9
CIP No.10
CIP No.6
CIP No.4
CIP No.5
CIP No.7
CIP No.12
CIP No.13
CIP No.1
CIP No.11
CIP No.8
LS1
LS2
LS3
LS4
LS5
0 3,250 6,500 13,000
Feet
ARDURRA
North of River Sanitary District
2022 Sewer Master Plan Update
Proposed CIP
Figure 9-1

AGENDA

1850



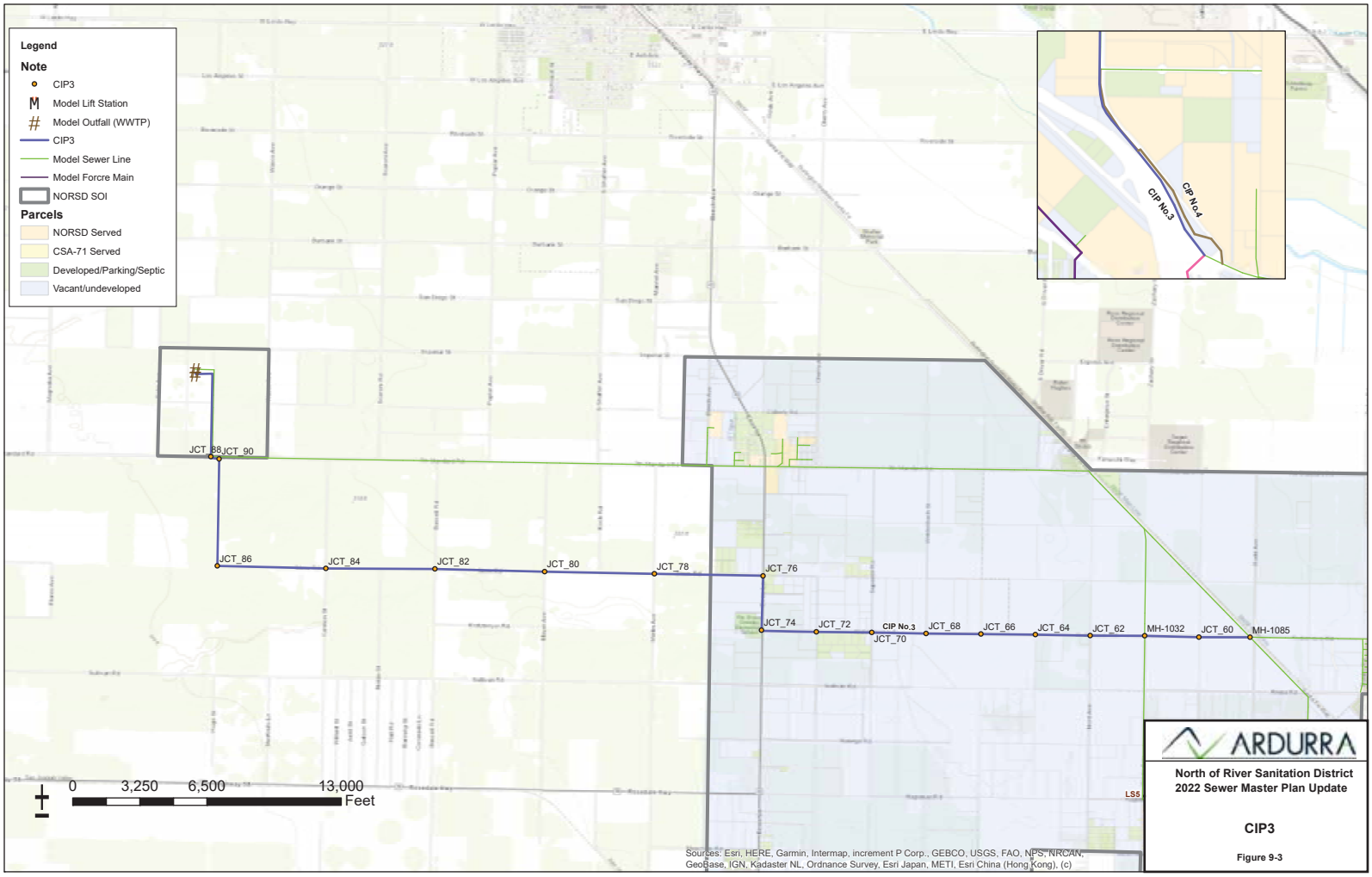
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri

ARDURRA

North of River Sanitation District
2022 Sewer Master Plan Update

CIP2

Figure 9-2


Legend
Note
CIP3
Model Lift Station
Model Outfall (WWTP)
CIP3
Model Sewer Line
Model Forcre Main
NORSD SOI
Parcels
NORSD Served
CSA-71 Served
Developed/Parking/Septic
Vacant/undeveloped
CIP No.3
CIP No.4
JCT_88
JCT_90
JCT_86
JCT_84
JCT_82
JCT_80
JCT_78
JCT_76
JCT_74
JCT_72
CIP No.3
JCT_70
JCT_68
JCT_66
JCT_64
JCT_62
MH-1032
JCT_60
MH-1085
LS5
0
3,250
6,500
13,000
Feet
Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c)
ARDURRA
North of River Sanitation District
2022 Sewer Master Plan Update
CIP3
Figure 9-3

9.2. Condition-related Improvements

9.2.1. Gravity Mains

For capital improvement budgeting purposes, it is recommended that gravity mains with Grade 5 or poor condition ratings and constructed before 1960 be replaced. These VCP pipes are all located in the Oildale area and are shown in Figure 9-4 which is generated from the District's AMP database. Pipes with Grade 5 rating and constructed from 1960 onwards are recommended to be rehabilitated via spot repairs. At the time of this report, there are no capacity-related projects that coincide with pipes shown in Figure 9-4 that require replacements. However, it is recommended that the District check for pipes with poor condition rating in the vicinity of and at the beginning of any capacity-related improvement in the future.

9.2.2. Lift Stations and Force Mains

Based on site investigations, studies, and District interviews, below is a summary of recommended improvements at each lift station including connected force main(s). Tables 9-4 through 9-8 lists details of observations made during site visit and recommended improvements at each lift station.

9.2.2.1. Lift Station 1

Site improvements are recommended as referenced in Table 9-4. The District is starting to rehabilitate the older force main (FM1) and should consider replacing the newer force main (FM2) in 2040.

9.2.2.2. Lift Station 2

Site improvements are recommended as referenced in Table 9-5. Lift Station 2 exhibited the most advanced corrosion of the five lift stations and is recommended to be rehabilitated first. It is recommended that about 1,100 feet of 10-inch PVC force main should be replaced with kind between Mohawk Road and Victor Street. The rest of the force main should be replaced in 2050.

9.2.2.3. Lift Station 3

Site improvements are recommended as referenced in Table 9-6. Pump capacities will need to be increased as Buildout conditions are reached.

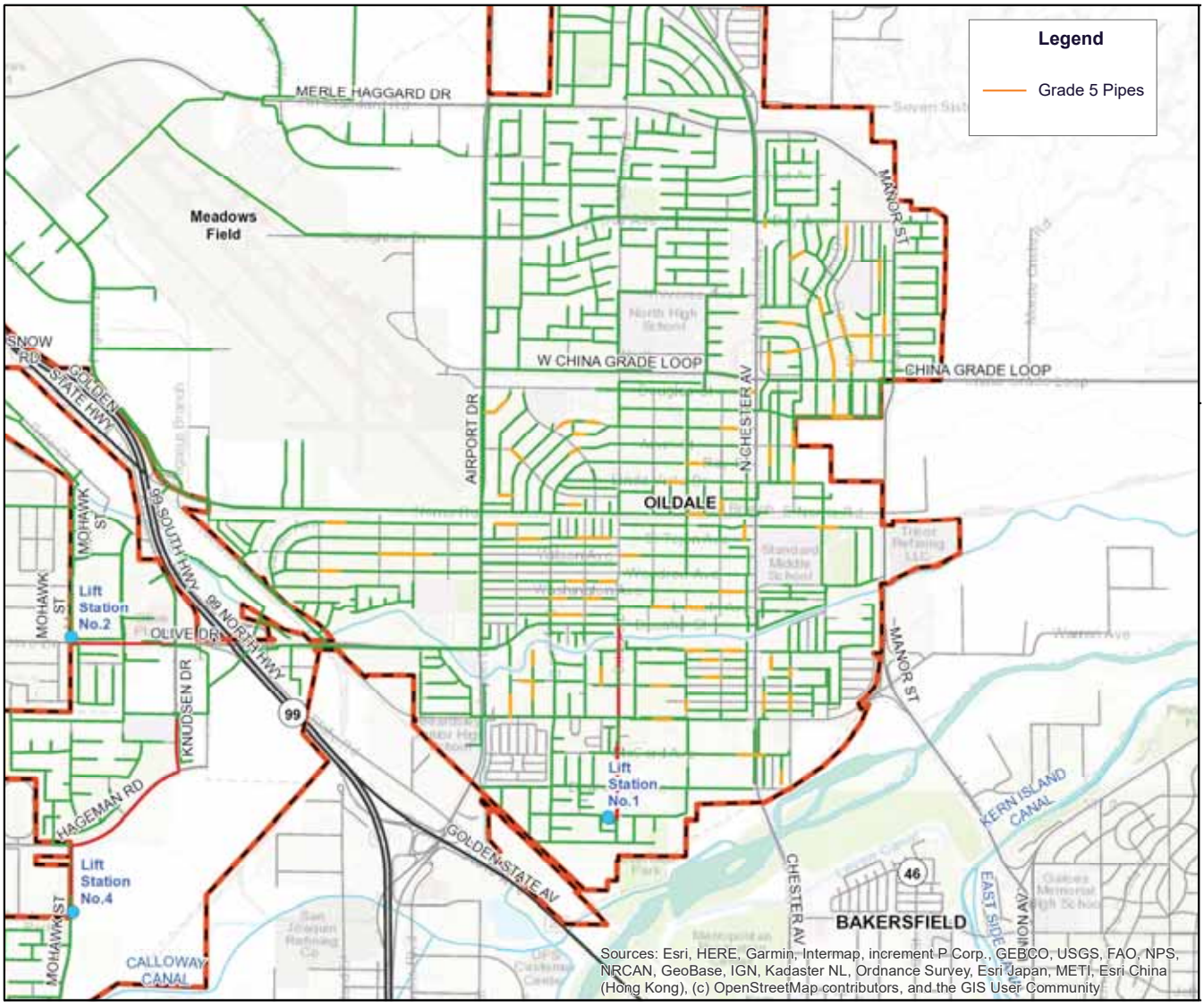
9.2.2.4. Lift Station 4

The area around this lift station may be developed in the near future. As a result, this lift station will be relocated and expanded in capacity to serve the community and paid for by the developer. If the development falls through, the force main will need to be replaced in 2050 and site improvements will need to be addressed as recommended in Table 9-7.

9.2.2.5. Lift Station 5

This is the newest lift station in NORSD. Site improvements are recommended as referenced in Table 9-8. Model results indicate that the force main exhibited velocity constraints. It is recommended to be replaced in 2065.

Figure 9-4. Pipes Requiring Replacements Due to Grade 5 Condition Rating (10/27/2023)



Source: District Asset Management platform

Table 9-4. Lift Station 1 Condition and Recommendations

Improvement Recommendation/Existing Defect	Source	Recommendation
Replace control system, electrical facilities and mechanical systems at 20 years of age	Standard Useful Life	MCC is in good condition and was replaced in 2016. Recommend that MCC remain.
Reconstruct/refurbish the roof of the control building	District input – prior to condition assessment visit	Reroof structure during rehabilitation
Fence repairs and gate replacement	District input – prior to condition assessment visit	Replace fence and install new gates during rehabilitation
SCADA upgrades	District input – prior to condition assessment visit	Recommend installation of PLC that will comply with the standards developed in the SCADA master plan.
Electrical and instrumentation upgrades to allow for remote operation	District input – prior to condition assessment visit	Starters in MCC should be modified to allow the starters to be controlled via the PLC. PLC will monitor the wet well level and control the pumps based on level. Floats would remain and be used as a backup to the level transmitter. PLC will monitor the pumps and provide alarms directly to the operator.
With SCADA/electrical upgrades may need AC in building	District input – prior to condition assessment visit	PLC's are typically rated for either 122 degrees Fahrenheit or 140 degrees Fahrenheit. UPS units recommended by the SCADA Master Plan will be evaluated for the ambient temperature. Ventilation should be adequate for the upgrades but may be reevaluated in the design once equipment is selected.
Rehabilitate the existing force main	District input – prior to condition assessment visit	Inspection currently in progress, rehabilitation planned for old force main following inspection
Piping improvements to allow for LS discharge to either force main and for bypass pumping to either force main	District input – prior to condition assessment visit	Install new bypass valves and connections during lift station rehabilitation.
Flow meter (magmeter) on discharge tied into SCADA	District input – prior to condition assessment visit	A flow meter would be provided on the discharge. The flow meter may be directly buried, with the electronics above grade, or a vault may be constructed around the flow meter.
Additional gravel placement	Condition assessment site visit	Install additional gravel
Replace rear gate with gate larger than existing 12-foot gate	Condition assessment site visit	Install larger rear gate.

Table 9-5. Lift Station 2 Condition and Recommendations

Improvement Recommendation/Existing Defect	Source	Recommendation
Replace control system, electrical facilities and mechanical systems at 20 years of age	Standard Useful Life	Operations staff regularly maintains mechanical equipment. Mechanical and electrical equipment with noted wear or defects are proposed for replacement below.
New fencing and gate	District input – prior to condition assessment visit	Replace fencing and gate
Gravel surfacing	District input – prior to condition assessment visit	Install additional gravel surface
SCADA upgrades	District input – prior to condition assessment visit	A PLC, in a dedicated NEMA 4X enclosure, will be selected in compliance with the SCADA Master Plan.
Electrical and instrumentation upgrades to allow for remote operation	District input – prior to condition assessment visit	It is recommended that a new pump control panel be provided to allow monitoring by the new PLC.
Security – panel and wet well alarms	District input – prior to condition assessment visit	It is recommended that the new PLC be provided with inputs that will have position indication of the wet well hatches, the pump control panel and the PLC panel.
Flow meter (mag meter) on discharge tied into SCADA	District input – prior to condition assessment visit	A flow meter would be provided on the discharge. The flow meter may be directly buried, with the electronics above grade, or a vault may be constructed around the flow meter.
Heavy corrosion on wet well piping	Condition assessment site visit	Replace piping in wet well
Bitumastic peeling on discharge piping	Condition assessment site visit	Abrasive blast and field paint discharge piping
One discharge isolation valve is broken open	Condition assessment site visit	Replace isolation valves
Pressure gauges are corroded	Condition assessment site visit	Replace pressure gauges
Pipe supports are rusted	Condition assessment site visit	Replace pipe supports
Some spalling of concrete in wet well, aggregate visible	Condition assessment site visit	Repair concrete surface and install new interior lining
Some pitting of wet well access hatch	Condition assessment site visit	Replace wet well access hatch
Bitumastic on interior of valve vault hatch peeling	Condition assessment site visit	Hatches are stainless and otherwise in good condition, wire brush to remove peeling bitumastic
Add canopy and fan to prevent overheating	Condition assessment site visit	Add canopy and fan to prevent overheating
Operations reports occasional issues with bubbler system	Condition assessment site visit	Replace with 2 pressure transducer in bubbler system
Pump control panel in fair condition, consider new PLC	Condition assessment site visit	The pump control panel is in fair condition. It is recommended that a new pump control panel be provided with logic to interface with the new PLC.

Table 9-6. Lift Station 3 Condition and Recommendations

Improvement Recommendation/Existing Defect	Source	Recommendation
Replace control system, electrical facilities and mechanical systems at 20 years of age	Standard Useful Life	The pump control panel appears to be in good condition, and it is recommended that the panel remain in service. In general, mechanical equipment is in good condition. Apart from items noted below, it is recommended mechanical equipment remain in service and be re-evaluated within 5 years for continued service
Gravel surfacing	District input – prior to condition assessment visit	Install additional gravel surfacing
SCADA upgrades	District input – prior to condition assessment visit	A PLC, in a dedicated NEMA 4X enclosure, will be selected in compliance with the SCADA Master Plan.
Electrical and instrumentation upgrades to allow for remote operation	District input – prior to condition assessment visit	The pump control logic will be modified in the field to allow control from the PLC with the floats as a backup control.
Security – panel and wet well alarms	District input – prior to condition assessment visit	It is recommended that the new PLC be provided with inputs that will have position indication of the wet well hatches, the pump control panel and the PLC panel.
Flow meter (magmeter) on discharge tied into SCADA	District input – prior to condition assessment visit	A flow meter would be provided on the discharge. The flow meter may be directly buried, with the electronics above grade, or a vault may be constructed around the flow meter.
Force main redundancy Project	District input – prior to condition assessment visit	Install redundant crossing of force main across Highway 65
Access is difficult through existing gate	Condition assessment site visit	Add large gates in corner and relocate site water backflow preventor for increased accessibility

Table 9-7. Lift Station 4 Condition and Recommendations

Improvement Recommendation/Existing Defect	Source	Recommendation
Replace control system, electrical facilities and mechanical systems at 20 years of age. Lift station is currently 22 years of age.	Standard Useful Life	The short-term plan is to replace this lift station with a lift station in a different location. It is not recommended to replace the electrical or mechanical equipment at this time.
Supports in the valve box – need to put in stainless steel supports	District input – prior to condition assessment visit	District is in the process of replacing the pipe supports
Longer term – relocate entire LS with new force main (existing FM to be backup) and demo existing LS	District input – prior to condition assessment visit	In the event the developer driven replacement does not move forward, reassess the lift station for rehabilitation.
SCADA upgrades	District input – prior to condition assessment visit	The short-term plan is to replace this lift station with a lift station in a different location. It is recommended that the auto-dialer remain in service for alarms until this lift station is taken out of service.
Electrical and instrumentation upgrades to allow for remote operation	District input – prior to condition assessment visit	The short-term plan is to replace this lift station with a lift station in a different location. It is not recommended to replace the electrical equipment at this time.
Security – panel and wet well alarms	District input – prior to condition assessment visit	The short-term plan is to replace this lift station with a lift station in a different location. It is not recommended to add security inputs to the auto-dialer.
Flow meter (mag meter) on discharge tied into SCADA	District input – prior to condition assessment visit	It is recommended that a flow meter be included with the new lift station.
Heavy corrosion product on wet well piping	Condition assessment site visit	Piping to remain in place. In the event the developer driven replacement does not occur, replace wet well piping
Wet well lining is T-lock. Some bubbling of T-lock is visible but no major delamination is present.	Condition assessment site visit	Lining to remain in place. In the event the developer driven replacement does not occur, consider rehabilitation of liner
Valve vault drainage drains to wet well, no flapper is present.	Condition assessment site visit	In the event the developer driven replacement does not occur, install flapper to prevent backup of sewer gasses into the valve vault.
Some areas of ground cover have thin gravel cover	Condition assessment site visit	In the event the developer driven replacement does not occur, install additional gravel cover

Table 9-8. Lift Station 5 Condition and Recommendations

Improvement Recommendation/Existing Defect	Source	Recommendation
Replace control system, electrical facilities and mechanical systems at 20 years of age. Lift station is currently 6 years of age and in good condition.	Standard Useful Life	Assess lift station in intervals of or about 5 years for maintenance updates and in 15 years for full rehabilitation.
SCADA upgrades	District input – prior to condition assessment visit	A PLC, in a dedicated NEMA 4X enclosure, will be selected in compliance with the SCADA Master Plan.
Electrical and instrumentation upgrades to allow for remote operation	District input – prior to condition assessment visit	The pump control panel appears to be in good condition, and it is recommended that the panel remain in service. The pump control logic will be modified in the field to allow control from the PLC with the floats as a backup control.
Security – panel and wet well alarms	District input – prior to condition assessment visit	A flow meter would be provided on the discharge. The flow meter may be directly buried, with the electronics above grade, or a vault may be constructed around the flow meter.
Flow meter (magmeter) on discharge tied into SCADA	District input – prior to condition assessment visit	A flow meter would be provided on the discharge. The flow meter may be directly buried, with the electronics above grade, or a vault may be constructed around the flow meter.
Provide 480V to 120/208V step down transformer for connection to portable generator	Assessment visit	The electricity to the pump station is provided at 120/208V, instead of 480V. In order to provide consistency for the portable generator, it is recommended that a step down transformer be provided to allow the same procedures to be followed as the other lift stations.

9.3. Other Recommended Improvements

9.3.1. Permanent Flow Meter Installations

Add two (2) Raven-Eye (by Trimble) permanent flow meters - one at Hw99 the other before Shafter Avenue connection. This will help the District understand flow characteristics from Oildale area as well as the high growth portions of the City of Shafter.

9.3.2. Wastewater Treatment Plant

Table 9-9 below is sourced from the 2018 SMP prepared by AECOM. These improvements were recommended to meet anticipated future developments in the NORSD service area as projected in the 2018 SMP and to facilitate higher use of its treated effluent to offset potable water use in the area. This plan is currently being revised under a new WWTP-specific master planning effort.

Table 9-9. WWTP CIP from 2018 Master Plan

	Existing	Expansion to			
	7.5 MGD	12 MGD	18 MGD	24 MGD	30 MGD
Year / Process or Equipment	2018	2022			
Headworks Channels & Screens	2	2	4	4	5
Headworks Pumping Capacity w/ largest out of service	13.2 MGD	21 MGD	33 MGD	44 MGD	55 MGD
Grit Removal Capacity	12 MGD	24 MGD	36 MGD	48 MGD	48 MGD
Primary Clarifiers	1	2	3	4	4
Trickling Filter	1	0	0	0	0
Aeration Basins	0	3	4	6	8
Blowers	0	3	4	6	8
Secondary Clarifiers	1	3	4	6	7
Digesters	2	2	3	4	6
Sludge Holding Tanks	0	2	2	2	2
Screw Presses	1	2	3	4	5

9.4. Cost Estimates

Tables 9-10 through 9-13 includes unit costs associated with pipe and manhole replacement and rehabilitation work. Unit costs were developed from analyzing bid results received from the District and local area from 2021 through 2022. Unit costs are rounded to the nearest $10.

Construction Unit Costs for Table 9-10 through 9-12 were derived from averaging unit costs from bid results for the rehabilitation or construction type. The Capital Unit Cost includes a construction contingency based on the average ratio between the listed rehabilitation/replacement construction costs and the overall project construction costs. Construction contingency would typically account for mobilization and demobilization, traffic control, sheeting, bypassing, shoring, and bracing, easement site restoration, and lateral reinstatement, pre-and post-cleaning costs. The Capital Unit Costs, therefore, accounts for about 40% construction contingency and other soft costs like 10% engineering cost, 10% construction management cost, and 10% project administration cost. Since costs were only available for pipe sizes between 6 and 10-inches in most cases, unit costs for other pipe sizes were estimated based on those developed from other recent planning projects.

Table 9-10. Unit Costs for Pipe Replacement

Pipe Size	Construction Unit Costs ($/LF)	Capital Unit Cost ($/LF)
6	190	350
8	200	360
10	220	390
12	230	420
15	250	460
18	280	500
21	300	540
24	320	580
27	340	620
30	360	660
36	410	740
42	450	820
48	500	900

Table 9-11. Unit Costs for CIPP Rehabilitation

Pipe Size	Construction Unit Costs ($/LF)	Capital Unit Cost ($/LF)
6	30	50
8	30	50
10	40	70
12	50	80
15	50	100
18	80	140
21	120	210
24	140	250
27	160	290

Table 9-12. Unit Costs for Point Repair

Pipe Size	Construction Unit Costs ($/LF)	Capital Unit Cost ($/LF)
6	920	1,670
8	1,100	2,010
10	1,240	2,260
12	1,340	2,440
15	1,510	2,740
18	1,630	2,960
21	1,710	3,110
24	1,760	3,200
27	1,780	3,240

Table 9-13. Unit Costs for Manhole Rehabilitation

Rehabilitation Method	Construction Unit Costs ($ea.)	Capital Unit Cost ($ ea.)
Rehabilitation/Repair	1,560	2,840
Replacement (<5 ft. manhole diameter)	8,130	14,790
Replacement (CIP3, 84-inch manhole diameter)	16,490	30,000

9.5. Recommended Capital Improvement Plan (CIP)

Table 9-14 shows the 10-Year CIP for NORSD with summary descriptions and costs phased per fiscal year (FY) ending in June of 2023 and phased in 5-year increments to FY 2033. The table also includes a list of projects recommended as buildout conditions (FY 2033 – 2050) are reached. Sources of cost estimates are included for future reference. All costs are rounded to the nearest $1000.

Cost estimates from previous years, specifically for LS 3 force main are brought to 2022 year costs using ENR[17]'s October 2022 construction cost index table. Cost estimates for the Wastewater Treatment Plant is from a more recent February 2023 estimation provided by Woodard & Curran. Please note that LS 4 improvements are anticipated to be funded in part by the developer. Cost escalation factors are included in the 2023 Sewer Service Charge & Capacity Fee Study Report by Bartle Wells to account for anticipated inflation trends.

Manhole assessments were not performed as part of this project scope. However, as part of an existing capital improvement and in line with its asset management program, the District is performing ten manhole rehabilitation projects along its Outfall Sewer trunk lines. The District has completed two projects. Projects 3 and 4 are currently under construction. The remaining six projects are expected to be completed at a rate of $500,000/year over the next ten years. Further, it is recommended that existing manholes for pipes recommended for CIP be inspected per NASSCO standards and checked for structural integrity and replaced if required during main improvements. Manhole installation costs are included for CIP3 project.

Total CIP cost for FY 2023 – 2028, FY 2028 – 2033, and FY 2033 – 2050 are $22,035,000, $299,341,000, and $235,150,000 respectively.

[17] Engineering News Record (www.enr.com)

Table 9-14. District Capital Improvement Program

Item No.	Category	Facility	Summary Project Description	FY 2023-2028	FY 2028-2033	FY 2033 - 2050	Notes	Cost Source
1	Capacity-Related Improvements	Pipe	CIP1, Upsize ~ 1,020 feet of 10- to 15-inch on Lincoln Ave. & Oildale	$466,000			Estimated Start Year: 2025	Table 9-1; Refer to Table 9-10 for unit costs
2	Capacity-Related Improvements	Pipe	CIP3, Add ~ 13,028 feet of 42-inch and ~ 50,374 feet of 48-inch trunk line between Rudd Ave. and WWTP Outfall along Kratzmeyer Rd. and Snow Road; includes ~ 106 new manholes at 600-ft apart			$59,191,000	Estimated Start Year: 2033	Table 9-1; Refer to Tables 9-10 & 9-13 for unit costs
3	Capacity-Related Improvements	Pipe	CIP4 to CIP13, Upsize or install ~45,698 feet of main; no new manhole installations will be required			$16,693,000	Estimated Start Year: 2033	Table 9-1; Refer to Tables 9-10 & 9-13 for unit costs
4	Site Improvements	Lift Station (LS) 1	Rehabilitation	$554,000			Estimated Start Year: 2025	Base Cost: $553,518; Appendix D - Lift Station Condition Assessments, Attachment A
5	Site Improvements	LS 2	Rehabilitation	$498,000			Estimated Start Year: 2027	Base Cost: $497,839; Appendix D - Lift Station Condition Assessments, Attachment A
6	Site Improvements	LS 3	Improvements	$302,000			Estimated Start Year: 2025; Note that additional capital post FY 2033 may be required as pump exhibited capacity issues at Buildout conditions in model	Base Cost: $301,635; Appendix D - Lift Station Condition Assessments, Attachment A
7	Site Improvements	LS 5	Improvements	$357,000			Estimated Start Year: 2027	Base Cost: $356,916; Appendix D - Lift Station Condition Assessments, Attachment A
8	Force Main Improvements	LS 1 Force Main	Rehabilitate old force main (FM1)	$900,000			Estimated Start Year: 2024	Base Cost: $900,000; Provost & Pritchard 2022 Phase 1 Investigation - S.Oildale Drive Backup Force Main from LS 1 to Decatur Street TM
	Force Main Improvements	LS 1 Force Main	Replace 3,800 feet of 10-inch FM 2 in 2040			$1,482,000	Estimated Start Year: 2050	Refer to Table 9-10 for unit costs
9	Force Main Improvements	LS 2 Force Main	Replace ~ 1,100 feet of 10-inch PVC force main with kind along Olive Drive from Mohawk Road to Victor Street	$429,000			Estimated Start Year: 2026; Abandon rest of force main	Refer to Table 9-10 for unit costs
10	Force Main Improvements	LS 3 Force Main	Construct force main redundancies	$858,000			Estimated Start Year: 2026	Base Cost: $757,800 in 2020; Appendix D - Lift Station Condition Assessments, Attachment H
	Force Main Improvements	LS 3 Force Main	Complete 1,900 feet of redundant 8-inch force main in 2050			$684,000	Estimated Start Year: 2040	Refer to Table 9-10 for unit costs
11	Force Main Improvements	LS 4 Force Main	Relocate lift station; could result in addition of redundant force main (NORSD portion is approx. 2/3 of total cost)	$3,901,000			Estimated Start Year: 2024; Note to replace original force main in 2051	Base Cost: $5,851,000; AECOM 2022 Lift Station No.4 Relocation Feasibility Analysis
12	Force Main Improvements	LS 5 Force Main					Replace original force main in 2065; velocity constraints under PDF noted	
13	Condition-Related Improvements	Pipe	Remove and Replace (R/R) ~ 23,937 feet of Grade 5 PACP Pipes	$4,330,000	$4,330,000	$21,600,000	Assumes ~ $865,902 per year investment for the next 10 years and all pipes with Grade 5 defects installed before 1960 will need replacement; Assumes ~ $800,000/yr investment for R/R after 10 years to buildout	Table 8-1; Refer to Tables 9-10 and 9-12 for unit costs

Table 9-14. District Capital Improvement Program (cont.)

Item No.	Category	Facility	Summary Project Description	FY 2023-2028	FY 2028-2033	FY 2033 - 2050	Notes	Cost Source
14	Condition-Related Improvements	Pipe	Spot Repair ~ 7,305 feet of Grade 5 PACP Pipes	$7,908,000	$7,908,000	$21,600,000	Assumes $1,581,550 per year investment for the next 10 years and all pipes with Grade 5 defects installed after 1960 will spot repairs; Assumes ~800,000/yr investment for spot repairs after 10 years to buildout	Table 8-1; Refer to Tables 9-10 and 9-12 for unit costs
15	Condition-Related Improvements	Manholes	Rehabilitate Manholes along Outfall Sewer	$1,500,000	$1,500,000			Existing capital improvement project
16	Other	Flow Meters	Two Permanent Installations	$32,000	$3,000		Estimated Start Year: 2025; $500/year monitoring cost	District estimate from Trimble
17	WWTP Expansion	WWTP	12 MGD Expansion		$285,600,000		Estimated Start Year: 2028	2023 Woodard & Curran estimate per email (2/3/23) x 70% soft costs and construction contingencies
18	WWTP Expansion	WWTP	18 MGD Expansion			$113,900,000	Estimated Start Year: 2050	2023 Woodard & Curran estimate per email (2/3/23) x 70% soft costs and construction contingencies
	TOTAL			**$22,035,000**	**$299,341,000**	**$235,150,000**		

Appendix C
August 2024 Update of Coffee Road Interceptor Sewer Feasibility Analysis

AECOM
5001 E. Commercenter Dr. Suite 100
Bakersfield, CA 93309

Memorandum

To	Patrick Ostly General Manager North of River Sanitary District	Page 1
CC		
Subject	Update of Coffee Road Interceptor Sewer Feasibility Analysis for Malibu Vineyards Industrial Parkway Project	
From	Monique Roberts, PE District Engineer	
Date	August 29, 2024	



Background and Introduction

AECOM prepared a feasibility analysis for the proposed Coffee Road Interceptor Sewer in March 2019. That analysis developed preliminary costs per acre of development for the approximately 3,080 acres of land within the proposed tributary service area of the Coffee Road Interceptor Sewer for the benefit subareas described below and shown on **Figure 1**:

- Subarea A – South of the Beardsley/Lerdo Canal (350 acres)
- Subarea B – North of the Beardsley/Lerdo Canal and south of Highway 99 (260 acres)
- Subarea C – North of Highway 99 and south of Imperial Avenue (750 acres)
- Subarea D – To ½ mile north of Imperial Avenue (890 acres)
- Subarea E – To 1 mile north of Imperial Avenue/Burbank Road (830 acres)

Subarea B was further subdivided into B1 (located south of 7th Standard Rd and the railroad) and B2 (located north of 7th Standard Rd and the railroad) for use in the cost analysis.

The hatched area shown on **Figure 1** was noted as likely requiring a lift station and force main to connect to the Coffee Road Interceptor Sewer. The costs for these lift station facilities, or any other facilities required to connect proposed developments within the tributary area to the Coffee Road Interceptor Sewer, were not included in the analysis.

The developer of the proposed Malibu Vineyards Industrial Parkway Project (Malibu Vineyards Project), which includes the land within the hatched area (likely requiring a lift station) on **Figure 1** and adjacent land to the north, has recently approached the NORSD for a preliminary estimate of costs per acre of development including potential lift station and forcemain improvements needed to serve their proposed development (approximately 870 acres).

NORSD has authorized AECOM to update the feasibility analysis from March 2019 to incorporate all land within the proposed Malibu Vineyards Project (new Subarea LS). Based on discussion with the District and a review of topography, the conceptual Interceptor Sewer alignment and benefit areas analyzed are revised as described below and shown on **Figure 2**:

- The conceptual Coffee Road Interceptor Sewer alignment is revised due to the proposed location of the future California High Speed Railroad to the south of the Union Pacific Railroad. Subarea B2 (10 acres) is removed from the tributary area for the analysis.
- The base analysis includes the Interceptor Sewer from Norris Road to Petrol Road to serve Subareas A through C excluding the lift station service area (approximately 1,290 acres).
- Expansion No. 1 includes extension of the Interceptor Sewer from Petrol Road to Imperial Avenue to serve Subareas A through D excluding the lift station service area (approximately 1,920 acres).

- Expansion No. 2 includes extension of the Interceptor Sewer to one-half mile north of Imperial Avenue to serve Subareas A through E excluding the lift station service area (approximately 2,390 acres).
- Expansion No. 3 includes the Interceptor Sewer per Expansion No. 2, a lift station at Imperial Ave and Saco Road, and dual forcemain connection to the Interceptor Sewer to serve Subareas A-E and Subarea LS (approximately 3,260 acres).

Revised Tributary Area Description

The tributary area has been revised to remove about 10 acres (Subarea B2) and add approximately 190 acres of land proposed for development in the Malibu Vineyards Project. The addition of this land extends the proposed lift station service area (Subarea LS) to the northwest (see **Figure 2**). The total tributary area to the Coffee Road Interceptor Sewer now includes approximately 3,260 acres.

Per the Kern County General Plan, land use within Subarea A is planned to be primarily residential. Some commercial land is shown south of 7th Standard Road in Subareas A and B. The remainder of Subarea B and Subarea C is planned for industrial use. As with the previous analysis, buildout development of all areas north of 7th Standard Road is assumed to be industrial use due to its proximity to the Airport and the other planned industrial uses in the vicinity (assuming development occurs with future changes to the General Plan), as is the case with the Malibu Vineyards Project.

Estimated Buildout Sewer Flows

Buildout sewer flows for low density residential developments were revised based on four (4) Single Family Residential Equivalents (SFRE) per acre and a flowrate of 230 gallons per day (gpd) per SFRE (per 2023 Master Plan flow measurements) for an average day sewer flow of 920 gpd/acre. Buildout sewer flows for commercial and industrial uses were based on an estimated average day sewer flow of 1,500 gpd/acre consistent with the previous analysis to be conservative since future uses are unknown. District design standards require a peaking factor of 3.0 (minimum). The estimated sewer flows calculated by subareas are shown in **Table 1**. Acreages were determined from Kern County Assessor Maps and have been rounded to the nearest ten acres within each subarea.

Table 1
Estimated Sewer Buildout Flows with Malibu Vineyards

Subarea	Land Use	Acreage	Flow Basis (GPD/Acre)	Estimated Average Day Flow (MGD)	Estimated Peak Flow (MGD)
A	Residential	270	920	0.25	0.75
A	Commercial	80	1,500	0.12	0.36
Subtotal Subarea A				**0.37**	**1.11**
B1	Industrial	130	1,500	0.19	0.58
B1	Commercial	120	1,500	0.18	0.54
Subtotal Subarea B				**0.37**	**1.12**
C	Industrial	690	1,500	1.03	3.10
D	Industrial	630	1,500	0.94	2.83
E	Industrial	470	1,500	0.70	2.11
LS	Industrial	870	1,500	1.30	3.91
Total Subareas A through LS				**4.71**	**14.18**

Preliminary Lift Station Location

Topographic survey information on the Kern County GIS was reviewed to select a preliminary location for proposed lift station and forcemain facilities. The approximately 200 acres of Subarea LS located between the Lerdo Canal and Highway 99 northwest of Imperial Avenue may need an intermediate lift station facility to limit pumping depth and construction costs. It is assumed that construction of this intermediate lift station facility would be borne by the development. For the purposes of this analysis, it is assumed that a terminal lift station for the development area would be located at the intersection of Saco Road and Imperial Avenue with a dual-forcemain, as required by District policy, connecting to the Coffee Road Interceptor Sewer at Endes Street. The depth of cover over the gravity sewer pipe at the terminal lift station is assumed to be about 25 feet for the purposes of this analysis.

Update of Conceptual Pipeline Design and Hydraulic Analysis

The previous preliminary hydraulic analyses were updated to estimate the required pipe sizes using the peak sewer flows from **Table 1,** based on the maximum capacity for gravity sewers of ¾ full per District standards, for the following four pipeline service area options:

- Base area within the District's existing Sphere of Influence (SOI). Encompasses Subareas A through C.
- Extension to ½ mile north of SOI boundary. Encompasses Subareas A through D.
- Extension to 1-mile north of SOI boundary. Encompasses Subareas A through E.
- Service to entire tributary area. Encompasses Subareas A through LS.

The results of the revised gravity sewer analyses are presented in **Table 2**. The invert elevation of the existing 36" sewer in Norris Road is taken from the District's sewer atlas maps. Approximate ground elevations are from Google Earth. Dual 15-inch forcemains are assumed to provide service to the Lift Station benefit subarea based on a velocity of about 5 feet per second at estimated peak flows.

An updated schematic profile of the preliminary Interceptor Sewer alignment to serve the entire tributary area (based on the information from **Table 2**) is shown in **Figure 3**.

Table 2
Results of Preliminary Hydraulic Analyses

Sewer Pipe Segment	Approx. Length (ft)	Approx. Ground Elevation (ft)	Prelim. Pipe Soffit Elevation (ft)	Approx. Pipe Slope (ft/ft)	Estimated Required Pipe Size for Benefit Subareas (in)			
					A-C	A-D	A-E	A-LS
At Norris Road		403	390.75		24	30	33	33
Norris Rd to Snow Rd	2650	405	396.50	0.0022	24	30	33	33
Snow Rd to Etchart Rd	2650	416	403.50	0.0026	24	27	33	33
Etchart Rd to 7th Standard	2610	436	423.00	0.0075	18	21	27	30
7th Standard to RR/Hwy 99	900	450	435.00	0.0133	15	21	24	24
Across 99 to Endes St	900	460	445.00	0.0111	15	21	24	24
Along Endes St to Petrol Rd	2000	475	460.00	0.0075	15	21	24	24
Petrol Rd to Imperial Ave	2640	500	490.00	0.0114		15	21	21
Imperial Ave to ½ mi north	2610	515	507.00	0.0065			15	15

Updated Cost Analysis

Preliminary cost estimates were updated for the conceptual pipeline designs and lift station facilities to serve the various benefit area conditions shown in **Table 2**. Copies of the preliminary cost tables

are provided in the **Appendix.** Unit cost data was taken from the 2018 Master Sewer Plan Update and increased at an inflation rate of 3% annually to estimate construction costs in 2024 dollars.

The cost for each sewer pipe segment was then divided by the approximate acreage for the corresponding benefit subarea for each of the conceptual pipeline designs. The resulting analysis is summarized in **Table 3** below**.** An estimated cost per SFRE connection is calculated based on the average day sewer flow of 230 gpd/SFRE from 2023 Master Sewer Plan flow measurements.

Table 3

	Estimated Benefit Area Cost Per Acre ($)			
Benefit Subarea	**Base Area: Subareas A-C**	**Expansion 1: Subareas A-D**	**Expansion 2: Subareas A-E**	**Expansion 3: Subareas A-LS**
A	3,100	2,200	2,200	1,500
B1	4,200	2,900	2,900	2,200
C	8,700	5,600	5,600	3,600
D		6,900	6,400	4,100
E			7,600	5,800
LS				8,900
Total Benefit Area	**6,300**	**5,100**	**4,700**	**5,200**
Estimated Cost/SFRE[1]	**1,060**	**830**	**760**	**830**

1. For total benefit area based on an average sewer flow of 230 gpd/SFRE.

The cost analysis shows that as additional subareas are added to the benefit area, the overall cost per acre of benefit area initially decreases and then remains about the same. There are substantial costs associated with the Coffee Road Interceptor Sewer to serve the base area, including over two miles of pipeline and crossings of the railroad and Highway 99. The incremental costs to upsize the Interceptor Sewer to serve the additional areas are about the same on a per acre basis for each of the expansion conditions. The incremental costs to serve Subarea LS are essentially the same as the incremental costs to extend the Interceptor Sewer pipeline to serve Subareas D and E.

Conclusions

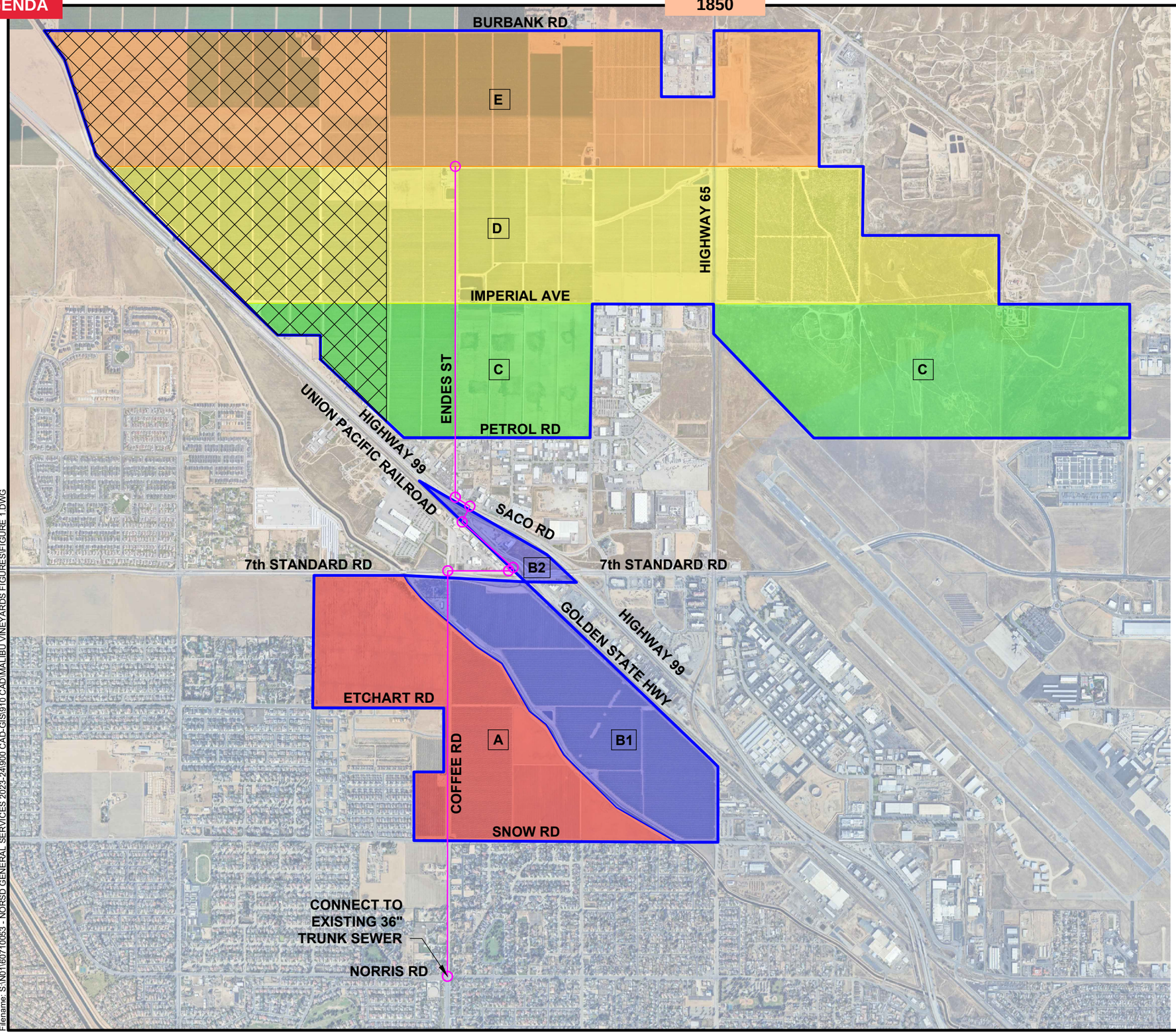
As with the previous analysis, implementation of a single connection charge for the Total Benefit Area is recommended in order to simplify cost collection, accounting, and budgeting for the District. There is not a significant change in the benefit area costs per acre or costs per SFRE calculated for Expansions 1 through 3.

Assumptions:

1. The costs for intermediate lift station facilities or any other facilities required to connect proposed developments within the tributary area to the Coffee Road Interceptor Sewer are not included in this analysis.
2. Cost data is based on information from 2018 Master Sewer Plan Update with an annual inflation rate of 3%. Lift station costs assume an annual inflation rate of 5% due to the higher inflation rates experienced for pumps and electrical equipment.
3. Preliminary pipeline profile and estimated lift station depth are based on elevation data from existing sewer plans and Google Earth.

AGENDA

1850



N

0 2000' 4000'

1" = 2000'

LEGEND

- TRIBUTARY AREA BOUNDARY
- A — SUB-AREA IDENTIFIER
- PROPOSED COFFEE ROAD INTERCEPTOR SEWER ALIGNMENT
- LIFT STATION LIKELY REQUIRED

AECOM

Figure: 01

ORIGINAL TRIBUTARY AREA PLAN FROM 2019 ANALYSIS

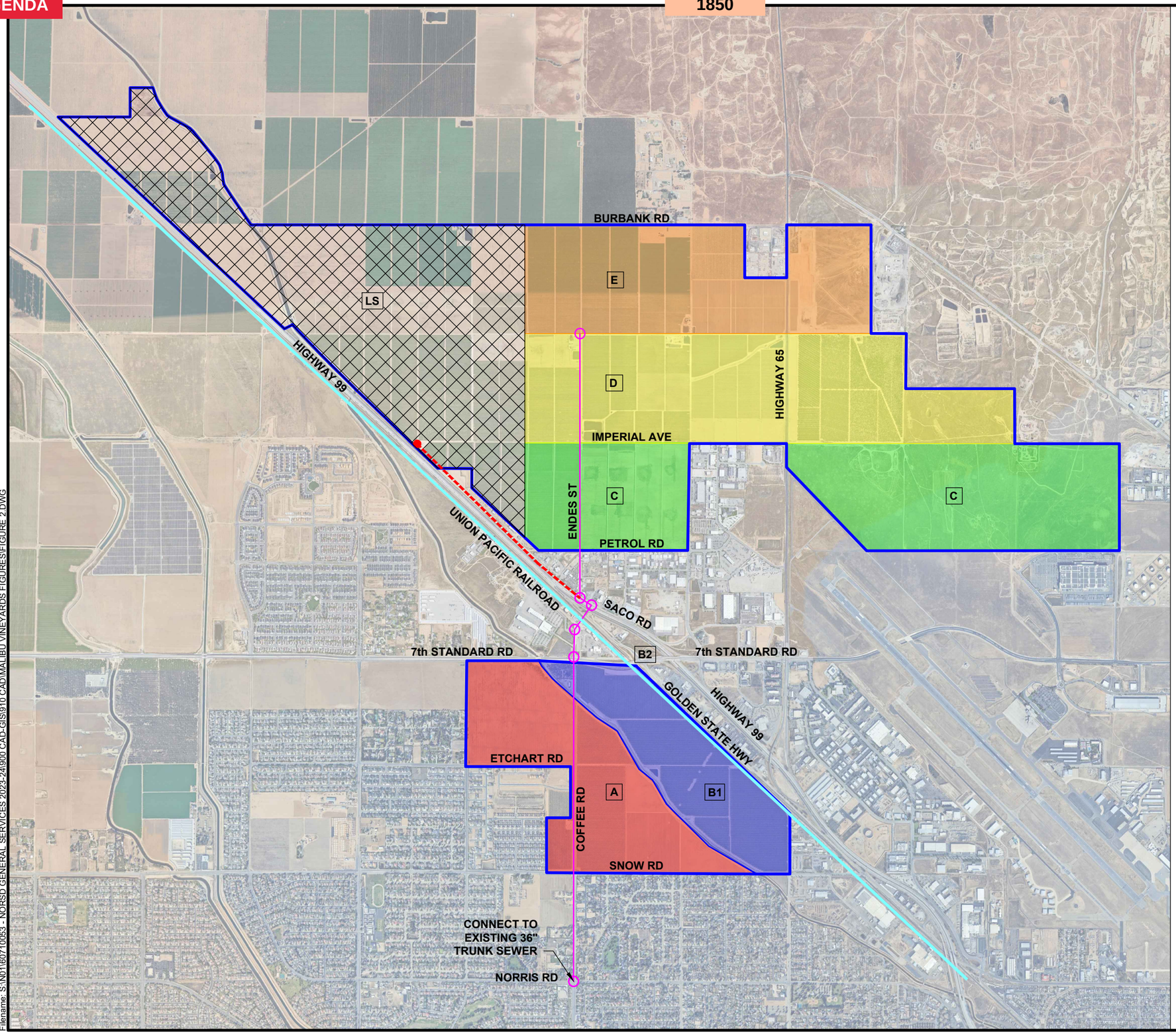
NORTH OF RIVER SANITARY DISTRICT
UPDATE OF COFFEE ROAD INTERCEPTOR SEWER
FEASIBILITY ANALYSIS FOR MALIBU VINEYARDS PROJECT
Project No.: 60710053 Date: MAY 2024

Project Management Initials: Designer: Checked: Approved: ANSI B 11" x

Last saved by: GHILARDUCCID(2024-05-23) Last Plotted: 2024-07-18
Filename: S:\NO\60710053 - NORSD GENERAL SERVICES 2023-24\900 CAD-GIS\910 CAD\MALIBU VINEYARDS FIGURES\FIGURE 1.DWG

AGENDA

1850



N

0 2500' 5000'

1" = 2500'

LEGEND

- TRIBUTARY AREA BOUNDARY
- A — SUB-AREA IDENTIFIER
- PROPOSED COFFEE ROAD INTERCEPTOR SEWER ALIGNMENT
- POTENTIAL SEWER LIFT STATION SERVICE AREA
- PROPOSED SEWER LIFT STATION
- PROPOSED SEWER FORCEMAIN
- FUTURE CALIFORNIA HIGH SPEED RAIL

AECOM

Figure: 02

REVISED TRIBUTARY AREA PLAN

NORTH OF RIVER SANITARY DISTRICT
UPDATE OF COFFEE ROAD INTERCEPTOR SEWER
FEASIBILITY ANALYSIS FOR MALIBU VINEYARDS PROJECT
Project No.: 60710053 Date: MAY 2024

Project Management Initials: Designer: Checked: Approved: ANSI B 11" x

Last saved by: GHILARDUCCID(2024-07-18) Last Plotted: 2024-07-18
Filename: S:\NO\60710053 - NORSD GENERAL SERVICES 2023-24\900 CAD-GIS\910 CAD\MALIBU VINEYARDS FIGURES\FIGURE 2.DWG

APPROXIMATE SCALE
HORIZONTAL 1" = 2000'
VERTICAL 1" = 40'

AECOM

Figure: 03

REVISED SCHEMATIC PROFILE

NORTH OF RIVER SANITARY DISTRICT
UPDATE OF COFFEE ROAD INTERCEPTOR SEWER
FEASIBILITY ANALYSIS FOR MALIBU VINEYARDS PROJECT
Project No.: 60710053 Date: MAY 2024

Project Management Initials: Designer:____ Checked:____ Approved:____ ANSI B 11" x

Last saved by: GHILARDUCCID(2024-05-23) Last Plotted: 2024-07-18
Filename: S:\NO\16071\0053 - NORSD GENERAL SERVICES 2023-24\900 CAD-GIS\910 CAD\MALIBU VINEYARDS FIGURES\FIGURE 1.DWG

Appendix

Cost Analysis Tables

Table A-1
Preliminary Cost Estimate Base Area (Subareas A through C without Lift Station Subarea)

	Sewers				Manholes			Road Crossings			Paving					
Pipe Segment	Diameter (inches)	Length (feet)	Cost ($/Foot)	Pipe Cost (M$)	No.	Cost per Each ($)	Manhole Cost (M$)	Length (feet)	Cost ($/Foot)	Cost (M$)	Area (SF)	Cost ($/SF)	Cost (M$)	Lift Station (M$)	Engineering and Contingencies (35% of Total) (M$)	Total Estimated Cost (M$)
Norris Rd to Snow Rd	24	2650	208	0.6	7	29,000	0.2	100	1,300	0.1	39,750	5.75	0.2		0.4	1.5
Snow Rd to Etchart Rd	24	2650	208	0.6	7	29,000	0.2		1,300	0	39,750	5.75	0.2		0.4	1.4
Etchart Rd to Canal	18	1560	155	0.2	4	29,000	0.1		1,300	0	23,400	5.75	0.1		0.1	0.5
Canal to 7th Standard	18	1050	155	0.2	3	29,000	0.1	200	1,300	0.3	15,750	5.75	0.1		0.2	0.9
7th Standard to RR/Hwy 99	15	900	130	0.1	3	29,000	0.1	100	1,300	0.1	13,500	5.75	0.1		0.1	0.5
Across 99 & Saco Rd to Endes St	15	900	130	0.1	3	29,000	0.1	500	1,300	0.7	13,500	5.75	0.1		0.4	1.4
Along Endes St. to Petrol Rd	15	2000	130	0.3	5	29,000	0.1		1,300	0	30,000	5.75	0.2		0.2	0.8
Totals		11710		2.1			0.9			1.2			1.0	0.0	1.8	7.0
Estimated Costs in 2024 Dollars (assuming inflation at 3% annually)																8.1

Table A-2
Preliminary Cost Estimate Extension to 1/2 Mile North of SOI (Subareas A through D without Lift Station Subarea)

	Sewers				Manholes			Road Crossings			Paving					
Pipe Segment	Diameter (inches)	Length (feet)	Cost ($/Foot)	Pipe Cost (M$)	No.	Cost per Each ($)	Manhole Cost (M$)	Length (feet)	Cost ($/Foot)	Cost (M$)	Area (SF)	Cost ($/SF)	Cost (M$)	Lift Station (M$)	Engineering and Contingencies (35% of Total) (M$)	Total Estimated Cost (M$)
Norris Rd to Snow Rd	30	2650	267	0.7	7	29,000	0.2	100	1,300	0.1	39,750	5.75	0.2		0.4	1.6
Snow Rd to Etchart Rd	27	2650	243	0.6	7	29,000	0.2		1,300	0	39,750	5.75	0.2		0.4	1.4
Etchart Rd to Canal	21	1560	180	0.3	4	29,000	0.1		1,300	0	23,400	5.75	0.1		0.2	0.7
Canal to 7th Standard	21	1050	180	0.2	3	29,000	0.1	200	1,300	0.3	15,750	5.75	0.1		0.2	0.9
7th Standard to RR/Hwy 99	21	900	180	0.2	3	29,000	0.1	100	1,300	0.1	13,500	5.75	0.1		0.2	0.7
Across 99 & Saco Rd to Endes St	21	900	180	0.2	3	29,000	0.1	500	1,300	0.7	13,500	5.75	0.1		0.4	1.5
Along Endes St. to Petrol Rd	21	2000	180	0.4	5	29,000	0.1		1,300	0	30,000	5.75	0.2		0.2	0.9
Petrol Rd to Imperial Ave	15	2640	130	0.3	7	29,000	0.2		1,300	0					0.2	0.7
Totals		14350		2.9			0.9			1.2			1.0	0.0	2.2	8.4
Estimated Costs in 2024 Dollars (assuming inflation at 3% annually)																9.7

Table A-3

Preliminary Cost Estimate Extension to 1/2 Mile North of SOI (Subareas A through E without Lift Station Subarea)

	Sewers				Manholes			Road Crossings			Paving					
Pipe Segment	Diameter (inches)	Length (feet)	Cost ($/Foot)	Pipe Cost (M$)	No.	Cost per Each ($)	Manhole Cost (M$)	Length (feet)	Cost ($/Foot)	Cost (M$)	Area (SF)	Cost ($/SF)	Cost (M$)	Lift Station (M$)	Engineering and Contingencies (35% of Total) (M$)	Total Estimated Cost (M$)
Norris Rd to Snow Rd	33	2650	300	0.8	7	29,000	0.2	100	1,300	0.1	39,750	5.75	0.2		0.5	1.8
Snow Rd to Etchart Rd	33	2650	300	0.8	5	29,000	0.1		1,300	0	39,750	5.75	0.2		0.4	1.5
Etchart Rd to Canal	27	1560	243	0.4	5	29,000	0.1		1,300	0	23,400	5.75	0.1		0.2	0.8
Canal to 7th Standard	27	1050	243	0.3	5	29,000	0.1	200	1,300	0.3	15,750	5.75	0.1		0.3	1.1
7th Standard to RR/Hwy 99	24	900	208	0.2	5	29,000	0.1	100	1,300	0.1	13,500	5.75	0.1		0.2	0.7
Across 99 & Saco Rd to Endes St	24	900	208	0.2	5	29,000	0.1	500	1,300	0.7	13,500	5.75	0.1		0.4	1.5
Along Endes St. to Petrol Rd	24	2000	208	0.4	5	29,000	0.1		1,300	0	30,000	5.75	0.2		0.2	0.9
Petrol Rd to Imperial Ave	21	2640	180	0.5	5	29,000	0.1		1,300	0					0.2	0.8
Imperial Ave to 1/2 mi N	15	2610	130	0.3	5	29,000	0.1		1,300	0					0.1	0.5
Totals		16960		3.9			1.0			1.2			1.0	0.0	2.5	9.6
Estimated Costs in 2024 Dollars (assuming inflation at 3% annually)																11.1

Table A-4

Preliminary Cost Estimate Entire Tributary Area with Lift Station Subarea (Cost Basis from 2018 Sewer Master Plan)

	Sewers				Manholes			Road Crossings			Paving					
Pipe Segment	Diameter (inches)	Length (feet)	Cost ($/Foot)	Pipe Cost (M$)	No.	Cost per Each ($)	Manhole Cost (M$)	Length (feet)	Cost ($/Foot)	Cost (M$)	Area (SF)	Cost ($/SF)	Cost (M$)	Lift Station (M$)	Engineering and Contingencies (35% of Total) (M$)	Total Estimated Cost (M$)
Norris Rd to Snow Rd	33	2650	300	0.8	7	29,000	0.2	100	1,300	0.1	39,750	5.75	0.2		0.5	1.8
Snow Rd to Etchart Rd	33	2650	300	0.8	7	29,000	0.2		1,300	0	39,750	5.75	0.2		0.4	1.6
Etchart Rd to Canal	30	1560	267	0.4	4	29,000	0.1		1,300	0	23,400	5.75	0.1		0.2	0.8
Canal to 7th Standard	30	1050	267	0.3	3	29,000	0.1	200	1,300	0.3	15,750	5.75	0.1		0.3	1.1
7th Standard to RR/Hwy 99	30	900	267	0.2	3	29,000	0.1	100	1,300	0.1	13,500	5.75	0.1		0.2	0.7
Across 99 & Saco Rd to Endes St	24	900	208	0.2	3	29,000	0.1	500	1,300	0.7	13,500	5.75	0.1		0.4	1.5
Along Endes St. to Petrol Rd	24	2000	208	0.4	5	29,000	0.1				30,000	5.75	0.2		0.2	0.9
Petrol Rd to Imperial Ave	21	2640	180	0.5	7	29,000	0.2								0.2	0.9
Imperial Ave to 1/2 mi N	15	2610	130	0.3	7	29,000	0.2								0.2	0.7
Lift Station and Force Main	15	11000	130	1.4	11	29,000	0.3							2.0	0.6	4.3
Totals		27960		5.3			1.6			1.2			1.0	2.0	3.2	14.3
Estimated Costs in 2024 Dollars (assuming inflation at 3% annually)																16.6

Table A-5

Base Area Within Existing Sphere of Influence (Subareas A through C without Lift Station subarea)

Sewer Pipe Segment	Estimated Construction Costs ($M)	Approx. Benefit Subarea Served (Acres)						Approx. Per Acre Cost	Estimated Cost per Benefit Subarea				
		A	B1	C	D	E	Total		A	B1	C	D	E
Norris Rd to Canal	3.9	350	250	690			1290	3100	3100	3100	3100		
Canal to 7th Standard	1.0		250	690			940	1100		1100	1100		
7th Standard across RR/99 to Endes St	2.2			690			690	3200			3200		
Saco Rd to Petrol Rd	0.9			690			690	1300			1300		
Totals	**8.1**							**6300**	**3100**	**4200**	**8700**		

Table A-6

Extension to 1/2 Mile North of SOI (Subareas A through D without Lift Station subarea)

Sewer Pipe Segment	Estimated Construction Costs ($M)	Approx. Benefit Subarea Served (Acres)						Approx. Per Acre Cost	Estimated Cost per Benefit Subarea				
		A	B1	C	D	E	Total		A	B1	C	D	E
Norris Rd to Canal	4.3	350	250	690	630		1920	2200	2200	2200	2200	2200	
Canal to 7th Standard	1.0		250	690	630		1570	700		700	700	700	
7th Standard across RR/99 to Endes St	2.6			690	630		1320	1900			1900	1900	
Saco Rd to Petrol Rd	1.0			690	630		1320	800			800	800	
Petrol Rd to Imperial Ave	0.8				630		630	1300				1300	
Totals	**9.7**							**5100**	**2200**	**2900**	**5600**	**6900**	

Table A-7

Extension to 1 Mile North of SOI (Subareas A through E without Lift Station subarea)

Sewer Pipe Segment	Estimated Construction Costs ($M)	Approx. Benefit Subarea Served (Acres)						Approx. Per Acre Cost	Estimated Cost per Benefit Subarea				
		A	B1	C	D	E	Total		A	B1	C	D	E
Norris Rd to Canal	4.8	350	250	690	630	470	2390	2000	2200	2200	2200	2200	2200
Canal to 7th Standard	1.3		250	690	630	470	2040	600		700	700	700	700
7th Standard across RR/99 to Endes St	2.6			690	630	470	1790	1400			1900	1900	1900
Saco Rd to Petrol Rd	1.0			690	630	470	1790	600			800	800	800
Petrol Rd to Imperial Ave	0.9				630	470	1100	800				800	800
1/2 mile North of Imperial Ave	0.6					470	470	1200					1200
Totals	**11.1**							**4700**	**2200**	**2900**	**5600**	**6400**	**7600**

Table A-8
Preliminary Benefit Analysis - Entire Tributary Area with Lift Station Subarea

Sewer Pipe Segment	Estimated Construction Costs ($M)	Approx. Benefit Subarea Served (Acres)							Approx. Per Acre Cost	Estimated Cost per Benefit Subarea					
		A	B1	C	D	E	LS	Total		A	B2	C	D	E	LS
Norris Rd to Canal	4.9	350	250	690	630	470	870	3260	1500	1500	1500	1500	1500	1500	1500
Canal to 7th Standard	1.3		250	690	630	470	870	2910	400		400	400	400	400	400
7th Standard across RR/99 to Endes St	0.8			690	630	470	870	2660	300		300	300	300	300	300
Across 99 to Endes St.	1.7			690	630	470	870	2660	700			700	700	700	700
Endes St. to Petrol Road	1.0			690	630	470		1790	600			700	600	600	
Petrol to Imperial Ave	1.0				630	470		1100	900				600	600	
1/2 mile North of Imperial Ave	0.8					470		470	1700					1700	
Lift Station & Forcemain	5.2						870	870	6000						6000
Totals	**16.8**								**5200**	**1500**	**2200**	**3600**	**4100**	**5800**	**8900**

Appendix D
2025 SSMP
(without Appendices)

NORTH OF RIVER SANITARY DISTRICT NO. 1

SEWER SYSTEM MANAGEMENT PLAN UPDATE

Prepared for
North of River Sanitary District No. 1
204 Universe Avenue
Bakersfield, CA 93308
661-399-6411

Prepared By:

Ardurra Group, Inc.
9665 Chesapeake Drive, Suite 230
San Diego, California 92123

Sewer System Management Plan Revision Log

The Sewer System Management Revision Log has been prepared to summarize pending revisions to the NORSD Sewer System Management Plan, last updated in July 2015.

Chapter Revised	Revision Date	Description of Revisions	By:

Acknowledgements

North of the River Sanitation District would like to acknowledge the following individuals for their outstanding efforts and contributions, which resulted in the creation of this document. The comprehensive plans included herein reflect the District's on-going commitment to the effective and efficient operation, maintenance and management of its wastewater collection system and achieving the District's goals and objectives.

Board of Directors

President	Gary McKibbin
Vice President	Steve Ruettgers
Board Member	Sandra Murphy
Board Member	Matthew Hooker
Board Member	Jonathan Hudson

General Manager	Patrick Ostly
Operations Superintendent	Ramon Arrendondo
Safety / Collections System Supervisor	Richard St. Claire
Environmental Compliance Officer	Joseph Ferrari
Wastewater Treatment Plant Chief Plant Operator	Sam Hicks

Abbreviations/Acronyms

American Public Works Association (APWA) - Non-profit professional association of public works agencies.

Authorized Representative - The designated individual responsible for the certification of the Online Sanitary Sewer Overflow Database Questionnaire following a spill event. The Authorized Representative that certifies updates to the SSMP prior to submittal to the SWRCB.

Best Available Technology (BAT) - Practices and tools to limit pollution discharges.

Best Management Practice (BMP) - Synonym for Best Available Technology.

California Occupation, Safety and Health Administration (CAL-OSHA) - Agency dedicated to protect workers from health and safety hazards associated with their work.

Capital Improvement Plan or Program (CIP) - Planning document prepared by Cities or public agencies to identify needed infrastructure improvements and funding sources.

Category 1 SSO - A discharge of any volume of untreated or partially treated wastewater from a sewer that reaches surface water or a Municipal Storm Sewer System (MS4) and is not fully captured and returned to the sanitary sewer system.

Category 2 SSO - A discharge of 1000 gallons or greater of untreated or partially treated wastewater from a sewer that does not reach surface water or a Municipal Storm Sewer System (MS4) or if the entire SSO discharged to the storm drain is recovered and disposed of properly.

Category 3 SSO - All other discharges of untreated or partially treater wastewater resulting from a sanitary sewer failure or flow condition.

Category 4 SSO - A spill of less than 50 gallons, from or caused by a sanitary sewer system that does not discharge to a surface water or that spills out of a lateral but is caused by a failure or blockage in the main lines of the sanitary sewer system.

Closed-Circuit Television (CCTV) - Remotely-controlled driver-controlled camera capable of producing video of the inside of sewer pipes.

Cured-In-Place Pipe (CIPP) - One pipe rehabilitation technique in which a new pipe lining is pulled into the pipe from the surface and then expanded and cured in place. Most of the work is accomplished from the surface resulting in minimal trenching.

Clean Water Act (CWA) - The foundational federal law in the United States governing water pollution.

California Water Environment Association (CWEA) - The organization that supports and empowers professionals in the wastewater industry across California and offers technical certification programs for wastewater professionals.

California Integrated Water Quality System (CIWQS) - A web-based system used by the State and regional Waer Quality Control Boards to track information for reporting and managing water quality data in California.

Enrollee - An Enrollee is a public, private, or other non-governmental entity that has obtained approval for regulatory coverage under this General Order, including:

- A state agency, municipality, special district, or other public entity that owns and/or operates one or more sanitary sewer systems:
  - greater than one (1) mile in length (each individual sanitary sewer system):
  - one (1) mile or less in length where the State Water Board or a Regional Water Board requires regulatory coverage under this Order; or
- A federal agency, private company, or other non-governmental entity that owns and/or operates a sanitary sewer system of any size where the State Water Board or a Regional Water Board requires regulatory coverage under this Order in response to a history of spills, proximity to surface water, or other factors supporting regulatory coverage.

Environmental Protection Agency (EPA) - Federal agency responsible for protecting human health and the environment.

Fats, Oils, and Grease (FOG) - Substances commonly produced by kitchens or restaurants that can solidify and cause blockages within the sewer system.

Food Service Establishments (FSE) - Any building, vehicle, place, or structure, or any room or division in a building, vehicle, place, or structure where food is prepared, served, or sold for immediate consumption on or in the vicinity of the premises.

Geographical Information System (GIS) - Computer system designed to depict, store, manipulate, analyze, manage, and present all types of spatial or geographical data.

High Frequency Maintenance Locations (HFMLs) - Location with frequent maintenance issues such as buildup of debris, root intrusion, FOG accumulation, or other operational deficiencies.

Infiltration/Inflow (I/I) - Flow of groundwater or stormwater into the sewer system during a storm event or due to openings in sewer facilities

Lateral (House Connection Sewer) - Portion of sewer that connects a structure (residence or business) with the main sewer line in the street, alley or easement.

Legally Responsible Official (LRO) – Legally Responsible Official

Computerized Maintenance Management System (CMMS) - Systems and processes to manage maintenance tasks. Many organizations maintain a computer database for maintenance operations.

Municipal Separate Storm Sewer System (MS4) - A stormwater conveyance system that discharges to US waters and is regulated through the NPDES program.

National Association of Sewer Service Companies (NASSCO) - Industry resource for specification guidelines, industry practices, and inspector training.

National Pollutant Discharge Elimination System (NPDES) - A key program under the Clean Water Act to control water pollution by regulating point sources that discharge pollutants into the waters of the United States.

North of the River Sanitary District (NORSD) - Herein known as the “District,” the agency that owns and operates sewer trunk lunes and sewer treatment facilities for the unincorporated communities of Oildale, northwest of the City of Bakersfield, and the City of Shafter.

Office of Emergency Services (OES) - Agency responsible for overseeing and coordinating emergency preparedness, response, recovery and homeland security activities within the state.

Operation and Maintenance (O&M) - Activities critical to managing wastewater collection systems to keep systems, facilities, or infrastructure functioning efficiently, safely, and reliably.

Pipeline Assessment and Certification Program (PACP) - Standardized training and certification program developed by NASSCO designed to ensure consistent, accurate, and reliable assessment of gravity sewer pipelines.

Plumbing Code (PC) - Subset of the building code. Establishes standards for plumbing components within structures.

Private Lateral Sewer Discharge (PLSD) - Discharges of untreated or partially treated wastewater resulting from blockages or other problems within a privately owned sewer lateral connected to the District’s sanitary sewer system.

Publicly Owned Sanitary Sewer System - Collection of sewer mainline pipes, laterals, and wastewater pumps that convey wastewater from source points to a municipal wastewater treatment plant. These systems are typically owned and operated by a public agency such as a city or sanitation agency, or a Special District.

Sewer System Management Plan (SSMP) - Document that describes the activities an agency uses to manage its wastewater collection system efficiently.

Sanitary Sewer Overflows (SSO or Spill) - Overflow of untreated or partially treated wastewater due to inadequate system capacity or blockage in the system.

State Water Resources Control Board (SWRCB) - The joint authority of water allocation and water quality protection enables the Water Board to provide comprehensive protection for California's waters. The SWRCB oversees the operations of the Regional Water Quality Control Boards to ensure that their activities are in line with the SWRCB’s objective.

Waste Discharge Requirements (WDRs) - Permits issued by the California SWRCB and its Regional Water Quality Control Boards to regulate the discharge of waste that could affect the quality of the state’s surface water or groundwater.

Waters of the United States - (paraphrased from 33 CFR Part 328) – All waters that are used, were used, or may be used in interstate or foreign commerce, including those subject to the ebb and flow of the tide; including interstate wetlands; all other waters such as intrastate lakes, rivers, streams (including intermittent streams), adjacent wetlands, impoundments of water, etc., the use, degradation or destruction of which could affect interstate or foreign commerce; tributaries of waters so identified; the territorial seas; and all waters within the 100-year floodplain of the preceding water bodies.

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North of the River Sanitary District Sewer System Management Plan Certification

I certify as the Legally Responsible Official and Superintendent for the North of the River Sanitary District and under penalty of law that this document and all attachments were prepared under my direct supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted.

Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information is, to the best of my knowledge and belief, true, accurate, and complete and complies with the and in compliance with the State Water Resources Control Board Order No. 2022-0103-DWQ.

Richard St. Claire
Safety Officer / Collections Supervisor

7/10/2025
Date

Introduction

On May 2, 2006, the State Water Regional Control Board (SWRCB) adopted Order No. 2006- 0003 (Order or General Order), Statewide General Waste Discharge Requirements (WDRs) for Sanitary Sewer Systems. This Order required that the owner of a wastewater collection system with more than one (1) mile of pipeline have in place a Sewer System Management Program (SSMP) to comply with the terms of the Order, which was intended to reduce the quantity and severity of Sanitary Sewer Overflows (SSOs or Spills), to audit the program every two (2) years, and revise and/or update the SSMP every five (5) years.

On February 20, 2008, the State Water Board Executive Director adopted Order No. 2008-0002-EXEC, a revised Monitoring and Reporting Program (MRP) for the WDRs to rectify early notification deficiencies and ensure that first responders are notified in a timely manner of SSOs discharged into waters of the state. On September 9, 2013, the State Water Board Executive Director adopted Order No. 2013-0058-EXEC which amended the MRP of Order No. 2006-0003 by adding a third sanitary spill category - Category 3 SSO, sampling requirements within 48 hours, that a technical report be submitted within 45 days (for Category 1 SSO in which 50,000 gallons or greater are spilled to surface waters), and new record keeping requirements.

On December 6, 2022, the State Water Board adopted General Order WQ 2022-0103-DWQ which supersedes the previous State Water Resources Control Board Order 2006-0003.DWQ and amendments thereafter. The Order became effective on June 5, 2023 and noted that all sections and attachments of the General Order are enforceable by the State Water Board and Regional Water Quality Control Boards (Regional Water Boards). A copy of Order WQ 2022-0103-DWQ is included in Appendix A for reference. Through the General Order, the State Water Board requires an Enrollee to:

- Comply with federal and state prohibitions of discharge of sewage to waters of the State, including federal waters of the United States
- Comply with specifications, notifications, monitoring, reporting and recordkeeping requirements in the General Order that implement the federal Clean Water Act, the California Water Code (Code), water quality control plans and policies
- Proactively operate and maintain resilient sanitary sewer systems to prevent spills
- Eliminate discharges of sewage to waters of the State through effective implementation of Sewer System Management Plan
- Monitor, track, and analyze spills for ongoing system specific performance improvements
- Report noncompliance with this General Order per reporting requirements.

This SSMP, prepared by the District in compliance with the requirements of the Order, includes documentation of the District's system specific plans and programs to operate, maintain, and manage its wastewater collection system to achieve:

- Minimizing the frequency and impact of sewer spills;
- Effectively and efficiently mitigating the impacts of spills should they occur;
- Providing adequate sewer capacity to convey peak flows;

- Maintaining and improving the condition of the collection system infrastructure to provide continual reliable service; and
- Engaging and educating the public regarding programs and issues related to the wastewater collection system.

Background

North of River Sanitary District (NORSD or District) was formed in 1940 as an independent Special District of the State of California to serve the unincorporated community of Oildale located north of the Kern River in Kern County. In 1990, a Joint Powers Agreement (JPA) was executed by NORSD, Kern County (County Service Area 71 [CSA-71]), and the City of Shafter for NORSD to administer, operate, and maintain wastewater collection and treatment facilities within its service area. At present, the District's service area spans approximately 54 square miles and serves a total population of approximately 71,000 which includes the unincorporated Oildale area, northwest portions of the City of Bakersfield, and the City of Shafter.

Due to continued growth in its service area since the JPA, the District's collection system and wastewater treatment plant (WWTP) have undergone several improvements based on results from several sewer system master plans and studies. In 2013, a sewer master plan (SMP) completed by AECOM and a subsequent update by the same firm was completed in 2018. Both sewer system master plans recommended improvements to the WWTP and collection system to mitigate capacity limitations based on growth projections within the District's service area.

Since 2018, the District has made several advances in terms of gathering better Geographic Information System (GIS) data of its collection system, condition of its mains, and invested in more flow meters (both temporary and permanent) to provide more accurate wastewater flow measurements. In addition, due to changing hydrological patterns and declining aquifer water tables as well as implementation of water conservation measures in the region, wastewater generation factors used and flows projected in the previous master plans will need to be reviewed and updated, particularly for build-out. The combination of better data and changing water use patterns are the main drivers for a new master plan that will be used to refine improvement costs related to WWTP expansion and determine project costs to mitigate capacity-deficient sewers. In addition, the updated Master Plan incorporates improvements recommended from lift station facilities assessments, improvements from a previous force main study performed in 2020 and results from the District's pipeline condition assessments via its asset management plan database. A capital improvement program (CIP) is developed for a 10-year (near-term) and buildout planning period.

Purpose

The District recognizes the importance of preventing sewage spills for the mutual protection of our surface waters and the overall environment to safeguard public health and safety. Therefore, in a proactive approach to achieve Order compliance, the District is updating its SSMP. This SSMP is designed to assure continuous improvement of system performance, response, monitoring, data recording, and documentation for future system assessments. The completeness and practicality of the SSMP is a critical component for the District's long-range plans to comply with all applicable regional, State, and Federal requirements under the CWA, and the Order. This SSMP includes a summary of the processes and procedures implemented by the District to comply with the requirements imposed by

the Order and other governing agencies. Additionally, it includes references to specific details of the activities and procedures that personnel follow to implement the various programs encompassed in its overall efforts to efficiently manage, operate, and maintain its sanitary sewer system and facilitate the reduction and potential elimination of Sanitary Sewer Overflows.

SSMP Elements and Organization

This SSMP includes information demonstrating the District's efforts to comply with each of the mandatory and applicable elements required for its SSMP. The organization of this document is consistent with the SWRCB guidelines and includes the following eleven (11) mandatory WDR elements:

This document includes the findings of the audit and reflects the requirements included in Attachment D of Order 2022-0103-DWQ for each of the eleven (11) elements including:

I. Sewer System Management Plan Goal and Introduction
II. Organization
III. Legal Authority
IV. Operation and Maintenance
V. Design and Performance Provisions
VI. Spill Emergency Response Plan
VII. Sewer Pipe Blockage Control program
VIII. System Evaluation, Capacity Assurance and Capital Improvements
IX. Monitoring, Measurement and Program Modifications
X. Internal Audits
XI. Communication Program

Chapter 1 - Sewer System Management Plan Goal and Introduction

1.1 Sewer System Management Plan Goal and Introduction

The Order requires that the plan includes a plan and schedule to (1) properly manage, operate, and maintain all parts of the District's sanitary sewer system(s), (2) reduce and prevent spills, and (3) contain and mitigate spills that do occur. The SSMP should include a comprehensive plan and schedule that will serve to:

- *Properly manage, operate, and maintain all parts of the sanitary sewer system,*
- *Reduce and prevent spills, and*
- *Contain and mitigate spills that may occur.*

The introduction of the document is to include:

- *A general description of the sewer system management program and the implementation of the SSMP activities, and as applicable, necessary updates,*
- *An overview of the service area and assets owned and maintained by the District,*
- *A schedule that reflects planned updates to the SSMP, including conducting internal audits and any milestones for incorporating activities to address the prevention of spills,*
- *An updated map of the sanitary sewer system or reference.*

The following sections include a general overview of the District's service area, a summary of its wastewater collection system, and description of the District's sewer system management program including a schedule for program updates and conducting internal audits.

1.2 Regulatory Context

The District completed its Master Plan Update in March 2023 which includes a thorough description of the District's service area and assets including trunk and gravity sewers and the wastewater treatment plant. Chapter 4, Existing System, includes a summary of the District's assets including the length of gravity sewer by pipe size, material, and decade constructed. Also included is an updated map of the sanitary sewer system. A copy of Figure 3-1 from the Master Plan is included in Attachment B for reference. It is recommended that information prepared as part of the Master Plan be incorporated, where applicable, into the SSMP update.

1.3 Sewer System Asset Overview

The District completed its Master Plan Update in March 2023 which includes a thorough description of the District's service area and assets including trunk and gravity sewers and the wastewater treatment plant. The following information was obtained from the District's Master Plan and will be incorporated into the SSMP.

The District's sewer collection system was constructed in the early 1940's to serve the present-day Oildale community, a population of approximately 71,000, north of Kern River. As the original treatment plant outgrew

its capacity to serve developing communities in the surrounding area, a Joint Powers Agreement (JPA) was executed in 1990 by NORSD, CSA-71, and the City of Shafter to construct a new wastewater treatment plant (WWTP). The trunk sewer line that ranges in size from 33- to 54-inches in diameter was constructed from the original plant to the current WWTP and is commonly referred to as the "Outfall Sewer".

As of 2022, the District's collection system includes approximately 191 miles of gravity sewers ranging in diameter from 6-inches to 54-inches, five (5) lift stations with two (2) to three (3) pumps each, approximately 2.4 miles of force mains ranging from 4-inches to 10-inches in diameter, and one wastewater treatment plant (WWTP).

Service Areas - Collector sewers convey flows from Oildale, Shafter and CSA-71 communities to the Outfall Sewer which gravity flows into the District's WWTP near the intersection of Palm Avenue and Seventh Standard Road. The existing plant's wastewater treatment capacity is 7.5 million gallons per day (MGD). The plant undergoes an "undisinfected secondary" treatment process and effluent is discharged into nearby storage ponds. The WWTP is monitored via a Supervisory Control and Data Acquisition (SCADA) System. Figure 3-1 shows the District's existing collection system layout.

Trunk and Gravity Sewers - Approximately 67% of the sewers in the District are 8-inches in diameter and approximately half of these are of VCP material. The Outfall Sewer, which is a trunk main, constitutes pipes between 33- and 54-inches, most of which are made of High Density Polyethylene (HDPE) material.

Lift Stations - The District owns and operates five (5) sewer lift stations with two (2) to three (3) pumps at each station. Lift Stations (LS) 1 and 3 are located in the Oildale area. LS 2 and 4 are located west of Highway 99 along Mohawk Street. LS 5 is the newest station and located in the Rosedale area towards the west end of the system.

Force Mains - The system includes approximately 2.4 miles of force mains ranging from 4-inches to 10-inches in diameter.

Wastewater Treatment Plant - The NORSD wastewater treatment plant (WWTP) has a treatment capacity of 7.5 MGD and an average monthly flow ranging between 5.4 and 5.9 MGD. The plant utilizes an undisinfected secondary treatment process whereby wastewater is oxidized until sufficient organic matter is removed to enable effluent usage for surface irrigation of limited crops. Plant effluent is currently discharged into four unlined effluent storage ponds. Water is pumped to irrigate feed and fodder crops (alfalfa, wheat, and corn).

Chapter 2 - Organization

An organizational Chart for the District identifies the administrative, maintenance, and management positions responsible for the implementation, managing, and updating the overall measures included in the SSMP. This Chapter identifies the District staff that is responsible for implementing plans and progress included in the SSMP, responding to spill events, and meeting spill reporting requirements.

The communication plan that accompanies the organizational chart serves to define the role of each position to ensure the elements of the SSMP are addressed on a regular basis and that all appropriate staff are adequately informed. A specific response and notification plan to document the spill emergency response and reporting procedures is included in the District's Overflow Emergency Response Plan (OER) included in Appendix G.

2.1 Regulatory Requirement

The Order requires the SSMP to identify organizational staffing responsible for implementing the programs included in the SSMP. It must also illustrate the lines of authority, the chain of communication for reporting spills from receipt of complaint to reporting of spills to the State Water Resources Control Board, Regional Water Board, and other affected agencies, as applicable.

The Plan must identify organizational staffing responsible and integral for implementing the local Sewer System Management Plan through an organization chart or similar narrative documentation that includes:

- *The name of the Legally Responsible Official as required in section 5.1 (Designation of a Legally Responsible Official) of this General Order;*
- *The position titles, telephone numbers, and email addresses for management, administrative, and maintenance positions responsible for implementing specific Sewer System Management Plan elements;*
- *Organizational lines of authority; and*
- *Chain of communication for reporting spills from receipt of complaint or other information, including the person responsible for reporting spills to the State and Regional Water Boards and other agencies, as applicable. (For example, county health officer, county environmental health agency, and State Office of Emergency Services.)*

2.2 Discussion on Organizational Structure

The District's organizational structure is described in the following sections. Figure 2-1 illustrates the District Organizational Chart.

2.2.1 Governance

District General Manager

The District General Manager is responsible for overseeing the District's operations, staff, and compliance with state and federal regulations. The General Manager directs and manages the District operations,

including wastewater collection and treatment and oversees staff across departments such as operations, safety, environmental compliance, and laboratory services, implements policies set by the Board of Directors, Develops and executes long-term plans for infrastructure, service improvements, and regulatory compliance, and Coordinates capital improvement projects and system upgrades.

Operations Superintendent

Under the general direction of the District Manager, the Operations Superintendent oversees and manages the daily operations for the District, which includes overseeing the positions described below to ensure that the mission of the committee and the District are fulfilled. As required, establishes schedules, sets objectives and guidelines, delegates tasks among staff members, and develops strategies to optimize maintenance operations and meet District and State requirements.

Senior District Office Administrator

The Senior District Office Administrator manages day-to-day office operations and administrative staff, oversees records management, correspondence, and document preparation. As required, prepares agendas, meeting minutes, materials for the Board of Directors meetings. Additionally, the Office Administrator may act as liaison between the public, staff, and board members.

Safety Officer / Collection System Supervisor - Legally Responsible Official

Under general direction of the Operations Superintendent, the Safety Officer / Collection System Supervisor plans, coordinates, implements, and enforces the District's accident prevention and safety program; ensures compliance with all federal and state industrial safety codes, regulations, and standards; conducts ergonomic assessments and provides training to employees and staff. The District identifies as the Safety Officer / Collection System Supervisor as the Legally Responsible Official (LRO). As LRO, the Safety Officer / Collection System Supervisor certifies the completion of the document through the online certification process.

Environmental Enforcement Officer

Under general direction of the Operations Superintendent, the Environmental Enforcement Officer administers District-wide environmental compliance programs to ensure that the District remains in compliance with all federal, state, and county regulations. These regulations include but are not limited to health and hazardous materials, waste compliance, wastewater and wastewater treatment, and general environmental considerations.

The Environmental Enforcement Officer implements department policy and reviews permits for private development and expansion of the collections system. Additionally, the Environmental Enforcement Officer enforces standards of design and construction and establishes enforcement activities for grease producing facilities, stormwater runoff, and private sewage spill violations.

Wastewater Treatment Plant Chief Plant Operator

Under general direction of the Operations Superintendent, the Wastewater Treatment Plant Chief Plant Operator oversees the daily operation of the wastewater treatment plant ensuring compliance with environmental and safety regulations, and optimal performance of treatment processes and equipment. The

Wastewater Treatment Plant Chief Plant Operator manages plant operators and maintenance staff, ensures compliance with federal and state regulations, including NPDES permits and OSHA standards, coordinates preventive and corrective maintenance of plant systems and equipment and works with mechanical, electrical, and instrumentation teams to ensure reliability.

Sewer Maintenance Worker

Under the direction of the Safety Officer / Collection System Supervisor, the Maintenance Worker operates maintenance equipment and performs maintenance work on the collection system.

Wastewater Treatment Plant Operator

Under the direction of the Wastewater Treatment Plant Chief Plant Operator, the Wastewater Treatment Plant Operator operates equipment and performs maintenance work to control processes in the treatment plant.

2.3 District Communication Structure for Collection System Issues

Communication of activities is essential to keep managerial staff informed of successes and potential problems. Additionally, implementation of the various elements of the SSMP will require regular coordination among the various groups identified in the organizational chart. Therefore, clearly identifying the specific positions and staff as well as establishing communication protocols is necessary to assure the appropriate personnel are properly informed to respond to sanitary sewer system related issues in the most effective and efficient manner. Included in Appendix C is a table containing the contact information for the District staff responsible for the implementation of SSMP elements.

2.3.1 SSMP Communication Structure

Regular communication between the Collections, Wastewater Treatment and the Environmental Enforcement groups, as well as along the levels of hierarchy, facilitates and supports activities that allow for the appropriate communication regarding the operation and management of the collection system.

Generally, the communication plan will follow the chain of command identified in the organizational chart. Specific levels of authority will be required to facilitate implementation and enforcement of the plans and procedures developed for the SSMP. As the various plans and procedures are implemented, an assessment as to the effectiveness of the plans will best be determined by the labor force that executes and evaluates the immediate impacts of the plans and procedures. Efficient and timely responses will be essential to assure the adopted plans and procedures are effective for the management and operation of the wastewater system. Included in OERP is the District's response plan.

2.3.2 Spill Response and Communication Structure

A communication structure related specifically to spill response and reporting is discussed in Chapter 6 of this SSMP and more thoroughly documented in Appendix G, which contains a copy of the District's Overflow Emergency Response (OER) Plan.

Calls or complaints of possible or actual sewer spills may be received via telephone calls. All telephone calls are routed directly to District staff from either the District's Customer Service or the Police Dispatch Center

(if the notification is received during non-business hours). Once a report of an actual or possible spill is received during normal business hours, it is immediately referred to the Safety / Collection System Supervisor. After hours, the On-Call Duty Staff member will respond to the notification or secure the appropriate back-up for response.

The District staff member arriving first at the location is considered the First Responder. In most cases, the Safety / Collection System Supervisor or On-Call Duty Staff will be the First Responder to an incident and will be responsible for assessing whether additional resources are needed to assist with containment and cleanup. The First Responder will determine whether to direct additional District staff and/or approved contractors to the spill location if the spill cannot be fully contained or recovered or if it has reached public waters. The information obtained during the initial notification of a possible spill may warrant the First Responder, in his/her best professional judgment, to dispatch Collections staff or other District personnel before proceeding to the reported spill location.

A response and notification procedure are documented in the District's OERP, included in Appendix G. The District's OERP illustrates the response procedure and delineates responsibilities for First Responders and wastewater maintenance crews and/or contractor assignments. Also included in the OERP is a description of the spill notification requirements, timeline, and the regulatory agencies to be notified. Additionally, contained in Appendix G, the OERP includes the names and contact information of the District staff members to be notified in the event of a spill occurrence.

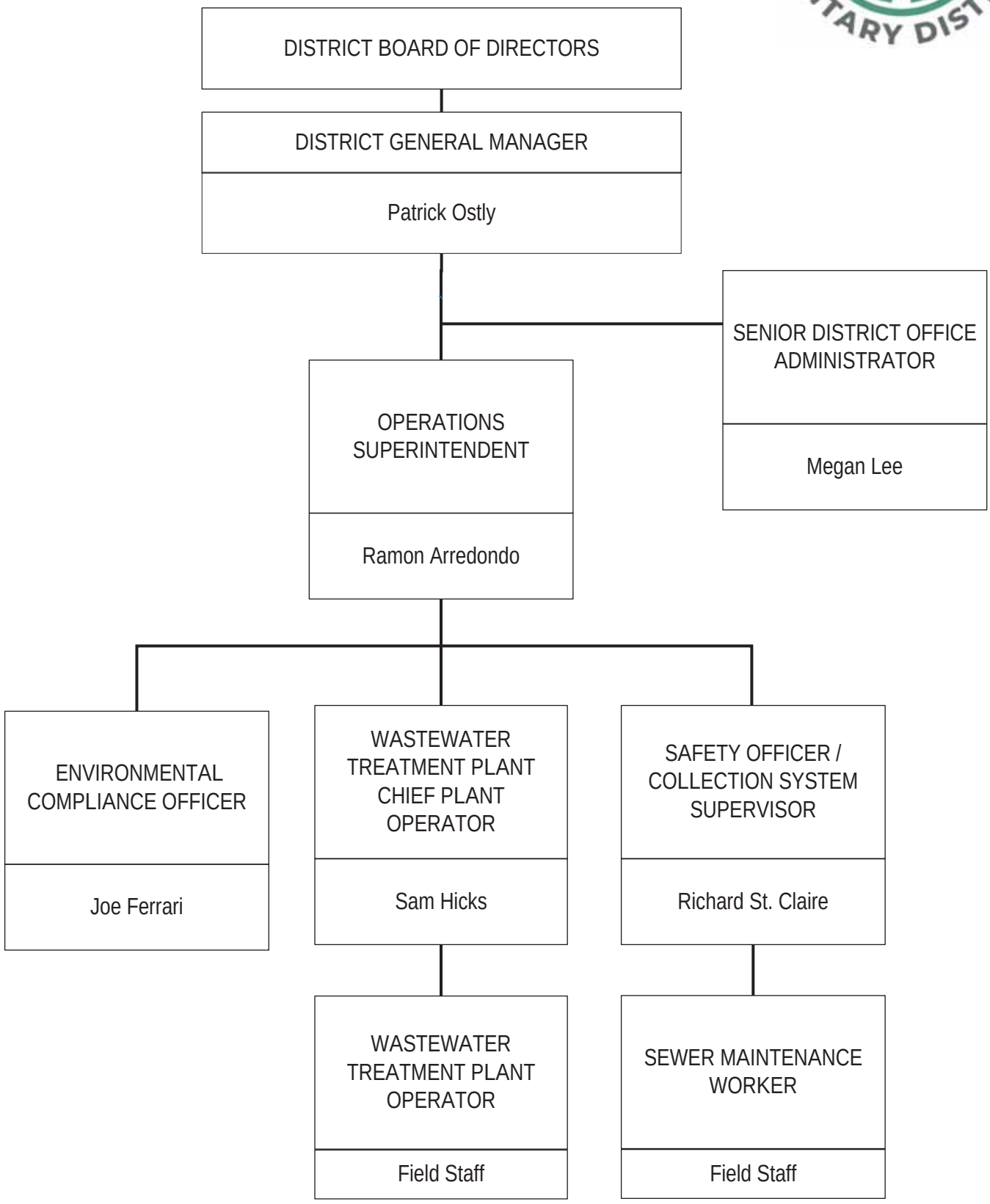
Lift Station Alarms

District staff are responsible for responding to a possible or actual spill reported at any of the five (5) lift stations. When an alarm at any of the lift stations is activated, the alarm signal is transmitted to the District's On-Call operator who notifies additional personnel as needed during non-business hours, weekends, and/or holidays. After receiving notification of an alarm activated at a lift station, the District On-Call operator will notify crews to proceed to the lift station to assess the situation and resolve the problem as needed. If the First Responder requires assistance, he or she will contact the appropriate personnel for assistance.

2.4 Summary and Continuing Efforts

When the District updates its plans and procedures, and/or revises the SSMP, the SSMP will be updated as necessary to include the specific responsibilities associated with each position.

Figure 2-1
NORSD Organizational Chart



Chapter 3 - Legal Authority

To prevent spills to the maximum extent possible and meet state and federal requirements, each governing agency must ensure that its existing codes, ordinances, policies, and procedures include the requirements to implement and fulfill the specific needs of the agency and to protect the health and safety of people, property, and environment. This chapter of the SSMP includes a discussion of the District's current legal authority for the collection and conveyance of wastewater.

3.1 Regulatory Requirements for Legal Authority Provisions

The Order requires the SSMP include either a copy or an electronic link of the District's codes, ordinances, policies and procedures, service agreements and/or other legally binding procedures to demonstrate the District has the legal authority to:

- *Prevent illicit discharges into its sanitary sewer system from inflow and infiltration (I&I); unauthorized stormwater; chemical dumping; unauthorized debris; roots; fats, oils, and grease; and trash, including rags and other debris that may cause blockages;*
- *Collaborate with storm sewer agencies to coordinate emergency spill responses, ensure access to storm sewer systems during spill events, and prevent unintentional cross connections of sanitary sewer infrastructure to storm sewer infrastructure;*
- *Require that sewer system components and connections be properly designed and constructed;*
- *Ensure access for maintenance, inspection, and/or repairs for portions of the service lateral owned and/or operated by the Enrollee;*
- *Enforce any violation of its sewer ordinances, service agreements, or other legally binding procedures; and*
- *Obtain easement accessibility agreements for locations requiring sewer system operations and maintenance, as applicable.*

3.2 Background for Legal Authority

The California Water Code of the California Code of Regulations, the Federal Clean Water Act of the United States Code, and the California Waste Discharge Requirements grant the District the authority to establish codes, agreements, policies, and procedures for the construction, operation, and maintenance of a wastewater collection system, and the ability to enforce the necessary requirements. Below is a discussion of the relevant sections granting the District this authority.

California Water Code Section 13271, California Code of Regulations

Title 23 of the California Code of Regulations prohibits the discharge of sewage and hazardous material into the waters of the State and requires the proper notification of authorized agencies in the event of a spill. Entities that do not properly follow the requirements of this section may be found guilty of a misdemeanor and punished by fine, imprisonment, or both.

Clean Water Act, Section 1251 of Chapter 33 of the United States Code

In 1972, the federal Congress enacted the Federal Water Pollution Control Act, commonly known as the Clean Water Act (CWA). The CWA prohibits the discharge of pollutants, including sewage, into public waters of the United States. The federal government has the authority to enforce compliance with the CWA via specific permits, such as National Pollutant Discharge Elimination System (NPDES) permits, as well as court action such as administrative orders and consent decrees.

Code of Federal Regulations, Title 40, Protection of the Environment

The Environmental Protection Agency (EPA), in its general pretreatment regulations (40 CFR Part 403), and the District, in its municipal code, prohibit any user from discharging or causing the discharge of prohibited substances, including but not limited to solid or viscous pollutants, such as fats, oils, and grease (FOG) wastes, in amounts which will cause obstructions (blockages) to the flow in the wastewater system and interfere with the operation of the wastewater system.

California Waste Discharge Requirements

On May 2, 2006, the SWRCB adopted the Statewide General Waste Discharge Requirements for Sanitary Sewer Systems, Order No. 2006-0003 DWQ. The WDRs apply to all federal and state agencies, municipalities, counties, cities, and other public entities that own or operate sanitary sewer systems greater than one mile in length that collect and/or convey untreated or partially treated wastewater to publicly owned treatment facilities in the State of California.

On December 6, 2022, the State Water Board adopted General Order WQ 2022-0103-DWQ which supersedes the previous State Water Resources Control Board Order 2006-0003.DWQ and amendments thereafter. The Order became effective on June 5, 2023 and noted that all sections and attachments of the General Order are enforceable by the State Water Board and Regional Water Quality Control Boards (Regional Water Boards). Specifically, the Order requires all affected agencies, municipalities, counties, cities, and other public entities to take a proactive approach to ensure a system-wide operation, maintenance, and management plan is established to effectively reduce the potential, quantity, and frequency of spills that may occur and impact surface or ground waters, threaten public health, adversely affect aquatic life, and impair the recreational use and aesthetic enjoyment of surface waters.

3.3 NORSD's Existing Legal Authority

The Order requires the District demonstrate, through wastewater collection system use ordinances, service agreements, or other legally binding procedures, that it possesses the necessary legal authority to require, implement, and enforce compliance with the elements of the SSMP, all applicable regional, State, and Federal requirements under the Clean Water Act, the Regional Water Quality Control Board (RWQCB), and requirements of the current General Order.

Pursuant to the California Government Code, Sections 37100 and 54350, the Board of Directors, as the local legislative body, may, by ordinances and resolutions, make and enforce all rules and regulations necessary for the administration of the District's operations and maintenance program. Such actions include, but are not limited to, cleaning, repair, construction, reconstruction, rehabilitation, replacement, operation, and maintenance of the wastewater collection system within the District boundary.

NORSD's legal authority and powers pertaining to the wastewater collection system are granted by the State and Federal governments and are codified in NORSD's Ordinance No. 2000-01, An Ordinance Regulating the Domestic, Commercial, and Industrial Use of Public Sewers, that is specific to the sewer system. Requiring compliance with its existing ordinance and permitting procedures allows the District to require and enforce various measures for ensuring the proper and efficient operation, management, and maintenance of the wastewater collection system. Additionally, the District has prepared a Fats, Oils, and Grease Discharge Ordinance currently in draft format.

These mechanisms include, but are not limited to, limiting the types of substances allowed to be discharged into the wastewater collection system, establishing requirements for the proper design, construction and connections to the collection system, ensuring access to sewer pipelines for inspecting, monitoring and enforcing activities, limiting the discharge of unauthorized substances including chemicals, debris, roots, trash, rags, fats, oils, grease, and other types of debris that cause blockages, and enforcing violations of its sewer related ordinances.

Ordinance No. 2000-01 outlines the rules and policies for the use of the District's sewage collection and treatment facilities and is intended to provide a comprehensive description of the manner in which NORSD regulates its wastewater system and serves its customers. The following is a summary of the sections included in Ordinance No. 2000-01 which illustrates compliance with the Order requirement as noted above.

The following sections include a summary of the NORSD's existing ordinance, as it applies to its sanitary sewer system. A copy of the Ordinance No. 2000-01 and the draft FOG ordinance referenced are included in Appendix D.

Prevent Illicit Discharges

NORSD is required to prevent discharges of illicit and undesirable substances from entering the wastewater collection system. Illicit discharges include, but are not limited to, the release of I/I, storm water, chemical dumping, unauthorized debris and constituents, roots; fats, oils, and grease; and trash, including rags and other debris that may cause blockages. The District's legal authority to prevent illicit discharges to the wastewater collection is addressed in various parts of Section of the District's ordinance. Chapter 5 of the Ordinance includes a general description of the various types of substances restricted from being directly or indirectly discharged into the collection system and provides the authority to regulate the specific type of substances permitted to be discharged into its wastewater collection system.

The District's Fats, Oils, and Grease Discharge Ordinance specifically addresses the requirements for the control of FOG in the wastewater collection system. Section 1.05, General FOG Discharge Prohibitions specifically prohibits Food Service Establishments (FSEs) from discharging FOG into the sewer system. Section 1.06 includes prohibitions that apply to FSE.

Collaboration with Storm Sewer Agencies

The District is continuing to coordinate with neighboring agency Kern County that is responsible for the operation and maintenance of the storm drain system.

Proper Connections and Construction

NORSD's requirements for the design and construction of new, rehabilitated, and replaced sewer system facilities, including mains, tie-ins, service laterals, cleanouts, manholes, and other system appurtenances, necessary to ensure the proper operation of the sewer system are documented in Chapter 2, Sewer Connections – Permits and 3, Construction of Sewage Works of Ordinance No. 2000-01. The Technical Specifications section of the District's Standard Specifications for Sanitary Sewer Improvements includes the requirements for the installation of sewer laterals.

Accessibility for Maintenance, Inspection, and Repair

While the District does not own or maintain service laterals, Chapter 4, Inspections, of the Ordinance clearly documents the District's authority to access premises for the purpose of investigation, inspection, observation, measurements, sampling and testing. Additionally, authorized personnel of the District are provided access to every facility that is involved directly or indirectly with the discharge of wastewater to the District's sewer systems including, but not limited to, sewers; sewage pumping plants; pollution control plants; all industrial processes; industrial wastewater generation, conveyance and pretreatment facilities, devices and connection sewers; and all similar sewerage facilities.

The District's Standard Specifications for Sanitary Sewer Improvements includes the authority to require an easement included in the design of hew infrastructure.

Violation Enforcement

NORSD's authority to enforce penalties for violations of the Ordinance provisions and other adopted policies as they pertain to its wastewater collection system is included in Chapter 1, Enforcement, of the Ordinance. The chapter codifies the District's authority to enforce violations with respect to the sanitary sewer system. Enforcement procedures for violations of the Ordinance provisions may include:

- Administrative
- Injunctions
- Compliance Costs
- Termination of Service
- Civil Penalties
- Criminal Penalties

Easements

Chapter 3, Construction of Sewage Works, of Ordinance 2000-01, includes requirements that extensions or improvements to the wastewater collection system shall be located only on land owned by the District in fee, in streets with an acceptable encroachment permit, existing public utility easements, or in an easement granted to the District. Additionally, Section 3-7, Easements and Permits, of the District's Standard Specifications for Sanitary Sewer Improvements includes the requirement for easements for construction and / or maintenance of sewer facilities, prior to approval of the improvement plans.

Chapter 4 - Operations and Maintenance Program

The District manages approximately 191 miles of gravity sewer system comprising of manhole structures and their connecting pipeline segments. The District also operates and maintains five (5) lift stations with two (2) to three (3) pumps each, approximately 2.4 miles of force mains, and one wastewater treatment plant (WWTP).

This chapter of the SSMP discusses the District's operations, maintenance, and other related measures and activities as they pertain to its sanitary sewer system.

4.1 Regulatory Requirements for Operation and Maintenance Program

The Order requires the SSMP to contain descriptive measures of the District's Operation and Maintenance (O&M) Program implemented by District staff to facilitate proper and efficient management and maintenance of the sanitary sewer system. The WDRs require the SSMP to include a description of each of the following components as they apply to the District's sanitary sewer system:

- *Maintenance of up-to-date sanitary sewer system map showing all gravity line segments and manholes, pumping facilities, pressure pipes and valves, and applicable stormwater conveyance facilities within the sewer system service area boundaries;*
- *Routine preventive operation and maintenance activities by staff and contractors, including a system for scheduling regular maintenance and cleaning of the sanitary sewer system with more frequent cleaning and maintenance targeted at known problem areas. The preventive maintenance program should have a system to document scheduled and conducted activities, such as work orders;*
- *Development of a rehabilitation and replacement plan to identify and prioritize system deficiencies and implement short-term and long-term rehabilitation actions to address each deficiency. The program should include regular visual and TV inspections of manholes and sewer pipes, and a system for ranking the condition of sewer pipes and scheduling rehabilitation. Rehabilitation and replacement should focus on sewer pipes that are at risk of collapse or prone to more frequent blockages due to pipe defects. Finally, the rehabilitation and replacement plan should include a capital improvement plan that addresses proper management and protection of the infrastructure assets. The plan shall include a time schedule for implementing the short and long-term plans plus a schedule for developing the funds needed for the capital improvement plan;*
- *Provide appropriate training on a regular basis for staff in sanitary sewer system operations and maintenance, and require repair contractors to be appropriately trained; and*
- *Development of equipment and replacement part inventories, including identification of critical replacement parts.*

4.2 District's Preventative Maintenance Program

The District is committed to a regular sanitary sewer system maintenance program. To minimize and prevent system blockages and preserve and extend the useful life of the sanitary sewer system, its preventive maintenance activities primarily include scheduled maintenance of wastewater facilities including sewer lift stations and wet wells and the routine cleaning of the wastewater collection system pipelines. Activities also include increased cleaning and frequency of known sewer system problem areas and response to customer complaints. The District's O&M Program includes information pertaining to the following components:

- Inventory and mapping of sanitary sewer system assets in GIS
- Preventive maintenance activities
- Overflow Emergency Response Plan (OERP)
- Fats, Oils, and Grease Control Program
- Pipeline inspection and assessment
- Capital Improvement Program project identification
- Equipment and replacement part inventories
- Training

4.3 Discussion of Regulatory O&M Components

To address the components listed in Section 4.2 and as required by the WDRs, the following subsections provide a summary of the District's O&M activities and procedures being implemented.

4.3.1 Updated Map of the Sanitary Sewer System

An essential element of the operation and maintenance program is to have accurate mapping of the collection system inventory. NORSD regularly updates its system mapping using Geographic Information System (GIS) technology. Using the GIS system, the District maintains an up-to-date map of the sanitary sewer system that illustrates the gravity pipelines, manholes, lift stations, force mains, valves, and the wastewater treatment plant.

As Sewer Maintenance crews conduct O&M activities, discrepancies between the field conditions and information noted on maps are documented. The information is submitted to the Safety Officer / Collection System Supervisor. On a quarterly basis the information is provided to the District's GIS staff for updating the information in the GIS.

Included in Appendix B is a copy of the District's existing wastewater collection system including the service area boundary, force mains, the lift stations, and the wastewater treatment plant. The District is continually working with Kern County to obtain a map the stormwater conveyance facilities which are owned, operated and maintained by Kern County.

4.3.2 Preventive Maintenance Activities

NORSD uses its GIS and AIMS for scheduling and documenting operation and maintenance (O&M) activities including system inspections using Closed Circuit Television (CCTV), manhole inspections, cleaning of the wet wells, and hydro-flushing the pipelines. The activities are performed by staff and contractors.

NORSD uses AIMS to document data from system inspection and maintenance activities, including system areas/components prone to root-intrusion potentially resulting in system backup and/or failure. The activities performed are logged into AIMS for record keeping and used for tracking and reporting purposes. Also documented are the locations designated as problem areas that require a higher frequency of maintenance.

NORSD performs routine inspections of its collection system facilities which includes manholes, lift stations, force mains, and CCTV inspections of its sewer mains. Known problem areas in the collection system are logged in AIMs and categorized into frequency of cleaning. Routine main flushing also includes areas requiring frequent cleaning or referred to as 'hot spot' areas of the system.

Using the information derived from the AIMS system, the District develops a rehabilitation and replacement plan to identify and prioritize collection system deficiencies and implement short-term and long-term rehabilitation actions to address each deficiency. The projects are prioritized based on type and severity of the defected documented per Pipeline Assessment & Certification Program (PACP) standards.

Operation and maintenance activities include the following:

- Target metrics (cleaning, inspections)
- Maintenance activities for lift station(s) including
  - Components
  - Frequency
  - Documentation
- Root treatment program
- Odor control program
- System cleaning activities
- Approximate LF cleaned (daily, quarterly, etc.,)
  - Pipelines – documentation process
  - Manholes – frequency – documentation process
- Higher Frequency Maintenance / Cleaning Locations
  - Frequency - Bi-weekly, monthly, quarterly, semi-annually, annually
- Inspection and assessment activities
  - Approximate LF CCTV'd (daily, quarterly, etc.,)
  - Pipelines – frequency – documentation – assessment process
  - Manholes – frequency – documentation – assessment process

Lift Stations

Maintenance activities at lift stations include weekly visual inspections and valve exercising, monthly valve cleaning, FOG removal, annual backflow prevention inspections, annual inspection of submersible pumps, maintenance of spare pumps.

The District operates and maintains five (5) lift stations with two to three pumps at each station. Lift stations (LS) 1 and 3 are located in the Oildale area. LS 2 and 4 are located west of Highway 99 along Mohawk Street. LS 5 is the newest station and is located in the Rosedale area towards the west end of the system. LS 1 is the only station equipped with an on-site emergency generator, and LS 2 is the only station of the 5 without a connection for a portable emergency generator and bypass pump.

Private Laterals

Laterals in the District are privately owned, and the District Standard Specifications require each property owner to maintain laterals in good working condition. Should it be required that the District perform service on a private lateral, a charge will be made equal to the District's cost of the service all or a fee established by the District, whichever is greater.

Crossings

District staff monitor the infrastructure located near areas that may be directly and/or indirectly affected by flooding and/or erosion due to increased storm volumes, or other impacts due to climate change events. Locations of under-crossings and associated assets are listed in the table below.

Location	Description
Friant-Kern Canal Crossing at Madison Grove Park	85-feet of 36-in diameter HDPE sewer pipe with 48-in diameter steel casing underneath canal
Kratzmeyer Road and Santa Fe Way	103-feet of 42-in diameter HDPE sewer pipe with 54-in diameter steel casing underneath Santa Fe RR tracks
Kratzmeyer Road and Santa Fe Way	85-feet of 42-in diameter HDPE sewer pipe with 54-in diameter steel casing underneath canal
Beardsley Canal crossing	8-in VCP sewer main with 81-feet of 18-in diameter steel casing underneath canal
Between Barber Honda and Unicorn Road	8-in diameter PVC force main underneath on-ramp to CA-99 and Golden State Highway
Norris Road RR crossing	24-in diameter VCP sewer pipe with 128-feet of 40-in diameter steel casing underneath Santa Fe RR tracks
CA-99	159-feet of 33-in diameter VCP sewer pipe with 60-in diameter steel casing underneath highway
Beardsley Canal crossing at Roberts Lane	10-in diameter VCP sewer main underneath canal
Roberts Lane S.P. RR crossing	40-feet of 24-in diameter cast iron sewer pipe underneath tracks with 8-in concrete collars from manhole to manhole
Beardsley Canal crossing at Olive Drive	57-feet of 24-in diameter cast iron sewer pipe with 8-in concrete collars from manhole to manhole for 72-feet
Beardsley Canal crossing at Oildale Drive	65-feet of 10-in diameter ductile iron force main above canal and underneath bridge
N. Chester Ave and McCord Ave	15-in diameter VCP sewer pipe with 30-in diameter steel sleeve encased in 9'x9' concrete box, running perpendicular to 72-in storm drain

CORRECTIVE MAINTENANCE

Corrective maintenance is performed in response to planned or unexpected failure of an asset, component or part, or a critical utility outage. When managed assets critical to the process fail, corrective maintenance is scheduled on either an urgent or routine basis. Some repairs may be capitalized as follow-up activity depending on asset cost and life expectancy. These types of corrective maintenance activities are documented and include, but are not limited to:

- Emergency or unplanned cleaning to eliminate a pipe blockage
- Spot repair or replacement of a failed pipe
- Repair of damage caused by construction or failure of another utility (e.g., water or gas main breakage)
- Respond to, investigate and mitigate customer complaints and sewer overflows
- Repair after vandalism

4.3.3 Training

Training for operation of District equipment includes “on-the-job” training in conjunction with regular “tailgate” meetings to discuss safety issues and operating procedures. The District provides training for staff involved with sanitary sewer system operations and maintenance activities and requires contractors to be appropriately trained. Staff are trained on a regular basis on wastewater operations and maintenance policies, procedures, safety policies, and the equipment used. In compliance with the Order, the following trainings are conducted:

- Purpose and requirements of this General Order:
  - Discuss quarterly with NORSD Collections Operators
- The Spill Emergency Response Plan procedures and practice drills:
  - Spill response discussed quarterly with NORSD Collections Operators
  - SSO practice drills performed 2X/year at a minimum
- Skilled estimation of spill volume for field operators:
  - Estimation practice performed 1X/yr with NORSD Collections Operators
- Electronic CIWQS reporting procedures for staff submitting data:
  - Discuss frequently with NORSD Collections Operators in documented tailgates the importance of detailed information – collected and communicated
- Importance of following all safety policies and procedures:
  - Discuss frequently with NORSD Collections Operators in documented tailgates

- Procedures for tracking and documenting all job-related information:
  - NORSD Safety Officer tracks ongoing
- Hands-on field demonstrations performed quarterly to ensure preparedness of personnel, test equipment, response time, training effectiveness, resources, and staff capabilities:
  - Practice drills for use of bypass pump and/or the emergency generator at all pertinent lift stations and at the WWTP are performed every other month. Both are hands-on training to ensure the preparedness of personnel for SSOs in the District.
- Confined space entry
  - Annual training into a training manhole of 14-feet deep using fall arrest and tripod set up.

4.3.4 Equipment Inventory

The SSMP notes that District staff maintains a comprehensive inventory of equipment and materials necessary to properly perform the operations and maintenance activities required for maintenance of the wastewater collection system. Included in Appendix E is a list of the District's inventory of equipment maintained and the vendors from which equipment purchases are made.

The inventory list will be updated to include critical parts and equipment and catalog the more essential items to assure consistent system performance and response in the event of an emergency. The inventory of parts and equipment is updated annually by the Collections Supervisor or at the time of any specific equipment status change such as addition, removal, or replacement to facilitate the sewer maintenance program.

4.3.5 Summary and Continuing Efforts

To remain in compliance with the Operations and Maintenance element of the SSMP, the District is continuing to maintain comprehensive O&M procedures that include:

- Maintaining up-to-date maps of the District's wastewater collection system;
- Coordinating with Kern County to obtain a current map of the stormwater conveyance facilities that are located within the sewer system service area boundary
- Scheduling and performing regular and routine visual and CCTV inspections of manhole and pipelines;
- Updating its rehabilitation and replacement plan to identify and prioritize system deficiencies for short-term and long-term planning;

Chapter 5 - Design and Performance Provisions

NORSD's Ordinance 2000-01 and Standard Specifications for Sanitary Sewer System Improvements include standards for the design and construction of wastewater system components. Both are available on the District's website. A copy of Ordinance 2000-01 is included in Appendix D and the Standard Specifications for Sanitary Sewer System Improvements is included in Appendix F for reference.

5.1 Regulatory Requirements for Design and Performance Provisions

The Order requires the SSMP include the design and performance provisions or include the following:

- ***Updated Design Criteria and Construction Standards and Specifications:*** *Updated design criteria, and construction standards and specifications, for the construction, installation, repair, and rehabilitation of existing and proposed system infrastructure components, including but not limited to pipelines, pump stations, and other system appurtenances. If existing design criteria and construction standards are deficient to address the necessary component-specific hydraulic capacity as specified in section 8 (System Evaluation, Capacity Assurance and Capital Improvements) of this Attachment, the procedures must include component-specific evaluation of the design criteria.*
- ***Procedures and Standards:*** *Procedures, and standards for the inspection and testing of newly constructed, newly installed, repaired, and rehabilitated system pipelines, pumps, and other equipment and appurtenances.*

To address the components listed in Section 5.1 and as required by the WDRs, the following subsections provide a summary of the applicable provisions currently being implemented by the District. Further detailed information pertaining to the design and performance standards and guidelines is included in the Standard Specifications for Sanitary Sewer System Improvements.

5.2 Discussion on Design and Performance Provisions

NORSD's Ordinance 2000-01 and Standard Specifications for Sanitary Sewer System Improvements include general provisions, technical specifications, and standard details associated with sanitary sewer improvements. Additionally, the standards include procedures and standards for inspecting and testing the installation of new sewers, pumps, and other appurtenances and for rehabilitation and repair projects meeting the requirements of the State Order. In addition to sewer system design criteria, Standard Specifications for Sanitary Sewer System Improvements include specification for the following:

- Vitrified Clay Pipe and Fittings
- Polyvinyl Chloride Sewer Pipe and Fittings
- Connections to Existing Sewer Pipe
- Sewer Laterals
- Precast Concrete Manholes
- Chemical Resistant Coatings for Manholes
- Sewer Cleanouts

5.2.1 Updated Design and Construction Standards and Specifications

Criteria for the design and construction of new, rehabilitated, and replaced sewer system facilities, including main, tie-ins, service laterals, cleanout, manholes, and other system appurtenances, are necessary to ensure the proper operation of the wastewater collection system.

To evaluate the potential capacity needs, and evaluate performance standards, NORSD completed the update of its Master Plan in March 2023 which included an update of the hydraulic model and capacity analysis. Planning criteria for sewer mains, lift stations, and force mains were reviewed and confirmed and used to evaluate the hydraulic capacity of the sewer system. A summary of the Planning Criteria for Gravity Mains is included in Table 6-1 of the Sanitary Sewer Master Plan. Section 6.3 includes the criteria for lift stations and force mains.

Construction standards are included in the Standard Specifications for Sanitary Sewer System Improvements. Additionally, Chapter 3, Construction of Sewage Work, of Ordinance 2000-1 includes additional construction requirements.

5.2.2 Procedures and Standards

The Order also requires that procedures and standards for the inspection and testing of newly constructed, newly installed, repaired, and rehabilitated system pipelines, pumps, and other equipment and appurtenances be established.

NORSD requires new sewers to be tested for leakage and inspected using CCTV technology prior to sewer improvement projects being accepted. Inspection services are conducted by contractors / owners for new sewers and sewer rehabilitation projects.

The Standard Specifications for Sanitary Sewer System Improvements and Ordinance 2000-1 include requirements for inspection and testing of newly constructed, installed, repaired, and rehabilitated system pipelines, pumps, and other equipment and appurtenances.

Chapter 6 - Overflow Emergency Response Plan

NORSD updated its Overflow Emergency Response Plan (OERP) in compliance with the Order requirements. The purpose of the OERP is primarily to document spill response procedures and assist District staff in achieving the following:

- Efficient response to reported spills and dispatch of appropriate crews and equipment in a timely manner
- Notification of all appropriate agencies of reported spills in a timely manner
- Containment of sewer spills so they do not reach a surface water
- Elimination of the cause of a sewer spill
- Protection of public and private property
- Sufficient cleanup of the impacted spill area
- Documentation of all spills and response activities
- Ensure appropriate staff is knowledgeable of the SERP procedures and appropriately trained
- Preparation of reports for submittal to regulatory agencies and other interested parties
- Compliance with SWRCB Order No. WQ-2022-0103-DWQ

The OERP includes the procedures for District staff to contain, correct, and clean up spills and is intended to provide the District with a document that includes components necessary for minimizing the effects of spills on the environment while protecting the public's health and safety.

6.1 Regulatory Requirements for Spill Emergency Response Plan

The Order requires the SSMP include a current Overflow Emergency Response Plan (OERP) that documents measures implemented to protect public health and the environment and ensure prompt detection and response to spills, to reduce spill volumes, and collect information for prevention of future spills. The OERP must include procedures to:

- *Notify primary responders, appropriate local officials, and appropriate regulatory agencies of a spill in a timely manner;*
- *Notify other potentially affected entities (for example, health agencies, water suppliers, etc.) of spills that potentially affect public health or reach waters of the State;*
- *Comply with the notification, monitoring and reporting requirements of this General Order, State law and regulations, and applicable Regional Water Board Orders;*
- *Ensure that appropriate staff and contractors implement the Spill Emergency Response Plan and are appropriately trained;*
- *Address emergency system operations, traffic control and other necessary response activities;*
- *Contain a spill and prevent/minimize discharge to waters of the State or any drainage conveyance system;*

- *Minimize and remediate public health impacts and adverse impacts on beneficial uses of waters of the State;*
- *Remove sewage from the drainage conveyance system;*
- *Clean the spill area and drainage conveyance system in a manner that does not inadvertently impact beneficial uses in the receiving waters;*
- *Implement technologies, practices, equipment, and interagency coordination to expedite spill containment and recovery;*
- *Implement pre-planned coordination and collaboration with storm drain agencies and other utility agencies/departments prior, during, and after a spill event;*
- *Conduct post-spill assessments of spill response activities;*
- *Document and report spill events as required in this General Order; and*
- *Annually, review and assess effectiveness of the Spill Emergency Response Plan, and update the Plan as needed.*

6.2 Discussion on the Overflow Emergency Response Plan

To address the components listed in Section 6.1 and as required by the Order, the following subsections provide a summary of the applicable procedures included in the OERP. Further detailed descriptions of the policies and procedures as they pertain to responding to spills are included in the OERP document included in Appendix G.

6.2.1 Notification Procedures

The OERP includes procedures for notification of a spill to primary responders, appropriate regulatory agencies and potentially affected entities. Calls or complaints of possible or actual sewer spills may be received via telephone calls. Telephone calls are routed to District personnel. The on-call personnel will respond to the notification or secure the appropriate back-up for response.

Lift Station Alarms: District staff are responsible for responding to a possible or actual spill reported at any of the five (5) lift stations. When an alarm at any of the lift stations is activated, the alarm signal is transmitted to the District's On-Call operator who notifies additional personnel, as needed, during non-business hours, weekends, and holidays. After receiving notification of an alarm activated at a lift station, the District On-Call operator will notify available crews to proceed to the lift station to assess the situation and resolve the problem. If the First Responder requires assistance, he or she will contact the appropriate personnel for assistance.

SPILL RESPONSE

The District's OER includes response procedures including overflow containment, correction, and clean-up measures for potential or actual spills. Actions to be performed by District staff and additional crews for public spills are outlined and described.

Private Lateral Spills (PLSs)

Notifications are received in various ways, yet they are all addressed the same. District operators will notify upper management of sightings of open cleanouts or pooling of sewage in yards upon discovery. District administration also receives calls from customers/landowners/property management of open cleanouts or pooling of sewage in yards. The individual that receives the notification creates a service order in AIMS to notify the Collections Supervisor once a call is received.

After the notification of a PLSD is made, the Collections System Supervisor dispatches a Collections operator to confirm flow is not restricted in the sewer main. The Sewer Maintenance Worker then visits the site, documents the incident with pictures of sewage spills, and contacts the property owner. Once information is gathered about the PLSD, all information is documented and sent to Kern County Code Enforcement who follows up with the PLSD and has the situation remedied right away once information makes contact with a County official.

Procedures for Notification of Regulatory Agencies

The volume, impact, and location of spill determine the level of notification required to comply with regulatory requirements. Included in the OERP is information that summarizes the officials and agencies to be notified of a spill and under what conditions they are to be notified. Contact information for California Office of Emergency Services (CalOES), Regional Water Quality Control Board (RWQCB) and local agencies, including Kern County Environmental Health Services, County Sheriff, Police Department, County of Kern, and other agencies are listed and contact information included.

Training of Staff and Contractor

The District provides quarterly training for staff in sanitary sewer system operations and maintenance for unscheduled reenactments of spills including quizzes and online tests. The District also requires contractors to be appropriately trained. Personnel are trained on safety, proper manhole entry, operation and maintenance of lift stations, flusher equipment, and other related duties and tasks. Appropriate staff are trained to assist response crews with awareness of their responsibilities and executing their duties. The Safety Officer / Collection System Supervisor is responsible for maintaining records of all OERP related training.

Emergency Procedures and Response Activities

Guidelines for traffic and crowd control to limit public access to areas potentially impacted by un-permitted discharges of sewage based on the various types of spills are also provided. The OERP notes that traffic control and/or barricades will be incorporated into the response procedures and deemed required. Additional response activities may include the posting of notices, which shall be done as soon as practicable following the initial response to the overflow.

Elements of the response procedures include the following:

- Initial Inspection, Documentation and Notification
- Relieving the cause of the spill
- Spill Containment and Recover
- Cleanup and Disinfection

- Sign Posting and Barricading (if needed)
- Sampling and Lab Tests (if needed)

Spill Prevention and Containment

The District's preventative maintenance activities include procedures that serve to prevent spills including routine cleaning and inspection of the wastewater pipelines and specifically the pipelines identified as requiring a higher frequency of cleaning and/or inspection.

The OERP provides guidance to facilitate the proper response to an actual or potential spill occurrence and includes information for District staff to mobilize labor, material, tools, and equipment to contain, mitigate, and clean-up residuals from a spill and correct or repair conditions which may cause or contribute to a spill. Mitigation measures including containment of the spill and recovery of spilled sewage to minimize the impact to the public or environment are included.

6.3 Conclusion

NORSD will continue efforts to incorporate the following elements into the OERP:

- Process to implement pre-planned coordination and collaboration with storm drain agencies and other utility agencies/departments prior, during, and after a spill event;
- Process to conduct post-spill assessments of spill response activities;
- Process to annually, review and assess effectiveness of the Overflow Emergency Response Plan, and update the Plan as needed.

Chapter 7 - Sewer Pipe Blockage Control Program

NORSD's Sewer Blockage Control Program is designed to minimize the occurrence and impact of spills caused by blockages in the collection system. The program includes proactive and preventive measures implemented to identify, monitor, and mitigate potential sources of blockages, including fats, oils, and grease (FOG). Through a combination of routine maintenance, targeted cleaning, and public education, the program aims to protect public health, safeguard the environment, and ensure compliance with the requirements of the Order.

7.1 Regulatory Requirements for Pipe Blockage Control Program

The Order requires the SSMP include procedures for the evaluation of the District's service area to determine whether a sewer pipe blockage control program is needed to control fats, oils, grease, rags and debris. If the Enrollee determines that a program is not needed, the Enrollee shall provide justification in its Plan for why a program is not needed. The procedures must include, at minimum:

- *An implementation plan and schedule for a public education and outreach program that promotes proper disposal of pipe-blocking substances;*
- *A plan and schedule for the disposal of pipe-blocking substances generated within the sanitary sewer system service area. This may include a list of acceptable disposal facilities and/or additional facilities needed to adequately dispose of substances generated within a sanitary sewer system service area;*
- *The legal authority to prohibit discharges to the system and identify measures to prevent spills and blockages;*
- *Requirements to install grease removal devices (such as traps or interceptors), design standards for the removal devices, maintenance requirements, best management practices requirements, recordkeeping and reporting requirements;*
- *Authority to inspect grease producing facilities, enforcement authorities, and whether the Enrollee has sufficient staff to inspect and enforce the fats, oils, and grease ordinance;*
- *An identification of sanitary sewer system sections subject to fats, oils, and grease blockages and establishment of a cleaning schedule for each section; and*
- *Implementation of source control measures for all sources of fats, oils, and grease reaching the sanitary sewer system for each section identified above.*

7.2 Discussion on the Sewer Pipe Blockage Control Plan

NORSD implements preventive maintenance activities to maximize beneficial public use of its sanitary sewer system while preventing blockages of the sewer lines and reducing the adverse effects on sewage treatment operations resulting from discharges of fats, oils, grease, rags and debris into the system.

The District implements preventive maintenance activities to maximize beneficial public use of the District's sanitary sewer system while preventing blockages of the sewer lines and reducing the adverse effects on sewage treatment operations resulting from discharges of fats, oils, grease, rags and debris into the system.

The preventive maintenance program includes elements of public education and outreach, facility inspections, and the legal authority of enforcement. Included in the facility inspections is the right to view disposal records and physical inspection of on-site grease traps and interceptors. Legal authority of pipe blocking substances, including the authority to prohibit unauthorized discharges into the collection system and perform inspections, is included in the District's Ordinance. NORSD legal authority within its Ordinance serves to prevent, require, ensure, limit, and enforce specific control of discharges.

7.2.1 Implementation Plan and Schedule for a Public Education and Outreach Program

The public outreach element pertaining to FOG control includes maintaining information on the website (Keep FOG (Fats, Oils, Grease) out of the drains! - North of River Sanitary District (specialdistrict.org)) and a concentrated effort to educate FSE staff regarding proper management of FOG generated on site. During the site inspections, District staff provide information to FSE staff that results in the reduction of FOG discharged into the District's wastewater collection system. The District inspector provides the facility with a list of Best Management Practices (BMPs) during the site inspection.

Information is also circulated regarding the threat of excessive quantities of FOG as a cause of potential and actual spill using a tri-fold pamphlet available to citizens that is included in Appendix E of the District's OERP. Also, on a seasonal basis, such as during the Thanksgiving holiday, the District hosts an event to collect grease from residents and provide an alternative to grease disposal.

7.2.2 Legal Authority to Prohibit Discharges and Identify Measures to Prevent Spills and Blockages

The District's legal authority and powers pertaining to the wastewater collection system are codified in the District's Ordinance No. 2000-01 (Ordinance), titled *An Ordinance Regulating the Domestic, Commercial, and Industrial Use of Public Sewers*. The Ordinance outlines the rules and regulations for the use of the District's sewage collection, treatment, and disposal facilities and are intended to provide a comprehensive description of the manner in which the District operates and serves its customers. The Ordinance provides the District the authority to prohibit discharges to the system, inspect grease producing facilities, and enforcement authority should violations of the Ordinance be detected.

The District developed a Fats, Oil, and Grease Discharge Ordinance, currently in draft form, that has been presented to the State Water Resources Control Board for review and comment. This intent of the FOG Ordinance is to establish uniform requirements for FOG source control throughout NORSD's wastewater collection system, enables the District to comply with administrative provisions of the Clean Water Act, the water quality requirements set by the Regional Water Quality Control Board, applicable effluent limitations, national standards of performance, toxic pretreatment effluent standards, and other discharge criteria which are required or authorized by State or Federal law.

PREVENT ILLICIT DISCHARGES: The District's legal authority to prevent illicit discharges to the wastewater collection is addressed in various parts of Section of the District's ordinance. Chapter 5 of the Ordinance includes a general description of the various types of substances restricted from being directly or indirectly discharged into the collection system and provides the authority to regulate the specific type of substances permitted to be discharged into its wastewater collection system.

The District's Fats, Oils, and Grease Discharge Ordinance specifically addresses the requirements for the control of FOG in the wastewater collection system. Section 1.05, General FOG Discharge Prohibitions specifically prohibits Food Service Establishments (FSEs) from discharging FOG into the sewer system. Section 1.06 includes prohibitions that apply to FSE. This ordinance augments the District's legal authority to regulate and control disposal of substances into the wastewater collection system that may compromise the effective and efficient operation of the system and which may cause blockages and increase the potential of a sewer spill.

INSTALLATION OF GREASE REMOVAL DEVICES: The FOG Ordinance includes proposed requirements pertaining to the installation of grease removal devices, design standards for the removal devices, maintenance requirements, best management practices, and recordkeeping requirements.

ACCESSIBILITY FOR INSPECTIONS: Chapter 4, Inspections, of the FOG Ordinance documents the District's authority to access premises for the purpose of investigation, inspection, observation, measurements, sampling and testing. Additionally, authorized personnel of the District are provided access to every facility that is involved directly or indirectly with the discharge of wastewater to the District's sewer systems including, but not limited to, sewers; sewage pumping plants; pollution control plants; all industrial processes; industrial wastewater generation, conveyance and pretreatment facilities, devices and connection sewers; and all similar sewerage facilities.

HIGH FREQUENCY MAINTENANCE LOCATIONS

GIS is used to document data from system inspection and maintenance activities, including system areas/components prone to root-intrusion and/or FOG potentially resulting in system backup and/or failure. Locations designated as problem areas are documented and tracked. As required, the frequency of required maintenance activities is adjusted, documented, and reported.

NORSD maintains a current list of the High Frequency Locations / Hot Spots. Cleaning frequencies include bi-weekly, monthly, quarterly, semi-annually, and yearly. The specific locations are included in the GIS and AIMs. The table below includes a summary of the number of HFMLs for each cleaning frequency.

Frequency	# of Locations
Bi-weekly	13
Monthly	17
Quarterly	9
Semi-annually	1
Annually	2

7.3 Plan and Schedule for the Disposal of Pipe-Blocking Substances Generated

Chapter 3, FOG Control Facilities, of the FOG Ordinance includes the requirements for the installation, operation and maintenance of an approved type and in compliance with the requirements of the chapter. Grease interceptors and other grease control devices must be cleaned, maintained, and have FOG removed and disposed of in a proper manner at regular intervals.

7.3.1 Requirements for Grease Removal Devices, Design Standards, Maintenance Requirements, BMPs, Recordkeeping and Reporting Requirements

Chapter 5, Discharge Quality Limits, included in the District's Ordinance 2000-1, defines the prohibited discharges into the District's sanitary sewer system. Section 2.02, Prohibited Discharges, lists the maximum allowable levels of constituents prohibited unless specifically authorized by the District under a permit. Chapter 6, Domestic, Commercial, and Waste Hauler Discharges, defines the conditions under which the District may require a grease trap, sand trap, and /or interceptors. Chapter 7, Industrial Discharges, includes the requirements for discharges from industrial users. Primary requirements include the following:

- Food facilities are required to install, operate and maintain an approved and adequately sized grease interceptor
- Fixtures that are expected to convey FOG will be connected to the grease interceptor. Dishwashers and other fixtures that use emulsifying agents shall be connected to the sewer system directly.
- Grease interceptors shall be used in all new FSEs where determined necessary to install a grease control device
- Grease interceptors are to be sized in accordance with District, County or City Standards that are in effect at the time of installation of such device.

Section 3.06, Grease Interceptor Maintenance Requirements, of the FOG Ordinance, includes grease control device operation and maintenance and record keeping requirements. The primary requirements included are:

- It is required that interceptors to be maintained in an efficient operating condition by periodic removal of all contents of the devices which include wastewater, accumulated FOG, floating materials, sludge and solids.
- No FOG that has accumulated in a grease interceptor shall be allowed to pass into any sewer lateral, sewer system, storm drain, or public right of way during maintenance activities.
- Food Service Establishments that are located in an area that is considered to be a hot spot will be required to submit data and information necessary to establish a maintenance frequency for their grease interceptor.
- Wastewater, accumulated FOG, floating materials, sludge/solids, and other materials removed from the Interceptor shall be properly disposed of off-site by waste haulers in accordance with federal, state, and/or local laws.

- FSE owner and/or operator must allow authorized inspectors entry and access to FSE premises during normal business hours, for purposes of inspecting the grease control devices, reviewing the manifests, receipts and invoices relating to cleaning, maintenance and inspection of the grease control devices.

Section 3.08.5 includes the requirement that FSEs keep all manifests, receipts, and invoices of all cleaning, maintenance, grease removal of/from the grease removal device, disposal carrier and disposal site location for no less than three years. Food Service Establishments shall, upon request, make the manifests, receipts and invoices available to representatives of the District.

Section 1.07, Best Management Practices, of the FOG Ordinance, includes the BMPs to be included in the FOG Wastewater Discharge Permit and include the following:

- Installation of Drain Screens. Drain screens shall be installed on all drainage pipes in food preparation areas.
- Segregation and Collection of Waste Cooking Oil. All waste cooking oil shall be collected and stored in recycling receptacles such as barrels or drums. Such recycling receptacles shall be maintained to ensure that they do not leak. Licensed waste haulers or recycling facilities must be used to dispose of waste cooking oil.
- Disposal of Food Waste. All food waste shall be disposed of directly into the trash or garbage and not in sinks that drain to the District sewer collection system.
- Employee Training. Employees of the Food Service Establishment shall be trained by ownership/management periodically as specified in the permit
- Maintenance of Mechanical Exhaust Ventilation Filters. The wastewater generated from cleaning the exhaust ventilation filters shall not be disposed of into the sewer system.
- Best Management Practices and waste minimization practices shall be posted conspicuously in the food preparation and dishwashing areas at all times.

7.3.2 Authority to Inspect Grease Producing Facilities, Enforcement Authorities, Enforcement of FOG Ordinance

Chapter 4, Inspections, of the FOG Ordinance provides the District the necessary authority to enter the premises of facilities regulated by the FOG Ordinance, for the purpose of investigation, inspection, observation, measurements, sampling and testing in accordance with the provisions of the FOG Ordinance.

Section 1.08, Enforcement Response Plan – Food Service Establishment, of Chapter 1, General Provisions, includes a description of the various levels of enforcement actions that may be taken when conditions that are listed in the Food Service Establishment's FOG Wastewater Discharge Permit are violated. The order in which the types of enforcement are listed is not necessarily the order in which enforcement is applied.

7.3.3 Implementation of Source Control Measures

The District's measures to control sources of FOG from reaching the sanitary sewer system including the following:

- Conducting public education and outreach programs as part of the FSE Inspection Program
- The District has legal authority to prohibit and prevent unauthorized discharge of illicit substances to the wastewater collection system.
- The District's legal authority within its ordinances serves to prevent, require, ensure, limit, and enforce specific control of discharges.
- Requiring grease interceptors for all FSEs unless a variance or waiver has been issued to allow alternative measures to control FOG
- Inspecting FSE grease control devices and BMPs
- Identifying sewer hotspots, including those due to FOG
- Providing frequent cleaning of sewer hot spots related to FOG

Chapter 8 - System Evaluation, Capacity Assurance and Capital Improvements

This section discusses the District's capacity management measures to address the current and future capacity requirements of its collection system and the recommended capacity improvement projects.

8.1 Regulatory Requirements for System Evaluation, Capacity Assurance, and Capital Improvements

The General Order includes a requirement that the SSMP include procedures to assure capacity management measures that address the current and future capacity requirements of its collection system. Also required is that the District prepare and implement a capital improvement plan that will provide hydraulic capacity of key sanitary sewer system elements for dry weather peak flow conditions, as well as the appropriate design storm or wet weather event. At a minimum, the plan must include:

- *Routine evaluation and assessment of system conditions;*
- *Capacity assessment and design criteria;*
- *Prioritization of Corrective Action*
- *Capital Improvement Plan*

8.2 Discussion on System Evaluation, Capacity Assurance, and Capital Improvements

The District's 2023 Master Plan Update presents an assessment of the hydraulic capacity of the existing major sewer pipelines located within the service area. The capital improvement projects identified were considered to be required to correct system deficiencies under existing and build-out peak design flow conditions. Additionally, the sewer system was evaluated for existing, near-term future, and buildout conditions.

The Master Plan also includes a summary of the established design criteria for peak dry and wet weather flows, projected population density, per capita sewage generation rates, pipe design criteria, and addressed infiltration. The evaluation included a review of dry weather peak flow conditions and identified areas of the system that required modification and/or expansion. The hydraulic analysis included evaluation of the impact of storm events on the wastewater collection system. Based on the analysis, the design storm did not result in potential spill events. Section 8.4 below includes a summary of the historical overflows and demonstrates that spills have not been capacity related.

The capital improvement projects were identified as required to correct system deficiencies under existing and build-out peak design flow conditions. Recommendations for assessing current and future capacity requirements and a proposed schedule to complete the modifications were also included.

The following subsections include a summary of the modeled system, flow estimates, and evaluation criteria used for the District's sewer system capacity evaluation to address the components required by the General Order.

8.3 System Evaluation and Assessment of System Conditions

The District performs routine inspections of its collection systems facilities including, manholes, lift stations, force mains, and using Closed-Circuit Television (CCTV) camera inspections, documents the condition of the sewer gravity mains. Known problem areas in the collection system are logged in to the GIS and categorized into frequency of cleaning including bi-weekly, monthly, quarterly, semi-annually, and annually. Routine sewer main flushing also includes areas requiring an increased frequency of cleaning.

Maintenance activities at lift stations include weekly visual inspections and valve exercising, monthly valve cleaning, FOG removal, annual backflow prevention inspections, annual inspection of submersible pumps, maintenance of spare pumps, etc. Work orders are generated and archived in the GIS system and are associated with specific sewer system assets.

Using the information derived from the District's AIMS program, the District has developed a rehabilitation and replacement plan to identify and prioritize collection system deficiencies and implement short-term and long-term rehabilitation actions to address each deficiency. For example, CCTV inspections that are performed by staff on a weekly basis are coded in accordance with NASSCO's Pipeline Assessment & Certification Program (PACP) standards. Observations are noted and assigned a grade of 0 to 5. The higher grade indicates a further state of degradation. Defects graded 5 are placed on a rehabilitation list typically for replacement or spot repair. All other grades are monitored and reviewed for further degradation.

8.4 Capacity Assessment and Design Criteria

The General Order requires the SSMP to include procedures to identify system components that are experiencing or contributing to spills caused by hydraulic deficiency and/or limited capacity, including procedures to identify the appropriate hydraulic capacity of key system elements for:

- Dry-weather peak flow conditions that cause or contribute to spill events
- The appropriate design storm(s) or wet weather events that cause or contribute to spill events
- The capacity of key system components; and
- Identify the major sources that contribute to the peak flows associated with sewer spills

The District has several Smart Covers throughout that monitor water levels. Readings are provided every 6 minutes. District staff are notified whenever these levels rise above normal flow level.

Findings included in the Master Plan reveal that, due to low precipitation, groundwater table levels are below the 25th percentile of normal levels and therefore, groundwater and rainfall were assumed to be non-significant factors in the capacity analysis.

The capacity assessment completed as part of the District's Master Plan was based on hydraulic modeling of the District's collection system under existing, Near-term, and Buildout Peak Design Flow (PDF) conditions and each evaluated to identify deficient pipelines for each time frame.

- Average Dry Weather Flow: The Average Dry Weather Flow (ADWF) included base wastewater flow and groundwater infiltration. Based groundwater flow is domestic (or sanitary) wastewater flow from residential, commercial, institutional, and industrial wastewater. Groundwater is defined as groundwater entering the collection system through pipe joints and manhole walls due to structural defects or improper construction.
- Peak Dry Weather Flow: Domestic sewer flows vary throughout the day due to different customer water use patterns. Peak Dry Weather Flow (PDWF) was the highest hourly peak flow during a dry period and was determined by multiplying a peaking factor to the ADWF.
- Peak Wet Weather Flow: Peak Wet Weather Flow (PWWF) is the highest hourly flow during a significant rain event and is estimated as Peak Dry Weather Flow (PDWF) plus Peak Rainfall Dependent Infiltration/Inflow (RDII). Typically, peak RDII was derived from flow monitoring data collected for wet weather events. However, flow monitoring data for the wet weather condition was not available during this master plan, so PWWF could not be determined.
- Peak Design Flow: As metered flow data was not readily available, Peak Design Flow (PDF) was used for system capacity evaluation in the Master Plan. PDF was determined based on peak daily flow data recorded at the treatment plant over the past five (5) years and peaking factors used by neighboring agencies.

The system evaluation was performed to identify improvements necessary to adequately convey existing wastewater discharges and support future wastewater flows through build-out conditions. A summary of the average, peak dry weather and peak wet weather flow estimates used in the hydraulic analysis is included in the Master Plan. Additionally, included in the Master Plan is a summary of the dry and wet weather capacity issues for the system limits a summary of improvement projects and planned sewer facilities to improve hydraulic capacity and provide increased system reliability.

8.5 Prioritization of Corrective Action

The District's CCTV inspection program includes assessing the condition of the pipelines and assigning a PACP grade / rating between 1 and 5, with 5 being the poorest condition. The assets rated as 5s are identified and prioritized as CIP projects. The District performs rehabilitation via spot-repair or remove and replace methodology. Generally, pipelines with a rating of 5 are noted with structural issues including large cracks along the pipeline and/or at joints, severe sags, or other forms of degradation that reduces its capacity to efficiently convey flows. Pipes with a rating less than 5 are monitored and reassessed during routine inspections. The Master Plan includes a summary of the condition assessment findings which revealed the highest percentage of pipelines rated at 4 and 5 included VCPs constructed prior to 1960. The CIP program includes a comprehensive list of capacity and condition related projects necessary to optimize the system hydraulics.

As part of the facilities assessment, an evaluation of the District's five (5) lift stations were conducted and included assessment of the electrical, mechanical, and civil components of each facility. The evaluations were performed based on visual inspections, record drawing reviews and interviews with District staff. Details of the assessments including site visit photographs to substantiate observations are documented in an appendix included in the Master Plan. Findings reveal the lift stations are generally in fair to good condition. Recommended improvements and proposed schedule are included.

The District completed several studies of its force mains. Included in the Master Plan is a summary of the existing force mains, expected useful-life expectancy and a schedule for potential replacement. Also included is a summary of efforts by the District to assure resiliency and redundancy in the force mains.

8.6 Capital Improvement Plan

The District's 2023 Master Plan includes a comprehensive list of capacity and condition related CIP projects necessary to optimize the system hydraulics and correct deficiencies. Projects are summarized and prioritized based on the design criteria, criticality, and the time frame in which they will be required based on growth projections at the time the Master Plan was completed. Proposed improvements were grouped into projects CIP No. 1 through CIP No. 13. A description and illustration for each project is included in the Master Plan.

Recommendations for condition related projects include replacement of gravity mains with a severity rating of 5 which were constructed prior to 1960 be replaced as they have reached or are near reaching the life cycle. At the time the Master Plan was prepared, there were no projects identified such that capacity and condition related deficiencies overlapped.

Sources of funding for the CIP projects include the Wastewater Enterprise Fund, sewer service charges for maintenance and repairs and capacity fees, loans, grants and bonds for new construction.

Development and prioritization of the CIP projects include coordination between operation and maintenance staff and engineering staff, and may include consultants as necessary for planning, design, and construction of capital improvement projects. District staff regularly coordinate with other agencies affected by the O&M activities and implementation of CIP projects.

The District began CIP projects in 2018. Since then, there have been 22 projects that include slip lining (CIPP) and cut and replacement. These projects are aimed at removing deficiencies in the District's sanitary system. CIP projects address poor flow due to sags, cracked pipes and aging infrastructure. The goal of CIP projects is to remove all hot spots from the system that can realistically be removed and to ensure a reliable removal of wastewater from homes and businesses for the safety of every citizen in the District.

8.7 Summary and Continuing Efforts

The following items are items the District will continue to incorporate as part of the System Evaluation, Capacity Assurance and Capital Improvement Program:

- Evaluate the District's sewer budget to determine if there is sufficient funding for the CIP that was developed as part of the 2023 Sewer Master Plan.

Chapter 9 – Monitoring, Measurement and Program Modifications

This chapter of the SSMP discusses the parameters the District will utilize to track and monitor the progress of implementing elements of the SSMP, the effectiveness of the SSMP, and update the SSMP to keep it current.

9.1 Regulatory Requirements for Monitoring, Measurement and Program Modifications

The Order requires the SSMP include an adaptive management section which is to include a description of the process to monitor and evaluate the effectiveness of the SSMP and the methods to continually improve the process based on the evaluation process. It requires the District document the planning and implementation of the SSMP elements and the regular review of the SSMP to assure the programs remain relevant and current. The SSMP must include the following:

- *Process to maintain relevant information, including audit findings, to establish and prioritize appropriate SSMP activities;*
- *Process to monitor the implementation and measure the effectiveness of each SSMP element;*
- *Process to assess the success of the preventive operation and maintenance activities;*
- *Process to update the SSMP procedures and activities, as appropriate, based on results of monitoring and performance evaluations; and*
- *Process to identify and illustrate spill trends, including spill frequency, locations and estimated volumes*

9.2 Discussion on Monitoring, Measurement and Program Modifications

To date, NORSD has effectively managed and maintained information pertaining to the wastewater infrastructure by means of recording preventive maintenance activities and documenting notifications received regarding potential and actual spill occurrences in GIS. The District has tracked performance measures through logs and reports including, but not limited to, the length of pipe cleaned and televised, the quantity, cause and location of stoppages, spills, and the scheduled maintenance of high frequency maintenance locations. The District will continue to monitor the performance measures it currently tracks.

To address the components listed in Section 9.1 and as required by the Order, the following subsections provide a summary of the procedures implemented to properly monitor program progress and implement necessary modifications.

9.2.1 Process to Maintain Relevant Information to Establish and Prioritize Appropriate SSMP Activities

Development of the District's 2023 Master Plan included updating the District's GIS to incorporate current and relevant data pertaining to the District's wastewater system assets including recently constructed or replaced sewer mains. Additionally, CCTV inspections were performed for approximately 81 percent of the system to document the condition of the system assets to facilitate assessment, identification and prioritization of necessary O&M activities.

9.2.2 Process to Monitor the Implementation and Measure the Effectiveness of Each SSMP Element

As the SSMP elements continue to evolve the District will continue to implement the program elements and identify potential enhancements and execute its rehabilitation program through CIP implementation.

To monitor the effectiveness of the SSMP elements, the City will develop specific parameters to measure and compare on a yearly basis. The parameters selected will be quantitative, result focused and align with the District's overall objectives. Parameters the District may consider tracking include:

1. Pipe age;
2. O&M cost/mile/year;
3. District staff/100 miles;
4. Percent of system maintained, repaired, and/or replaced each year;
5. Sewer Pipe Blockage Control Program activities;
6. I&I monitoring; and
7. Planning goals status.

9.2.3 Process to Assess the Success of the Preventive Operation and Maintenance Activities

At least once every three (3) years, the District will evaluate the effectiveness of its O&M Program elements and staffing levels. Recommendations for appropriate adjustments and an implementation schedule will be developed. Implementation of any changes will be based on the urgency of the need, coordination with other program elements, and management approvals.

9.2.4 Process to Update the SSMP Procedures and Activities Based on Results of Monitoring and Performance Evaluations

In compliance with the General Order, audits of the SSMP will be conducted every six (6) years and serve to measure and document implementation and effectiveness of the SSMP. The District will document the findings and develop, document and/or modify procedures and activities for each of the SSMP elements, as applicable, to improve program and system performance.

Included in this SSMP is a Change Log to document the revisions / updates needed to be incorporated into the SSMP update. The Change Log is to be used for tracking of the modifications required which will be incorporated into the SSMP document at the time the District conducts its next SSMP update. Records of all SSMP element reviews will be saved and revisions are tracked and available for the following SSMP Audit or SSMP Update.

9.2.5 Process to Identify and Illustrate Spill Trends, Including Spill Frequency, Locations, and Estimated Volumes

The District process to identify and illustrate spill trends, including frequency, location, and estimated volumes is to document the information using AIMs technology. This allows the District to retrieve information by spill date, location and cause. Additionally, using information contained in the GIS allows for illustration of this information in figures.

The District submits Spill information on the CIWQS website, which is accessible to the public. The District will continue to document spill trends. Additional information included in the documentation process is the frequency and approximate volume of the spill.

Per the State Water Resources Control Board's SOO reporting website, and as reported by the District, spill occurrences in the District's system between 2011 and 2020 included a total of 11 spills and were primarily Category 3 spills, and two (2) Category 2 spills. The Category 3 spills were less than 1,000 gallons and did not reach any surface waters or waters of the State. The events were not due to capacity-related deficiencies.

The following is a summary of the spill occurrences since 2009:

- 2009: Norris & Hurrle – Grease
- 2014: McCord & Oildale Dr – Grease
- 2016: Hageman & Mohawk – Contractor Error (Heavy Equipment damaged riser during roadwork)
- 2017: Oildale Drive & McCord -Grease
- 2017: Norris Road – Wedge in sewer
- 2018: Krebs & Mohawk – Contractor Error (Blown Riser @ LS4)
- 2019: Ferguson @ Standard School – Debris in MH plugged sewer main
- 2020: Airport Drive – Contractor Error (bypass pump malfunction)
- 2022: Plymouth & Roberts – Grease
- 2024: 106 Wilson – Contractor Error (concrete in sewer main)

Chapter 10 – Internal Audits

This chapter of the SSMP discusses the District's SSMP Auditing Program.

10.1 Regulatory Requirements for SSMP Program Audits

The Order requires the SSMP include internal audit procedures for the District to conduct periodic internal audits, appropriate to the size of the system and the number of spills and include operations staff. The current Order requires that, at a minimum, these audits must occur every three (3) years and a report must be prepared and kept on file. Per the Order, at a minimum, the audit will document the following:

- *Findings of the evaluation of the implementation and effectiveness of the SSMP in preventing spills;*
- *Compliance with the General Order;*
- *SSMP deficiencies in addressing on-going spills and discharges to waters of the State;*
- *Necessary modifications to the SSMP to correct deficiencies*

Additionally, the District must submit a complete audit report that includes the following:

- *Audit findings and recommended corrective actions;*
- *A statement that sewer system operators' input on the audit findings were considered, and;*
- *A proposed schedule to address the deficiencies*

The designated LRO will submit the audit report into the online CIWQS Sanitary Sewer System Database per the requirements in Section 3.10 of Attachment E1 of the General Order.

10.2 Discussion on Internal Auditing Program

In compliance with ORDER WQ 2022-0103-DWQ, the District is conducting this audit in response to the SSMP requirements. The audit will be completed by the August 2, 2025 due date and allow the District to prepare and adequately address changes anticipated and incorporate required information as the District develops the updated SSMP.

Recommended changes to the SSMP and District operations are summarized. The District LRO will certify the SSMP Audit and submit to the online CIWQS Sanitary Sewer System Database.

10.2.1 Findings of the Evaluation of the Implementation and Effectiveness of the SSMP in Preventing Spills

In compliance with 2022-0103-DWQ, the District is completing an audit in August 2025. The audit report includes a summary of the evaluation conducted for each of the eleven (11) elements in accordance with the most 10.2.1 Compliance with the General Order.

10.2.2 Compliance with the General Order

With the completion of the August 2015 audit and development of a plan to implement recommendations developed through the audit process, the District met the requirements of Order WQ 2022-0103-DWQ for this element.

10.2.3 SSMP Deficiencies in Addressing On-Going Spills and Discharges to Waters of the State

Overall, based on information provided and the number of the spills noted during the audit, the District continues to proactively maintain the collection system using the overall program for managing the sewer systems is effective and operates at a high level of performance.

10.2.4 Necessary Modifications to the SSMP to Correct Deficiencies

The District is committed to maintaining compliance with the most current Order and has developed a comprehensive summary of the modifications to be implemented. Recommendations for modifications were developed during the audit process to address deficiencies in each element to achieve compliance with Order WQ 2022-0103-DWQ.

10.3 Conclusions

The following items will continue to be evaluated in the audit process and records will be maintained:

- Findings of the evaluation of the implementation and effectiveness of the SSMP in preventing spills
- SSMP deficiencies in addressing on-going spills and discharges to waters of the State
- Necessary modifications to the SSMP to correct deficiencies
- A summary of audit findings and recommended corrective actions
- A proposed schedule to address the deficiencies
- Completed audit documents and findings
- Name and contact information of staff and/or consultants that conducted or were involved in the audit
- Follow-up actions based on audit findings

Chapter 11 – Communication Program

A good communications program can serve to keep the District's constituents informed, educated, engage support and participation in the proper utilization of the District's sanitary sewer system, and comply with the General Order requirements. The program can demonstrate the short and long-term benefits of implementing the SSMP by providing effective asset management to the publicly owned system while protecting the health and welfare of all who utilize it.

11.1 Regulatory Requirements for Communication Program

The primary objective of the Communication Program is to increase public awareness of sanitary sewer system issues, to promote a sense of stewardship for the District's system and facilitate its efforts towards the effective and efficient management, operation, and maintenance of the sanitary sewer system. The purpose of this element is to discuss the District's efforts to educate and inform the public and affected agencies regarding the proper use of the District's sanitary sewer system. The SSMP must include procedures to communicate with:

- *The public for:*
  - *Spills and discharges resulting in closures of public areas, or that enter a source of drinking water, and*
  - *The development, implementation, and update of its SSMP, including opportunities for public input to SSMP implementation and updates.*
- *Owners/operators of systems that connect into the District's system, including satellite systems, for:*
  - *System operation, maintenance, and capital improvement-related activities.*

11.2 Discussion on the Communication Program

The following includes a summary of the District's effort to communicate, educate, inform and engage support and participation by the public in the proper utilization of the District's sanitary sewer system, and comply with the General Order requirements.

11.3 North of the River Sanitary District Official Website

NORSD's outreach efforts include maintaining a website (North of River Sanitary District (specialdistrict.org)) to inform the public about District activities. The District's website is an effective communication channel for providing alerts and news to the public. The main page of the website provides access to various District departments and includes links to information, agendas for Board meetings, as well as other key information for residents. The District can utilize the website to publish its SSMP, providing the public with the opportunity to view and offer input to the District as the SSMP elements are implemented. Furthermore, the District can utilize the website to notify the public of important upcoming activities related to sewer system management.

11.4 North of the River Sanitary District FOG Control

The public outreach element pertaining to FOG control includes maintaining information on the website (Keep FOG (Fats, Oils, Grease) out of the drains! - North of River Sanitary District (specialdistrict.org) and a concentrated effort to educate FSE staff regarding proper management of FOG generated on site. During the site inspections, District staff provide information to FSE staff that results in the reduction of FOG discharged into the District's wastewater collection system. The District inspector provides the facility with a list of Best Management Practices (BMPs) during the site inspection. On a seasonal basis, such as during the Thanksgiving holiday, the District hosts an event to collect grease from residents and provide an alternative to grease disposal.

11.5 Public Meetings

Public meetings to discuss District-related issues are held regularly in the Board Council Chambers, located at 204 Universe Avenue. The District encourages residents to attend Board meetings to become better informed about how the District works and to learn about various issues. The Board meetings provide the residents and concerned citizens with a forum to provide the Board with input on particular programs through the Public Comment session portion of each Board meeting. During the Public Comment session, each person who wishes to address the Board on an item not on the agenda may do so. Copies of the Board Agenda are made readily available to the public on the District's website.

11.6 Conclusions

The District has identified the following revisions / updates:

- Maintain the SSMP available for public review at the District office(s) and facilities and be made available to the public through CIWQS and/or on the website
- Document procedures providing opportunities for public input to SSMP element implementation and updates
- Document procedures to communicate the actual or potential occurrence of a spill and/or actual or potential discharges resulting in closures to public areas
- Document procedures to communicate the actual or potential occurrence of a spill and/or actual or potential discharges entering a source of drinking water
- Develop procedures to communicate with Owners of systems that connect to the District's system regarding O&M and CIP related activities

Appendix E
2023 Sewer Rate Study
Financial Audit and Budget Information
(covering three fiscal years)

North of River Sanitary District

Financial Plan, Sewer Service Charge & Capacity Fee Study

March 28, 2023

BARTLE WELLS ASSOCIATES
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March 28, 2023

North of River Sanitary District
204 Universe Ave
Bakersfield, CA 93308

Attn: Patrick Ostly, District Manager

Re: Financial Plan, Sewer Service Charge & Capacity Fee Study

Bartle Wells Associates is pleased to submit the attached Financial Plan, Sewer Service Charge & Capacity Fee Study. Our study was developed in conjunction with the 2022 Sanitary Sewer Master Plan provided by Ardurra which was adopted by the District Board on March 21, 2023. The study develops long-term financial projections and recommends sewer service charges for the next 5 years and an updated sewer capacity fee. The recommended rates are designed to meet the operational, debt service, and capital funding needs of the District's sewer enterprise, comply with legal requirements, and be fair and equitable to all customers.

The proposed sewer service charges incorporate gradual overall rate increases needed to meet future funding needs. Sewer service charge increases are phased in over five years to minimize the annual impact on customers. The proposed sewer capacity fees are designed to equitably recover the costs of infrastructure and assets benefiting new development.

Based on a survey of 9 regional agencies, the District's sewer bills for typical single family homes are below average compared to other regional agencies. With the proposed sewer service charge increases, typical residential sewer bills are projected to remain below average.

We enjoyed working with the District on the study and appreciate the ongoing assistance and input received throughout the project. Please contact us anytime if you have questions about the recommendations in this report or other related issues.

Sincerely,

BARTLE WELLS ASSOCIATES

Douglas Dove, PE, CIPFA
Principal/President

Michael DeGroot
Vice President

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Executive Summary

Purpose

North of River Sanitary District ("NORSD" or "District") retained Bartle Wells Associates ("BWA") to develop a financial plan and cost of service study for the District's rates (referred herein as "sewer service charges") and sewer capacity fee to ensure financial stability over the next five years (FY 2023/24 to FY 2027/28). NORSD last completed a rate study and Proposition 218 process in 2018 resulting in approved minimum rate increases of 1.25% per year from FY 2018/19 to FY 2022/23, subject to annual adjustments based on the Consumer Price Index for the Los Angeles Area, not to exceed 5% per year. The final increase was implemented July 1, 2022, resulting in the District reaching the end of the 5-year rate increase plan. The sewer service charge increased from $26.01 per single family residential equivalent (SFRE) per month to $30.77 per month. The District last completed a sewer capacity fee study in 2018, resulting in a fee of $7,450 per SFRE. The fee was recommended to be increased annually by 4.25% and was last increased to $8,800 in 2022.

NORSD is projecting substantial capital improvements over the next ten years related to its share of the rehabilitation and expansion of the NORSD Wastewater Treatment Plant ("WWTP") (estimated to cost $285.6 MM in current dollars) and the ongoing rehabilitation of its own sewer collection system (estimated to cost $3 MM to $5 MM per year). The existing WWTP is permitted to treat 7.5 million gallons per day (MGD).

The City of Shafter owns 2.5 MGD of the WWTP and effluent disposal facility capacity, while NORSD's share is 5 MGD. To meet future capacity demands, a WWTP expansion of 4.5 MGD is planned to begin construction in FY 2027/28, increasing the total capacity of the WWTP to 12 MGD. Of the 4.5 MGD expansion, 3.5 MGD will be for NORSD and 1 MGD will be for the City of Shafter. The City of Shafter is estimated to pay 1/3rd of upgrade costs of the WWTP and 22.22% of the expansion related costs, for an average cost of 25.93% for all projected WWTP projects.

Current Sewer Service Charges

Table 1 shows the District's current sewer service charge schedule. All customers are charged a flat rate based on SFREs. Single family units are equivalent to 1 SFRE, while multifamily customers are equivalent to 1 SFRE for the first unit, and 72% of an SFRE for each additional unit. Commercial customers are billed a fixed charge based on their estimated number of equivalent SFREs. Sewer service charges are collected on the tax roll, while sewer capacity fees are a one-time fee collected at the time of permit from new development.

Appendix A shows how NORSD's sewer service charge for a single family home compares to regional agencies, while **Appendix B s**hows how NORSD's sewer capacity charge for a single family home compares to regional agencies.

Table 1
NORSD
Current Sewer Services Charges and Capacity Fee

Category	FY 2022/23
Sewer Service Charges	**$ Per Month**
SF Unit - 01	$30.77
MF Unit - 02	$22.15
Comm. Unit - 03	$6.46
Sewer Capacity Fee	**One-time Fee**
Per SFRE	$8,800

Single family residential: 1 unit = 1 SFRE

- *Multi-family residential: 1st unit = 1 SFRE, remaining units = 72% of SFRE*
- *Commercial: Sewer Service Charge (SSC) Multiplier times 0.21 to determine number of SFRE*

Legal Requirements for Sewer Service Charges

District Legal Authority

The statutory authority for levying sewer rates is included in Health and Safety Code section 5471 which states:

"*…any entity shall have power, by an ordinance or resolution approved by a two-thirds vote of the members of the legislative body thereof, to prescribe, revise and collect, fees, tolls, rates, rentals, or other charges for services and facilities furnished by it, either within or without its territorial limits, in connection with its water, sanitation, storm drainage, or sewerage system.*" *(California Health and Safety Code 5471)*

Proposition 218

Proposition 218, the "Right to Vote on Taxes Act", was approved by California voters in November 1996 and is codified as Articles XIIIC and XIIID of the California Constitution. Proposition 218 establishes requirements for imposing any new or increasing any existing property-related fees and charges.

The District must follow the procedural requirements of Proposition 218 for all sewer rate increases. These requirements include:

1. **Noticing Requirement**: The District must mail a notice of the proposed rate increases to all affected property owners. The notice must specify the amount of the fee, the basis upon which it was calculated, the reason for the fee, and the date/time/location of a public rate hearing at which the proposed rates will be considered/adopted.

2. **Public Hearing:** The District must hold a public hearing prior to adopting the proposed rate increases. The hearing must be held not less than 45 days after the required notices are mailed.

3. **Rate Increases Subject to Majority Protest**: At the public hearing, the proposed rate increases are subject to majority protest. If more than 50% of affected property owners submit written protests against the proposed rate increases, the increases cannot be adopted.

Proposition 218 also established a number of substantive requirements that apply to sewer rates and charges, including:

1. **Cost of Service** - Revenues derived from the fee or charge cannot exceed the funds required to provide the service. In essence, fees cannot exceed the "cost of service." Agencies are allowed to carry a prudent level of reserves and to save cash for future projects.

2. **Intended Purpose** - Revenues derived from the fee or charge can only be used for the purpose for which the fee was imposed.

3. **Proportional Cost Recovery** - The amount of the fee or charge levied on any customer shall not exceed the proportional cost of service attributable to that customer.

4. **Availability of Service** - No fee or charge may be imposed for a service unless that service is used by, or immediately available to, the owner of the property.

5. **General Government Services** - No fee or charge may be imposed for general governmental services where the service is available to the public at large.

Charges for water, sewer, and refuse collection are exempt from additional voting requirements of Proposition 218, provided the charges do not exceed the cost of providing service and are adopted pursuant to procedural requirements of Proposition 218.

Proposed Sewer Service Charges and Sewer Capacity Fee

Table 2 shows the maximum proposed sewer service charges and sewer capacity fee. BWA recommends a minimum rate increases of 2% per year from FY 2023/24 to FY 2027/28, subject to annual adjustments based on the Consumer Price Index for the Los Angeles Area, not to exceed 5% per year. The CPI adjustments are recommended to be based on the CPI index in the month of February proceeding the fiscal year to provide staff enough time to implement the adjustment.

Rate increases are recommended to be phased in over the next five years to minimize the impact to customers. The proposed rates and capacity fee are based on a detailed analysis of District revenues and operating and capital costs.

The sewer capacity fee is proposed to be increased annually based on the February Consumer Price Index for the Los Angeles Area.

Table 2
NORSD
Current & Proposed Monthly Sewer Services Charges and Capacity Fee

Category	Current	FY 23/24	FY 24/25	FY 25/26	FY 26/27	FY 27/28
Sewer Service Charges	**$ per Month**					
SF Unit - 01	$30.77	$32.31	$33.92	$35.62	$37.40	$39.27
MF Unit - 02	$22.15	$23.26	$24.43	$25.65	$26.93	$28.28
Comm. Unit - 03	$6.46	$6.78	$7.12	$7.48	$7.85	$8.25
Sewer Capacity Fee	**One-time Fee**					
Per SFRE	$8,800	$9,308	+CPI	+CPI	+CPI	+CPI

Single family residential: 1 unit = 1 SFRE
- *Multi-family residential: 1st unit = 1 SFRE, remaining units = 72% of SFRE*
- *Commercial: Sewer Service Charge (SSC) Multiplier times 0.21 to determine number of SFRE*

Financial Plan

Reserve Balances

Table 3 shows the District's current cash balances. The District is in good financial condition and has built up prudent operating and maintenance (O&M) reserves of about $21.7 million as of June 30, 2022. Capacity fee reserves generated from the District's sewer capacity fee have generated $40 MM of fund balance dedicated to future capital projects.

Table 3
NORSD
Cash Fund Balance - Sewer

Cash Fund Balances	**6/30/2022**
Capacity Fee Reserve Fund	**$40,030,980**
O&M Reserve Fund	
Capital Replacement Reserve Fund	$4,444,933
Capital Improvement Reserve Fund	14,658,786
O&M Reserve Fund	1,700,000
Rate Stabilization Reserve Fund	300,000
Unallocated Balance	609,497
Total	**$21,713,216**
General Fund & Reserve Totals	
Fund 40280 (Sewer Service Charges)	$61,180,346
Fund 40279 (1% allocation)	563,850
Total	**$61,744,196**

Table 4 shows the District operating and maintenance budget. BWA projects 5% average annual increases based on general cost inflation. BWA projects that these costs will escalate in the future as the WWTP plant upgrade and expansion will likely require additional operations and maintenance costs in the future due to more energy intensive processes and additional staffing. The projections will be refined in future years as WWTP plant operations costs are available.

Table 4
NORSD
Expenses - Sewer

Operating Expenses	Escalator	Budget FY 2022-23	Projection -> FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
220000 · Collections							
220100 · Employee Salaries (Collections)	5%	*$672,000*	$705,600	$740,880	$777,924	$816,820	$857,661
220150 · Employee Expense (Collections)	5%	*14,550*	15,278	16,041	16,843	17,686	18,570
220200 · Safety	5%	*12,000*	12,600	13,230	13,892	14,586	15,315
220300 · Lift Stations	5%	*103,190*	108,350	113,767	119,455	125,428	131,699
220700 · Office Supplies (Collections)	5%	*300*	315	331	347	365	383
220800 · Computer	5%	*3,650*	3,833	4,024	4,225	4,437	4,658
230000 · Motor Vehicles	5%	*92,970*	97,619	102,499	107,624	113,006	118,656
240000 · Equipment	5%	*14,638*	15,370	16,138	16,945	17,793	18,682
250000 · Conveyance	5%	*178,600*	187,530	196,907	206,752	217,089	227,944
260000 · GIS	5%	*23,000*	24,150	25,358	26,625	27,957	29,354
270000 · Shop	5%	*7,300*	7,665	8,048	8,451	8,873	9,317
280000 · Legal (Collections)	5%	*5,000*	5,250	5,513	5,788	6,078	6,381
Total 220000 · Collections		***$1,127,198***	**$1,183,558**	**$1,242,736**	**$1,304,873**	**$1,370,116**	**$1,438,622**
300000 · WWTP							
300100 · Employee Salaries (Operator)	5%	*$803,000*	$843,150	$885,308	$929,573	$976,052	$1,024,854
300150 · Employee Expense (Operator)	5%	*12,800*	13,440	14,112	14,818	15,558	16,336
300200 · Employee Salaries (Laboratory)	5%	*107,000*	112,350	117,968	123,866	130,059	136,562
300249 · Employee Expense (Lab)	5%	*2,090*	2,195	2,304	2,419	2,540	2,667
300300 · Safety	5%	*12,300*	12,915	13,561	14,239	14,951	15,698
300400 · Well Supply	5%	*1,100*	1,155	1,213	1,273	1,337	1,404
300500 · Water Pump Station	5%	*4,000*	4,200	4,410	4,631	4,862	5,105
300700 · Headworks	5%	*123,200*	129,360	135,828	142,619	149,750	157,238
302000 · Grit Removal	5%	*3,500*	3,675	3,859	4,052	4,254	4,467
302200 · Ferric Chloride	5%	*112,000*	117,600	123,480	129,654	136,137	142,944
302400 · Polymer	5%	*139,285*	146,249	153,562	161,240	169,302	177,767
302700 · Primary Clarifier	5%	*11,950*	12,548	13,175	13,834	14,525	15,252
302900 · Recirculation Station	5%	*2,950*	3,098	3,252	3,415	3,586	3,765
303080 · Trickling Filter	5%	*25*	26	28	29	30	32
303100 · Secondary Clarifier	5%	*7,100*	7,455	7,828	8,219	8,630	9,062
303300 · Effluent Splitter Box	5%	*150*	158	165	174	182	191
303400 · Effluent Storage Pond #1	5%	*3,800*	3,990	4,190	4,399	4,619	4,850
303800 · Effluent Storage Pond #3	5%	*14,000*	14,700	15,435	16,207	17,017	17,868
304200 · Primary Digester	5%	*23,450*	24,623	25,854	27,146	28,504	29,929
304400 · Secondary Digester	5%	*110,050*	115,553	121,330	127,397	133,766	140,455
304600 · Boiler	5%	*3,650*	3,833	4,024	4,225	4,437	4,658
305000 · Sludge Conveyance	5%	*28,800*	30,240	31,752	33,340	35,007	36,757
305200 · Gas Conveyance	5%	*54,550*	57,278	60,141	63,148	66,306	69,621
305400 · Sludge Dewatering	5%	*120,400*	126,420	132,741	139,378	146,347	153,664
305600 · Sludge Drying Beds	5%	*5,500*	5,775	6,064	6,367	6,685	7,020
305700 · Monitoring Well	5%	*6,200*	6,510	6,836	7,177	7,536	7,913
305800 · Laboratory	5%	*30,350*	31,868	33,461	35,134	36,891	38,735
306000 · Office Building	5%	*701,475*	736,549	773,376	812,045	852,647	895,280
306200 · Shop/Grounds	5%	*25,300*	26,565	27,893	29,288	30,752	32,290
306300 · Generator	5%	*8,400*	8,820	9,261	9,724	10,210	10,721
307000 · Vehicles	5%	*24,610*	25,841	27,133	28,489	29,914	31,409
308000 · Legal (WWTP)	5%	*5,000*	5,250	5,513	5,788	6,078	6,381
309000 · NMP	5%	*19,500*	20,475	21,499	22,574	23,702	24,887
Total 300000 · WWTP		***$2,527,485***	**$2,653,859**	**$2,786,552**	**$2,925,880**	**$3,072,174**	**$3,225,783**

Table 4 (Continued)
NORSD
Expenses - Sewer

Operating Expenses	Escalator	Exp. Cat.	Escalator	Budget FY 2022-23	Projection -> FY 2023-24	FY 2024-25	FY 2025-26
350000 · Pretreatment							
350100 · Employee Salaries(Pretreatment)	5%	*$195,800*	$205,590	$215,870	$226,663	$237,996	$249,896
350150 · Employee Expense (Pretreatment)	5%	*5,950*	6,248	6,560	6,888	7,232	7,594
350200 · Safety (Pre-Treatment)	5%	*600*	630	662	695	729	766
350300 · EQUIPMENT (PRETREATMENT)	5%	*9,150*	9,608	10,088	10,592	11,122	11,678
350400 · SAMPLING/TESTING	5%	*6,750*	7,088	7,442	7,814	8,205	8,615
350451 · SAMPLING/TESTING SHAFTER	5%	*3,500*	3,675	3,859	4,052	4,254	4,467
350700 · Office Supplies(Pre-Treatment)	5%	*8,900*	9,345	9,812	10,303	10,818	11,359
350800 · Computer-(Pre-Treatment)	5%	*5,381*	5,650	5,933	6,229	6,541	6,868
350900 · Engineering(Pre-Treatment)	5%	*25,000*	26,250	27,563	28,941	30,388	31,907
351000 · LEGAL-(Pretreatment)	5%	*5,000*	5,250	5,513	5,788	6,078	6,381
352000 · Motor Vehicles	5%	*5,600*	5,880	6,174	6,483	6,807	7,147
Total 350000 · Pretreatment		***$271,631***	**$285,213**	**$299,473**	**$314,447**	**$330,169**	**$346,678**
400000 · Administration							
410100 · Employee Salaries (Admin)	5%	*$700,400*	$735,420	$772,191	$810,801	$851,341	$893,908
410145 · Employee Expense (Admin)	5%	*29,400*	30,870	32,414	34,034	35,736	37,523
410500 · Board of Directors	5%	*20,000*	21,000	22,050	23,153	24,310	25,526
410600 · Insurance	5%	*286,000*	300,300	315,315	331,081	347,635	365,017
410700 · County of Kern	5%	*300*	315	331	347	365	383
410800 · LAFCO	5%	*5,500*	5,775	6,064	6,367	6,685	7,020
410900 · Financial	5%	*30,060*	31,563	33,141	34,798	36,538	38,365
411000 · Legal Counsel	5%	*50,000*	52,500	55,125	57,881	60,775	63,814
411100 · Membership	5%	*23,000*	24,150	25,358	26,625	27,957	29,354
411300 · Safety	5%	*800*	840	882	926	972	1,021
411400 · Drug Testing	5%	*1,550*	1,628	1,709	1,794	1,884	1,978
411500 · Refunds	5%	*5,000*	5,250	5,513	5,788	6,078	6,381
411700 · IT	5%	*27,800*	29,190	30,650	32,182	33,791	35,481
411800 · Building	5%	*73,900*	77,595	81,475	85,548	89,826	94,317
412000 · Vehicles	5%	*6,300*	6,615	6,946	7,293	7,658	8,041
412200 · Retired Employees	5%	*3,300*	3,465	3,638	3,820	4,011	4,212
Total 400000 · Administration		***$1,263,310***	**$1,326,476**	**$1,392,799**	**$1,462,439**	**$1,535,561**	**$1,612,339**
450000 · Safety Enforcement							
450100 · Employee Salaries (Safety)	5%	*$43,240*	$45,402	$47,672	$50,056	$52,558	$55,186
450150 · Employee Expense (Safety)	5%	*300*	315	331	347	365	383
451100 · Membership (Safety Enforcement)	5%	*4,200*	4,410	4,631	4,862	5,105	5,360
Total 450000 · Safety Enforcement		***$47,740***	**$50,127**	**$52,633**	**$55,265**	**$58,028**	**$60,930**
500000 · Engineering							
510000 · WWTP Engineering	5%	*$146,000*	$153,300	$160,965	$169,013	$177,464	$186,337
550000 · Collections	5%	*250,000*	262,500	275,625	289,406	303,877	319,070
570000 · Admin	5%	*300,000*	315,000	330,750	347,288	364,652	382,884
Total 500000 · Engineering		***$696,000***	**$730,800**	**$767,340**	**$805,707**	**$845,992**	**$888,292**

Capital Improvement Program

Table 5 shows the District's total capital program. Projects are primarily associated with the collection system between FY 2022/23 to FY 2026/27 and range between $2.9 MM to $5.3 MM per year, with the 12 MGD WWTP expansion project costs beginning in FY 2027/28. BWA projects the WWTP upgrade and expansion costs will range from $37.86 MM to $48.3 MM per year during the projection period.

Table 5
NORSD
Wastewater CIP Program

CAPITAL PROJECTS	FY 2022/23	FY 2023/24	FY 2024/25	FY 2025/26	FY 2026/27	FY 2027/28
2022 Sewer Master Plan						
Pipe Upsize on Lincoln Ave. & Oildale	$ -	$ -	$ 185,004	$ 196,105	$ 207,871	$ -
Pipe Extension along Kratzmeyer Rd. and Snow Rd.	$ -	$ -	$ -	$ -	$ -	$ -
Pipe Upsize	$ -	$ -	$ -	$ -	$ -	$ -
Site Improvements, LS 1	$ -	$ -	$ 219,941	$ 233,137	$ 247,126	$ -
Site Improvements, LS 2	$ -	$ -	$ -	$ -	$ 222,145	$ 233,253
Site Improvements, LS 3	$ -	$ -	$ 119,896	$ 127,089	$ 134,715	$ -
Site Improvements, LS 5	$ -	$ -	$ -	$ -	$ 159,249	$ 167,211
LS 1 Force Main, Rehabilitate	$ -	$ 202,248	$ 214,383	$ 227,246	$ 240,881	$ 252,925
LS 1 Force Main, Replacements	$ -	$ -	$ -	$ -	$ -	$ -
LS 2 Force Main, Replacements	$ -	$ -	$ -	$ 180,534	$ 191,366	$ 200,935
LS 3 Force Main, Redundancies	$ -	$ -	$ -	$ 216,641	$ 229,640	$ 241,121
LS 3 Force Main, Replacements	$ -	$ -	$ -	$ -	$ -	$ -
LS 4 Forcce Main Relacte lift station	$ -	$ 146,443	$ 155,229	$ 164,543	$ -	$ -
LS 5 Force Main (Blank Cost)	$ -	$ -	$ -	$ -	$ -	$ -
Remove and Replace Grade 5 PACP Pipes, Part 1	$ 917,960	$ 973,038	$ 1,031,420	$ 1,093,305	$ 1,158,903	$ -
Remove and Replace Grade 5 PACP Pipes, Part 2	$ -	$ -	$ -	$ -	$ -	$ 1,216,849
Remove and Replace Grade 5 PACP Pipes, Part 3	$ -	$ -	$ -	$ -	$ -	$ -
Spot Repair Grade 5 PACP Pipes, Part 1	$ 1,676,496	$ 1,777,086	$ 1,883,711	$ 1,996,734	$ 2,116,538	$ -
Spot Repair Grade 5 PACP Pipes, Part 2	$ -	$ -	$ -	$ -	$ -	$ 2,222,364
Spot Repair Grade 5 PACP Pipes, Part 3	$ -	$ -	$ -	$ -	$ -	$ -
Rehabilitate Manholes along Outfall Sewer, Part 1	$ 318,000	$ 337,080	$ 357,305	$ 378,743	$ 401,468	$ -
Rehabilitate Manholes along Outfall Sewer, Part 2	$ -	$ -	$ -	$ -	$ -	$ 421,541
Two Permanent Installations, Part 1	$ -	$ -	$ 12,704	$ 13,466	$ 14,274	$ -
Two Permanent Installations, Part 2	$ -	$ -	$ -	$ -	$ -	$ 1,405
WWTP Expansion, 12 MGD	$ -	$ -	$ -	$ -	$ -	$ 37,859,159
TOTAL Wastewater CAPITAL IMPROVEMENT	**$2,912,456**	**$3,435,894**	**$4,179,593**	**$4,827,544**	**$5,324,175**	**$42,816,763**

Table 5 (Continued)
NORSD
Wastewater CIP Program

CAPITAL PROJECTS	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
2022 Sewer Master Plan					
Pipe Upsize on Lincoln Ave. & Oildale	$ -	$ -	$ -	$ -	$ -
Pipe Extension along Kratzmeyer Rd. and Snow Rd.	$ -	$ -	$ -	$ -	$ 10,615,020
Pipe Upsize	$ -	$ -	$ -	$ -	$ 2,993,640
Site Improvements, LS 1	$ -	$ -	$ -	$ -	$ -
Site Improvements, LS 2	$ 244,915	$ -	$ -	$ -	$ -
Site Improvements, LS 3	$ -	$ -	$ -	$ -	$ -
Site Improvements, LS 5	$ 175,572	$ -	$ -	$ -	$ -
LS 1 Force Main, Rehabilitate	$ -	$ -	$ -	$ -	$ -
LS 1 Force Main, Replacements	$ -	$ -	$ -	$ -	$ -
LS 2 Force Main, Replacements	$ -	$ -	$ -	$ -	$ -
LS 3 Force Main, Redundancies	$ 253,178	$ 265,836	$ -	$ -	$ -
LS 3 Force Main, Replacements	$ -	$ -	$ -	$ -	$ -
LS 4 Forcce Main Relacte lift station	$ -	$ -	$ -	$ -	$ -
LS 5 Force Main (Blank Cost)	$ -	$ -	$ -	$ -	$ -
Remove and Replace Grade 5 PACP Pipes, Part 1	$ -	$ -	$ -	$ -	$ -
Remove and Replace Grade 5 PACP Pipes, Part 2	$ 1,277,691	$ 1,341,575	$ 1,408,654	$ 1,479,087	$ -
Remove and Replace Grade 5 PACP Pipes, Part 3	$ -	$ -	$ -	$ -	$ 1,434,680
Spot Repair Grade 5 PACP Pipes, Part 1	$ -	$ -	$ -	$ -	$ -
Spot Repair Grade 5 PACP Pipes, Part 2	$ 2,333,483	$ 2,450,157	$ 2,572,665	$ 2,701,298	$ -
Spot Repair Grade 5 PACP Pipes, Part 3	$ -	$ -	$ -	$ -	$ 1,434,680
Rehabilitate Manholes along Outfall Sewer, Part 1	$ -	$ -	$ -	$ -	$ -
Rehabilitate Manholes along Outfall Sewer, Part 2	$ 442,618	$ 464,749	$ 487,986	$ 512,386	$ -
Two Permanent Installations, Part 1	$ -	$ -	$ -	$ -	$ -
Two Permanent Installations, Part 2	$ 1,475	$ 1,549	$ -	$ -	$ -
WWTP Expansion, 12 MGD	$ 39,752,117	$ 41,739,723	$ 43,826,709	$ 46,018,044	$ 48,318,947
TOTAL Wastewater CAPITAL IMPROVEMENT	**$44,481,049**	**$46,263,590**	**$48,296,014**	**$50,710,815**	**$64,796,966**

Financial Projections

Table 6 shows the 10 -year wastewater enterprise cash flow projection. BWA projects 5% annual sewer service charge increases will be required from FY 2023/24 to FY 2027/28. 5% annual sewer service charge increases are projected for the following 5 years (FY 2028/29 to FY 2032/33), however BWA recommends the District initiate a 5-year rate study in FY 2027/28 as updated cost estimates become available.

Cash Flow Assumptions:

1. 2% annual customer growth (based on population growth forecasts from the 2022 Sanitary Sewer Master Plan *Table 2-2. District Population Forecast*).
2. 2% interest earnings on fund reserves.
3. WWTP project costs will be 100% financed through long term debt (4% interest, 30 years, 1.5% transaction fees.)
    a. $119.35 MM debt issue in FY 2027/28 for 3 years of WWTP capital
    b. $138.16 MM debt issue in FY 2030/31 for 3 years of WWTP capital
4. The City of Shafter will pay 25.93% of WWTP debt service costs.
5. 5% annual increases in District operations and maintenance expenditures.
6. Capacity fee funds and revenue will be allocated toward expansion related capital costs.

Table 6A is a subset of **Table 6** and shows projected the 10-year wastewater financial plan for existing customers. The capital improvement costs include only the upgrade related projects and exclude the capacity fee revenue and capacity fee fund balance.

Table 6B shows projected the 10-year wastewater financial plan for future customers. The capital improvement projects are for expansion only, and the cash flow demonstrates that growth is paying its share based on capacity fee revenues and fund balance.

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DRSD
Wastewater Combined Enterprise Cash Flow Projection

	Current	5- Year Projection					Extended Projection				
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Beginning Fund Balance	**$61,744,196**	**$65,345,803**	**$69,648,313**	**$73,658,277**	**$77,494,978**	**$81,337,827**	**$164,981,004**	**$128,573,322**	**$90,260,744**	**$184,961,608**	**$138,675,790**
% Rate Revenue Increase		***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***
Growth - %		*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*
$/SFRE	*$30.77*	*$32.31*	*$33.92*	*$35.62*	*$37.40*	*$39.27*	*$41.23*	*$43.30*	*$45.46*	*$47.73*	*$50.12*
REVENUES											
Operating Revenue											
Sewer Service Charges	$8,286,821	$8,875,000	$9,505,000	$10,180,000	$10,903,000	$11,677,000	$12,506,000	$13,394,000	$14,345,000	$15,363,000	$16,454,000
Capacity Fees	3,872,503	3,949,953	4,028,952	4,109,531	4,191,722	4,275,556	4,361,067	4,448,288	4,537,254	4,627,999	4,720,559
Shafter Payment (JPA Bond)	75,000	0	0	0	0	0	0	0	0	0	0
Shafter Pmt (PipeLine Capacity)	70,096	70,096	70,096	70,096	70,096	70,096	70,096	70,096	70,096	70,096	70,096
Shafter Payment (WWTP O&M)	420,000	441,000	463,050	486,203	510,513	536,038	562,840	590,982	620,531	651,558	684,136
Shafter Capital Imp Project (25.93% o	362,963	381,111	400,167	420,175	441,184	1,371,378	1,816,270	1,816,270	2,867,549	3,918,829	3,918,829
Shafter Ind. Pre Reimbursement	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Misc. Other Income	369,360	369,360	369,360	369,360	369,360	369,360	369,360	369,360	369,360	369,360	369,360
Total Operating Revenues	$13,501,743	$14,131,520	$14,881,625	$15,680,364	$16,530,874	$18,344,428	$19,730,633	$20,733,996	$22,854,791	$25,045,842	$26,261,980
Non Operating Revenue											
Proposed Debt (4%, 30 Yr, 1.5% F	**$0**	**$0**	**$0**	**$0**	**$0**	**$119,350,999**	**$0**	**$0**	**$138,163,700**	**$0**	**$0**
Interest Earned (est. 2%)	1,234,884	1,306,916	1,392,966	1,473,166	1,549,900	1,626,757	3,299,620	2,571,466	1,805,215	3,699,232	2,773,516
Subtotal Operating Revenues	$1,234,884	$1,306,916	$1,392,966	$1,473,166	$1,549,900	$120,977,756	$3,299,620	$2,571,466	$139,968,915	$3,699,232	$2,773,516
Total Revenues	$14,736,627	$15,438,436	$16,274,591	$17,153,530	$18,080,773	$139,322,183	$23,030,253	$23,305,463	$162,823,706	$28,745,074	$29,035,495
EXPENSES											
Operating Expenses											
Collections	$1,127,198	$1,183,558	$1,242,736	$1,304,873	$1,370,116	$1,438,622	$1,510,553	$1,586,081	$1,665,385	$1,748,654	$1,836,087
WWTP	2,527,485	2,653,859	2,786,552	2,925,880	3,072,174	3,225,783	3,387,072	3,556,425	3,734,246	3,920,959	4,117,007
Pretreatment	271,631	285,213	299,473	314,447	330,169	346,678	364,012	382,212	401,323	421,389	442,458
Administration	1,263,310	1,326,476	1,392,799	1,462,439	1,535,561	1,612,339	1,692,956	1,777,604	1,866,484	1,959,808	2,057,799
Safety Enforcement	47,740	50,127	52,633	55,265	58,028	60,930	63,976	67,175	70,534	74,060	77,763
Engineering	696,000	730,800	767,340	805,707	845,992	888,292	932,707	979,342	1,028,309	1,079,724	1,133,711
Total Operating Expenses	$5,933,364	$6,230,032	$6,541,534	$6,868,611	$7,212,041	$7,572,643	$7,951,275	$8,348,839	$8,766,281	$9,204,595	$9,664,825
Net Revenues	$8,803,263	$9,208,404	$9,733,057	$10,284,919	$10,868,732	$131,749,540	$15,078,978	$14,956,624	$154,057,425	$19,540,479	$19,370,671
Non Operating Expenses											
JPA Bonds	$889,200	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Proposed Debt (4%, 30 Yr, 1.5% F	**0**	**0**	**0**	**0**	**0**	**3,502,806**	**7,005,611**	**7,005,611**	**11,060,547**	**15,115,482**	**15,115,482**
WWTP CIP	0	0	0	0	0	37,859,159	39,752,117	41,739,723	43,826,709	46,018,044	48,318,947
WWTP Engineering	1,400,000	1,470,000	1,543,500	1,620,675	1,701,709	1,786,794	0	0	0	0	0
Collection System CIP	2,912,456	3,435,894	4,179,593	4,827,544	5,324,175	4,957,604	4,728,932	4,523,867	4,469,305	4,692,771	16,478,020
Total Non Operating Expenses	$5,201,656	$4,905,894	$5,723,093	$6,448,219	$7,025,884	$48,106,363	$51,486,660	$53,269,201	$59,356,561	$65,826,297	$79,912,448
Net Income	$3,601,607	$4,302,510	$4,009,964	$3,836,701	$3,842,849	$83,643,178	-$36,407,683	-$38,312,577	$94,700,864	-$46,285,818	-$60,541,778
Ending Fund Balance	**$65,345,803**	**$69,648,313**	**$73,658,277**	**$77,494,978**	**$81,337,827**	**$164,981,004**	**$128,573,322**	**$90,260,744**	**$184,961,608**	**$138,675,790**	**$78,134,012**
Debt Service Coverage (Min 1.25x)	***9.90***	***N/A***	***N/A***	***N/A***	***N/A***	***3.54***	***2.15***	***2.13***	***1.44***	***1.29***	***1.28***

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Wastewater Unrestricted Cash Flow Projection

	Current	5- Year Projection					Extended Projection				
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Beginning Unrestricted Fund Balance*	**$21,713,216**	**$21,367,627**	**$21,602,842**	**$21,423,279**	**$20,946,099**	**$20,348,616**	**$46,911,315**	**$33,915,123**	**$20,720,114**	**$52,336,682**	**$37,286,719**
% Rate Revenue Increase		***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***	***5.00%***
Growth - %		*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*
$/SFRE	*$30.77*	*$32.31*	*$33.92*	*$35.62*	*$37.40*	*$39.27*	*$41.23*	*$43.30*	*$45.46*	*$47.73*	*$50.12*
REVENUES											
Operating Revenue											
Sewer Service Charges	$8,286,821	$8,875,000	$9,505,000	$10,180,000	$10,903,000	$11,677,000	$12,506,000	$13,394,000	$14,345,000	$15,363,000	$16,454,000
Shafter Payment (JPA Bond)	75,000	0	0	0	0	0	0	0	0	0	0
Shafter Pmt (PipeLine Capacity)	70,096	70,096	70,096	70,096	70,096	70,096	70,096	70,096	70,096	70,096	70,096
Shafter Payment (WWTP O&M)	420,000	441,000	463,050	486,203	510,513	536,038	562,840	590,982	620,531	651,558	684,136
Shafter Capital Imp Project (33% of Upgrade)	155,556	163,333	171,500	180,075	189,079	587,733	778,401	778,401	1,228,950	1,679,498	1,679,498
Shafter Ind. Pre Reimbursement	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
Misc. Other Income	369,360	369,360	369,360	369,360	369,360	369,360	369,360	369,360	369,360	369,360	369,360
Total Operating Revenues	$9,421,833	$9,963,789	$10,624,006	$11,330,734	$12,087,047	$13,285,228	$14,331,697	$15,247,839	$16,678,937	$18,178,512	$19,302,090
Non Operating Revenue											
Proposed WWTP Debt (4%, 30 Yr, 1.5% Fees)	**$0**	**$0**	**$0**	**$0**	**$0**	**$39,783,666**	**$0**	**$0**	**$46,054,567**	**$0**	**$0**
Interest Earned (est. 2%)	434,264	427,353	432,057	428,466	418,922	406,972	938,226	678,302	414,402	1,046,734	745,734
Subtotal Operating Revenues	$434,264	$427,353	$432,057	$428,466	$418,922	$40,190,639	$938,226	$678,302	$46,468,969	$1,046,734	$745,734
Total Revenues	$9,856,097	$10,391,142	$11,056,063	$11,759,199	$12,505,969	$53,475,866	$15,269,924	$15,926,142	$63,147,906	$19,225,245	$20,047,824
EXPENSES											
Operating Expenses											
Collections	$1,127,198	$1,183,558	$1,242,736	$1,304,873	$1,370,116	$1,438,622	$1,510,553	$1,586,081	$1,665,385	$1,748,654	$1,836,087
WWTP	2,527,485	2,653,859	2,786,552	2,925,880	3,072,174	3,225,783	3,387,072	3,556,425	3,734,246	3,920,959	4,117,007
Pretreatment	271,631	285,213	299,473	314,447	330,169	346,678	364,012	382,212	401,323	421,389	442,458
Administration	1,263,310	1,326,476	1,392,799	1,462,439	1,535,561	1,612,339	1,692,956	1,777,604	1,866,484	1,959,808	2,057,799
Safety Enforcement	47,740	50,127	52,633	55,265	58,028	60,930	63,976	67,175	70,534	74,060	77,763
Engineering	696,000	730,800	767,340	805,707	845,992	888,292	932,707	979,342	1,028,309	1,079,724	1,133,711
Total Operating Expenses	$5,933,364	$6,230,032	$6,541,534	$6,868,611	$7,212,041	$7,572,643	$7,951,275	$8,348,839	$8,766,281	$9,204,595	$9,664,825
Net Revenues	$3,922,733	$4,161,110	$4,514,529	$4,890,589	$5,293,928	$45,903,223	$7,318,649	$7,577,303	$54,381,625	$10,020,651	$10,382,999
Non Operating Expenses											
JPA Bonds	$889,200	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
Proposed WWTP Debt (4%, 30 Yr, 1.5% Fees)	**0**	**0**	**0**	**0**	**0**	**1,167,602**	**2,335,204**	**2,335,204**	**3,686,849**	**5,038,494**	**5,038,494**
WWTP CIP (33% for Upgrade Only)	0	0	0	0	0	12,619,720	13,250,706	13,913,241	14,608,903	15,339,348	16,106,316
WWTP Engineering (33% for Upgrade Only)	466,667	490,000	514,500	540,225	567,236	595,598	0	0	0	0	0
Collection System CIP	2,912,456	3,435,894	4,179,593	4,827,544	5,324,175	4,957,604	4,728,932	4,523,867	4,469,305	4,692,771	2,869,360
Total Non Operating Expenses	$4,268,323	$3,925,894	$4,694,093	$5,367,769	$5,891,411	$19,340,523	$20,314,841	$20,772,312	$22,765,057	$25,070,613	$24,014,170
Net Income	-$345,589	$235,216	-$179,564	-$477,180	-$597,483	$26,562,700	-$12,996,193	-$13,195,009	$31,616,568	-$15,049,962	-$13,631,171
Ending Unrestricted Fund Balance*	**$21,367,627**	**$21,602,842**	**$21,423,279**	**$20,946,099**	**$20,348,616**	**$46,911,315**	**$33,915,123**	**$20,720,114**	**$52,336,682**	**$37,286,719**	**$23,655,549**

*Includes: Capital Replacement Reserve Fund, Capital Improvement Reserve Fund, O&M Reserve Fund, Rate Stabilization Reserve Fund, & Unallocated Balance

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Wastewater Capacity Fund Cash Flow Projection

	Current	5- Year Projection					Extended Projection				
	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	FY 2028/29	FY 2029/30	FY 2030/31	FY 2031/32	FY 2032/33
Beginning Capacity Fund Balance	**$40,030,980**	**$43,978,176**	**$48,045,471**	**$52,234,999**	**$56,548,879**	**$60,989,211**	**$118,069,689**	**$94,658,199**	**$69,540,631**	**$132,624,927**	**$101,389,071**
Growth - %		*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*	*2.0%*
Projected New SFRE	*440*	*449*	*458*	*467*	*476*	*486*	*496*	*505*	*516*	*526*	*536*
REVENUES											
Operating Revenue											
Capacity Fees	$3,872,503	$3,949,953	$4,028,952	$4,109,531	$4,191,722	$4,275,556	$4,361,067	$4,448,288	$4,537,254	$4,627,999	$4,720,559
Shafter Capital Imp Project (22.2% of Expansion)	207,407	217,778	228,667	240,100	252,105	783,644	1,037,868	1,037,868	1,638,600	2,239,331	2,239,331
Total Operating Revenues	$4,079,910	$4,167,731	$4,257,619	$4,349,631	$4,443,827	$5,059,200	$5,398,935	$5,486,157	$6,175,854	$6,867,330	$6,959,890
Non Operating Revenue											
Proposed WWTP Debt (4%, 30 Yr, 1.5% Fees)	**$0**	**$0**	**$0**	**$0**	**$0**	**$79,567,333**	**$0**	**$0**	**$92,109,133**	**$0**	**$0**
Interest Earned (est. 2%)	800,620	879,564	960,909	1,044,700	1,130,978	1,219,784	2,361,394	1,893,164	1,390,813	2,652,499	2,027,781
Subtotal Operating Revenues	$800,620	$879,564	$960,909	$1,044,700	$1,130,978	$80,787,117	$2,361,394	$1,893,164	$93,499,946	$2,652,499	$2,027,781
Total Revenues	$4,880,530	$5,047,294	$5,218,528	$5,394,331	$5,574,804	$85,846,317	$7,760,329	$7,379,321	$99,675,800	$9,519,828	$8,987,671
EXPENSES											
Non Operating Expenses											
Proposed WWTP Debt (4%, 30 Yr, 1.5% Fees)	**$0**	**$0**	**$0**	**$0**	**$0**	**$2,335,204**	**$4,670,408**	**$4,670,408**	**$7,373,698**	**$10,076,988**	**$10,076,988**
Collection System (100% Expansion)	0	0	0	0	0	0	0	0	0	0	13,608,659
WWTP Engineering (67% for Expansion)	933,333	980,000	1,029,000	1,080,450	1,134,473	1,191,196	0	0	0	0	0
WWTP CIP (67% for Expansion)	0	0	0	0	0	25,239,439	26,501,411	27,826,482	29,217,806	30,678,696	32,212,631
Total Non Operating Expenses	$933,333	$980,000	$1,029,000	$1,080,450	$1,134,473	$28,765,839	$31,171,819	$32,496,889	$36,591,504	$40,755,684	$55,898,278
Net Income	$3,947,196	$4,067,294	$4,189,528	$4,313,881	$4,440,332	$57,080,478	-$23,411,490	-$25,117,569	$63,084,296	-$31,235,856	-$46,910,607
Ending Capacity Fund Balance	**$43,978,176**	**$48,045,471**	**$52,234,999**	**$56,548,879**	**$60,989,211**	**$118,069,689**	**$94,658,199**	**$69,540,631**	**$132,624,927**	**$101,389,071**	**$54,478,464**

Sewer Capacity Fee

Table 7 shows the calculation of the sewer capacity fee. The total estimated cost of the 12 MGD treatment plant upgrade and expansion in 2023 dollars is $285.6 MM. The expansion portion amounts to 67% of WWTP projects or $190.4 MM in 2023 dollars. The expansion will add an additional 4.5 MGD of capacity to the treatment plant. Dividing the expansion cost $190.4 MM by the 4.5 MGD capacity yields a $ per MGD of approximately $42.3 MM.

Per the most recent engineering master plan (Sanitary Sewer Master Plan, December 2022), the typical SFRE uses 220 gallons per day (GPD) of capacity. Allocating the cost of $42.3 MM to the 220 GPD of capacity used by the typical SFRE derives a capacity fee of $9,308 per SFRE.

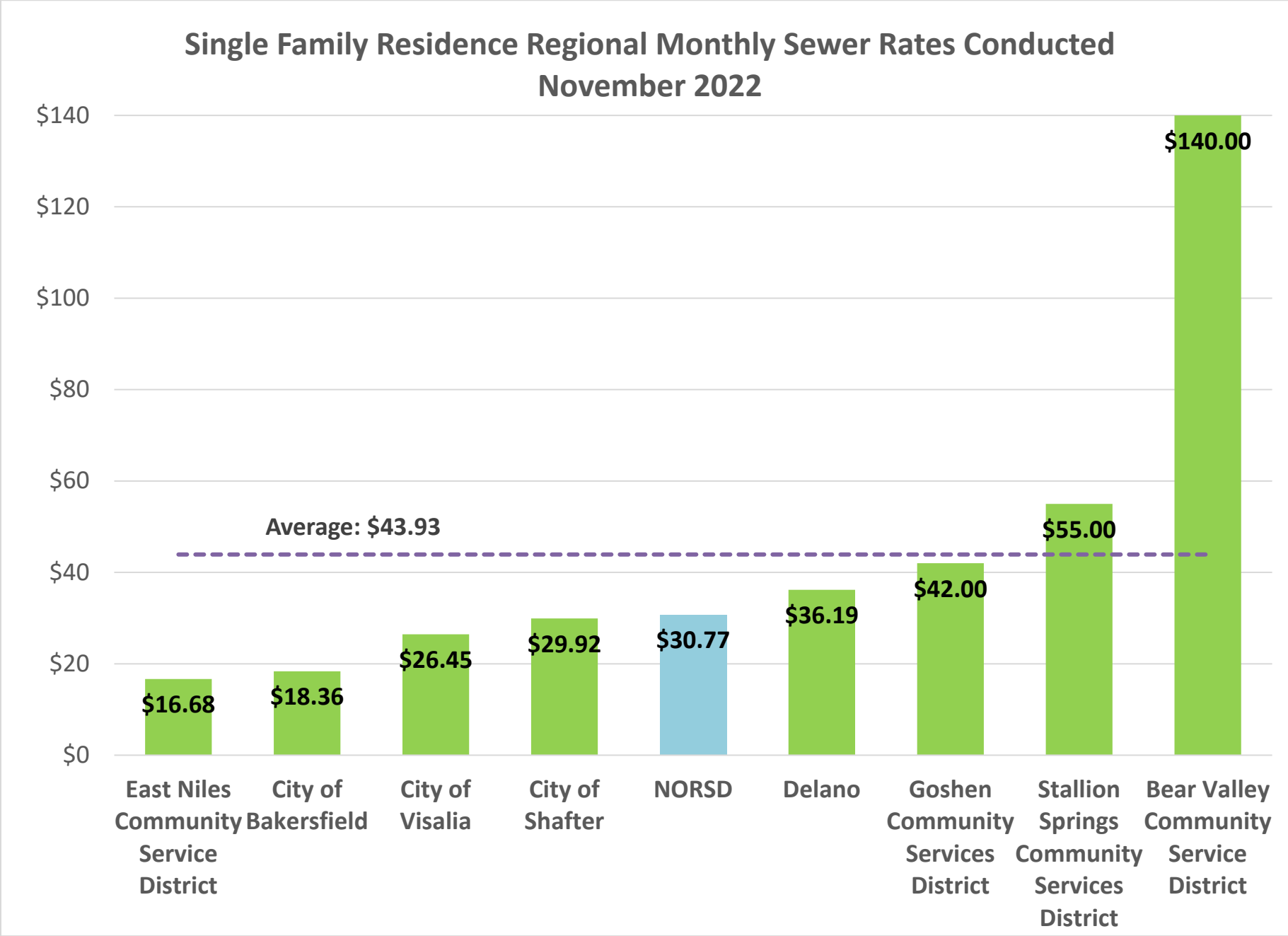
Table 7
NORSD
Capacity Fee Calculation

Category	Facility	FY 2028-2033	Cost Source (2023 Dollars)
WWTP Upgrade / Expansion	12 MGD Expansion	$285,600,000	January 24th, 2023 Estimate
TOTAL		**$285,600,000**	

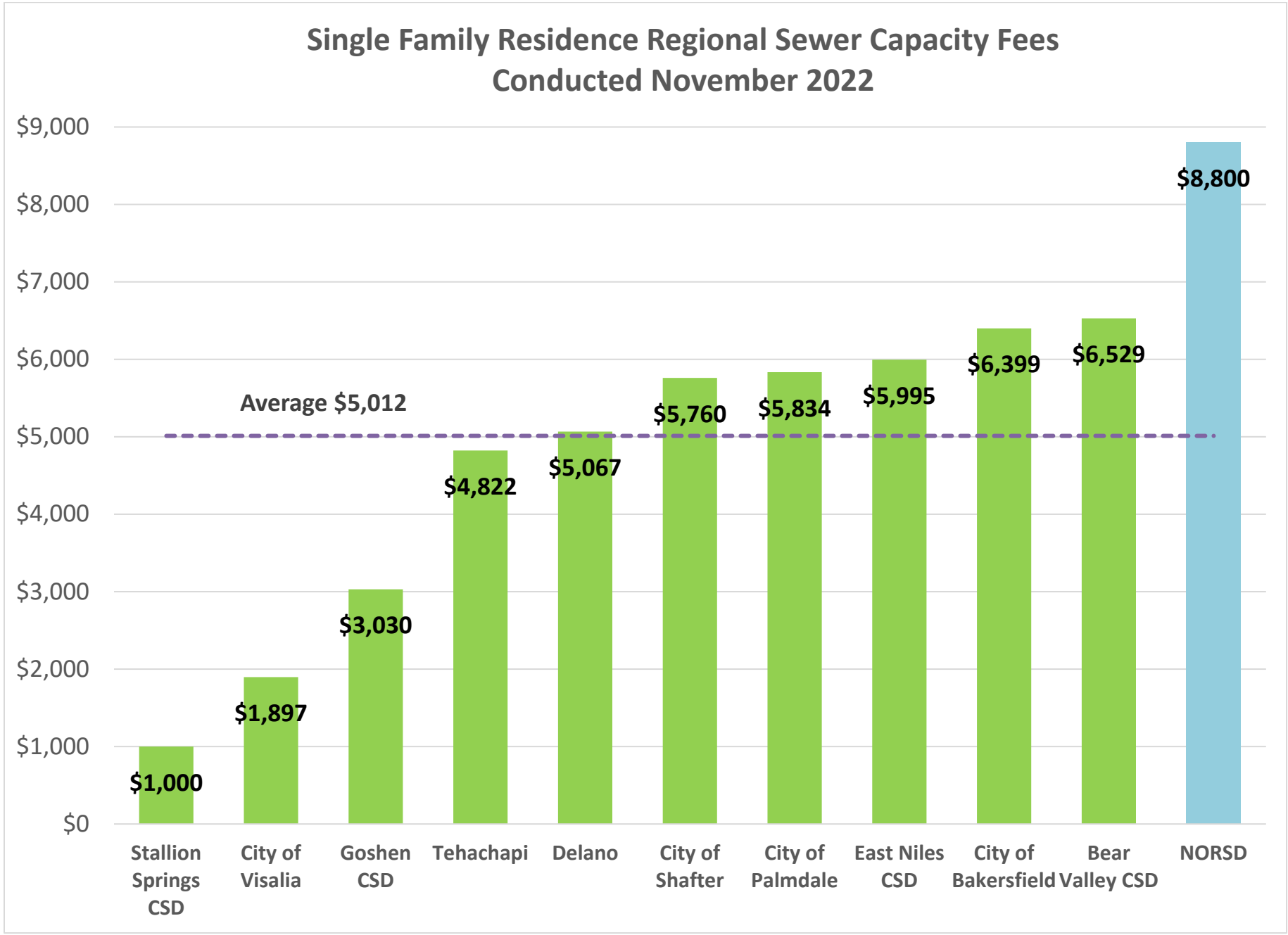
% Allocation to Expansion	*67%*
Present Value of Capital For Future Customers	**$190,400,000**
Additional MGD	**4.5**
$ per MGD	**$42,311,111**
$ per SFRE*	**$9,308**

**Based on 220 GPD per engineering master plan.*

Appendix A – Regional Sewer Rate Survey



Appendix B – Regional Sewer Capacity Fee Survey



North of River Sanitary District No.1

Profit & Loss Budget Overview

July 2023 through June 2026

	Jul '23 - Jun 24	Jul '24 - Jun 25	Jul '25 - Jun 26
Ordinary Income/Expense			
Income			
100000 · Revenue	11,897,146.00	13,946,750.00	15,476,375.00
Total Income	11,897,146.00	13,946,750.00	15,476,375.00
Gross Profit	11,897,146.00	13,946,750.00	15,476,375.00
Expense			
220000 · Collections	1,219,279.00	1,272,890.00	1,424,145.00
300000 · WWTP	2,908,170.00	2,894,780.00	2,807,725.00
350000 · Pretreatment	304,375.00	264,427.00	251,150.00
360000 · Operations Superintendent	272,720.00	240,130.00	271,080.00
400000 · Administration	1,292,750.00	1,278,765.00	1,480,465.00
450000 · Safety Enforcement	50,540.00	56,390.00	58,900.00
500000 · Engineering	1,962,000.00	3,642,000.00	5,880,000.00
600000 · Bonds	0.00	0.00	0.00
6100 · Gain/Loss		0.00	0.00
700000 · Capital Outlay	2,271,000.00	2,985,000.00	2,414,000.00
Total Expense	10,280,834.00	12,634,382.00	14,587,465.00
Net Ordinary Income	1,616,312.00	1,312,368.00	888,910.00

NORTH OF RIVER SANITARY DISTRICT NO. 1

FINANCIAL REPORT
June 30, 2022

DANIELLS PHILLIPS VAUGHAN & BOCK
CPAs and Advisors

NORTH OF RIVER SANITARY DISTRICT NO. 1

ORGANIZATION DATA

JUNE 30, 2022

ELECTED OFFICERS

Gary McKibbin, President

Fred Kloepper, Vice-President

Steven M. Ruettgers, Director

Sandra R. Murphy, Director

Matthew T. Hooker, Director

ADMINISTRATION

Patrick Ostly, District Manager & Secretary-Treasurer

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DANIELLS PHILLIPS VAUGHAN & BOCK
CPAs and Advisors

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Private Companies Practice Section

PATRICK W. PAGGI

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
North of River Sanitary District No. 1
Bakersfield, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **North of River Sanitary District No. 1 (**the District) as of and for the years ended June 30, 2022 and 2021, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2022 and 2021, and the respective changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

300 New Stine Road – Bakersfield, CA 93303 – Tel. 661.834.7411 – Fax.661.834.4389 – www. dpvb.com

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-6 and the schedules of proportionate share of the net pension liability, and schedules of pension contributions on pages 24-25 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedules of functional expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of functional expenses are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Daniells Phillips Vaughan & Bock

Bakersfield, California
December 9, 2022

NORTH OF RIVER SANITARY DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the **North of River Sanitary District No. 1**, we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance during the fiscal year ended June 30, 2022. Please read it in conjunction with the District's financial statements, which will follow this section.

Using This Annual Report

This annual report includes this management's discussion and analysis report, the independent auditor's report and the basic financial statements of the District. The basic financial statements consist of a series of financial statements. The statements of net position, the statements of revenues, expenses and changes in net position and the statements of cash flows provide information about the activities of the District. The basic financial statements also include various footnote disclosures, which further describe District activities. In addition, this report presents certain supplementary information.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The statement of net position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses and changes in net position. This statement measures the success of the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The final required financial statement is the statement of cash flows. This statement reports cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Financial Highlights

- The largest portion of the District's assets is its investment in capital assets. The District uses these assets to provide service and consequently, these assets are not available to liquidate liabilities or other spending.

- Current assets as of June 30, 2022 include approximately $61.7 million in cash, maintained principally in County of Kern Treasury accounts.

- Operating revenues for the year ended June 30, 2022 consist principally of sewer service charges and capacity/connection fees. Operating revenues increased 15% primarily due to an increase in capacity/connection fees related to a increase in development in the area.

NORTH OF RIVER SANITARY DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS

Condensed Financial Statements

	2022	2021	Variance
Current assets	$ 62,492,317	$ 57,215,317	$ 5,277,000
Other assets	-	15,000	(15,000)
Capital assets, net	25,286,461	25,223,268	63,193
Total assets	87,778,778	82,453,585	5,325,193
Deferred outflows of resources	1,057,492	1,726,593	(669,101)
Total assets and deferred outflows	$ 88,836,270	$ 84,180,178	$ 4,656,092
Current liabilities	$ 1,290,194	$ 1,190,919	$ 99,275
Long-term liabilities	3,632,018	6,118,322	(2,486,304)
Total liabilities	4,922,212	7,309,241	(2,387,029)
Deferred inflows of resources	1,081,281	212,756	868,525
Net position:			
Net investment in capital assets	24,407,446	23,493,442	914,004
Unrestricted	58,425,331	53,164,739	5,260,592
	82,832,777	76,658,181	6,174,596
Total net position	$ 88,836,270	$ 84,180,178	$ 4,656,092
Operating revenue	$ 10,295,779	$ 8,978,818	$ 1,316,961
Operating expenses	4,986,403	4,825,604	160,799
Operating income	5,309,376	4,153,214	1,156,162
Non-operating revenues (expenses):			
Interest income	583,337	618,762	(35,425)
All other revenues	314,886	291,254	23,632
Interest (expense)	(33,003)	(67,270)	34,267
	865,220	842,746	22,474
Change in net position	$ 6,174,596	$ 4,995,960	$ 1,178,636

Long-Term Debt

The District's long-term debt consists of 2013A Refunding Revenue Bond. This obligation was reduced by $825,000 during the year ended June 30, 2022 through scheduled principal payments.

Economic Factors

The local building economy had a healthy level of activity during the year resulting in a consistent rate of new accounts. Plant expansion has begun with planning and preliminary engineering tasks ongoing.

NORTH OF RIVER SANITARY DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS

Contacting the District's Financial Management

This financial report is designed to provide the Board, our customers, and creditors with a general overview of the District's accountability for the assets it receives and manages.

If you have questions about this report or need additional information, please contact Patrick Ostly, District Manager, at 204 Universe Avenue, Bakersfield, California, 93308.

NORTH OF RIVER SANITARY DISTRICT NO. 1

STATEMENTS OF NET POSITION
June 30, 2022 and 2021

	2022	2021
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents (Note 2)	**$ 61,739,203**	$ 56,631,498
Accounts receivable	**336,839**	197,115
Accrued interest receivable	**145,372**	144,511
Prepaid expenses	**270,903**	242,193
Total current assets	**62,492,317**	57,215,317
Long-term Receivable	**-**	15,000
Capital Assets (Note 3)	**25,286,461**	25,223,268
Total assets	**87,778,778**	82,453,585
Deferred Outflows of Resources (Note 5)	**1,057,492**	1,726,593
Total assets and deferred outflows of resources	**$ 88,836,270**	$ 84,180,178
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current Liabilities		
Current maturities of long-term debt (Note 4)	**$ 879,015**	$ 864,053
Accounts payable	**201,838**	139,623
Accrued interest payable	**5,700**	16,500
Accrued expenses	**203,641**	170,743
Total current liabilities	**1,290,194**	1,190,919
Noncurrent Liabilities		
Long-term debt, less current maturities (Note 4)	**-**	865,773
Net pension liability (Note 5)	**3,632,018**	5,252,549
Total noncurrent liabilities	**3,632,018**	6,118,322
Total liabilities	**4,922,212**	7,309,241
Deferred Inflows of Resources (Note 5)	**1,081,281**	212,756
Net Position		
Net investment in capital assets	**24,407,446**	23,493,442
Unrestricted		
Designated (Note 6)	**61,134,699**	56,681,751
Other	**(2,709,368)**	(3,517,012)
Total net position	**82,832,777**	76,658,181
Total liabilities, deferred inflow of resources and net position	**$ 88,836,270**	$ 84,180,178

See Notes to Financial Statements.

NORTH OF RIVER SANITARY DISTRICT NO. 1

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2022 and 2021

	2022	2021
Operating Revenue:		
Service charges and connection fees	**$ 10,295,779**	$ 8,978,818
Operating Expenses:		
Sewage treatment and disposal	**2,244,333**	2,392,798
Depreciation and amortization	**1,405,276**	1,248,253
Sewage collection	**1,190,164**	1,171,087
General and administration	**963,829**	947,679
City of Shafter cost sharing (Note 7)	**(817,199)**	(934,213)
	4,986,403	4,825,604
Operating income	**5,309,376**	4,153,214
Non-operating Revenues and (Expenses):		
Interest income	**583,337**	618,762
Property taxes	**242,232**	230,696
Other income	**72,654**	60,558
Interest (expense)	**(33,003)**	(67,270)
	865,220	842,746
Change in net position	**6,174,596**	4,995,960
Net position, beginning	**76,658,181**	71,662,221
Net postion, ending	**$ 82,832,777**	$ 76,658,181

See Notes to Financial Statements.

NORTH OF RIVER SANITARY DISTRICT NO. 1

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2022 and 2021

	2022	2021
Cash Flows From Operating Activities		
Receipts from users	**$ 10,171,055**	$ 9,247,711
Payments for administration services	**(992,539)**	(958,923)
Payments to suppliers for goods and services	**(2,605,090)**	(2,363,780)
Net cash provided by operating activities	**6,573,426**	5,925,008
Cash Flows From Non-capital Financing Activities		
Proceeds from property taxes	**242,232**	230,696
Other non-operating income	**72,654**	60,558
Net cash provided by non-capital financing activities	**314,886**	291,254
Cash Flows From Capital and Related Financing Activities		
Purchases of property and equipment	**(1,468,469)**	(1,896,156)
Principal (payments) on long-term debt	**(884,020)**	(854,020)
Interest (payments)	**(10,594)**	(42,395)
Net cash (used in) capital and related financing activities	**(2,363,083)**	(2,792,571)
Cash Flows From Investing Activities		
Investment income received -		
Net cash provided by investing activities	**582,476**	742,596
Net increase in cash and cash equivalents	**5,107,705**	4,166,287
Cash and cash equivalents:		
Beginning	**56,631,498**	52,465,211
Ending	**$ 61,739,203**	$ 56,631,498
Reconciliation of operating income to net cash provided by operating activities		
Operating income	**$ 5,309,376**	$ 4,153,214
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	**1,405,276**	1,248,253
Deferred outflows of resources	**669,101**	(504,959)
Net pension liability	**(1,620,531)**	952,894
Deferred inflow of resources	**868,525**	(82,897)
Changes in working capital components:		
(Increase) decrease in:		
Accounts receivable	**(124,724)**	268,893
Prepaid expenses	**(28,710)**	(11,244)
Increase (decrease) in:		
Accounts payable	**62,215**	(126,782)
Accrued expenses	**32,898**	27,636
Net cash provided by operating activities	**$ 6,573,426**	$ 5,925,008

See Notes to Financial Statements.

NORTH OF RIVER SANITARY DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Nature of activities: North of River Sanitary District No.1 (the "District") is a sanitary district organized and existing under the laws for special districts in the State of California. The District's primary source of revenue is service charges, which are included in property owner's tax rolls and are administered by the County of Kern. The District's service area is principally North Bakersfield, California, in the County of Kern.

Global pandemic: On January 30, 2020, the World Health Organization declared the coronavirus outbreak a "Public Health Emergency of International Concern" and on March 10, 2020, declared it to be a pandemic. Actions taken around the world to help mitigate the spread of the coronavirus include restrictions on travel, quarantines in certain areas, and forced closures for certain types of public places and businesses. The coronavirus and actions taken to mitigate it have had and are expected to continue to have an adverse impact on the economies and financial markets of many countries, including the geographical areas in which the District operates. While it is unknown how long these conditions will last and what the complete financial effect will be to the District, to date the District has experienced no material financial effects. The District continues to operate and receive income from customers and pay its vendors in a timely manner.

A summary of the District's significant accounting policies follows:

Reporting entity: The District has no oversight responsibility for any other governmental entity, nor is the District's operation a component unit of any other governmental entity. Therefore, the reporting entity consists only of District operations.

The District operates as an enterprise fund. An enterprise fund accounts for operations that are financed and operated similar to private business enterprises, where the intent is that the costs of providing services to sewer connections on a continuing basis be financed or recovered primarily through user charges.

Basis of accounting: The accompanying financial statements have been prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recognized when incurred.

Budget: Although a budget is adopted annually, it is used primarily as a guideline for the Board in regulating expenditures. There is no legal requirement to stay within the adopted budget in the payment or classification of expenditures.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. As explained in Note 5, the deferred outflows and inflows of resources and the net pension liability shown in the statements of net position are significant estimates with respect to these financial statements.

Cash and cash equivalents: Cash and cash equivalents consist of cash on hand and in banks and short-term, highly liquid investments with a maturity of three months or less, which includes money market funds and cash management pools in County Treasuries.

NORTH OF RIVER SANITARY DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

Property and equipment: Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 5 – 50 years. Maintenance and repairs which do not increase the useful life of the assets are charged to expense as incurred. Major renewals and betterments are capitalized. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

Compensated absences: District employees accumulate vacation leave hours and sick leave hours for subsequent use or for payment upon termination or retirement. Accumulated vacation pay and sick pay are accrued when earned by employees, and are included as liabilities in the statements of net position.

Property tax: Property taxes attach as an enforceable lien on property as of March 1. Taxes are levied on July 1 and are due and payable in two installments on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. The County of Kern bills and collects the taxes for the District. Property taxes are recognized as revenue when they are levied.

Net position: The basic financial statements utilize a net position presentation. Net position is categorized as invested capital assets (net of related debt), restricted and unrestricted.

- *Net Investment In Capital Assets* - This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

- *Restricted Net Position* - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

- *Unrestricted Net Position* - This category represents net assets of the District, not restricted for any project or other purpose.

Authoritative pronouncements adopted: The District has adopted all current statements of Governmental Accounting Standards Board (GASB) that are applicable. For the year ended June 30, 2022, the District implemented the following new standards issued by GASB:

- In June 2018, the GASB issued Statement No. 89, Accounting for Interest Cost Incurred Before the End of a Construction Period. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

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- In June 2020, the GASB issued statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans-an amendment of GASB Statements No. 14 and No. 84, and supersession of GASB Statement 32.* The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

  This Statement requires that for purposes of determining whether a primary government is financially accountable for a potential component unit, except for a potential component unit that is a defined contribution pension plan, a defined contribution OPEB plan, or an other employee benefit plan (for example, certain Section 457 plans), the absence of a governing board should be treated the same as the appointment of a voting majority of a governing board if the primary government performs the duties that a governing board typically would perform.

  This Statement also requires that the financial burden criterion in paragraph 7 of Statement No. 84, *Fiduciary Activities,* be applicable to only defined benefit pension plans and defined benefit OPEB plans that are administered through trusts that meet the criteria in paragraph 3 of Statement No. 67, *Financial Reporting for Pension Plans,* or paragraph 3 of Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans,* respectively.

  This Statement (1) requires that a Section 457 plan be classified as either a pension plan or an other employee benefit plan depending on whether the plan meets the definition of a pension plan and (2) clarifies that Statement 84, as amended, should be applied to all arrangements organized under IRC Section 457 to determine whether those arrangements should be reported as fiduciary activities.

  This Statement supersedes the remaining provisions of Statement No. 32, *Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans,* as amended, regarding investment valuation requirements for Section 457 plans. As a result, investments of *all* Section 457 plans should be measured as of the end of the plan's reporting period in all circumstances.

Authoritative pronouncements not yet adopted: The following statements issued by GASB are effective for year ends disclosed below and management is evaluating the impact of the implementation of these statements on their financial statements.

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- In June 2017, the GASB issued Statement No. 87, Leases. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

  The requirements of this Statement are effective for reporting periods beginning after June 15, 2022.

- In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62.* The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

  This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

  This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

  This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

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NOTES TO FINANCIAL STATEMENTS

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

- In June 2022, the GASB issued Statement No. 101, *Compensated Absences.* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

  This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

  This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

  This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

  With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

  This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

  The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged

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NOTES TO FINANCIAL STATEMENTS

Subsequent events: Management has evaluated subsequent events through December 9, 2022, the date on which the financial statements were available to be issued. There were no subsequent events identified by management which would require disclosure in the financial statements.

Note 2. Cash and Cash Equivalents

Cash and cash equivalents consist of the following at June 30, 2022 and 2021:

	2022	2021
County of Kern Treasury	$ 61,686,334	$ 56,577,916
Checking account - operations	52,471	53,354
Petty cash	398	228
	$ 61,739,203	$ 56,631,498

Balances held in County Treasury are collateralized by pledged securities, in accordance with the California State Financial Code. The District maintains cash in the Kern County Treasury which pools these funds with those of other districts in the county as well as the County's own funds and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited quarterly and any investment losses are proportionately shared by all entities in the pool.

Investments Authorized by the District's Investment Policy

The District's investment policy requires compliance with current state law and current legislation.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investments in the County of Kern Treasury have a maturity of three months or less and are therefore, classified as cash equivalents.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County of Kern does not have a rating provided by a nationally recognized statistical rating organization, and they are exempt from disclosure due to credit risk.

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. District policy does not require diversification of the investment portfolio in such a manner not to obligate the District toward dependence in one investment instrument.

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NOTES TO FINANCIAL STATEMENTS

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unity). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Note 3. Capital Assets

Capital assets activity for the years ended June 30, 2022 and 2021 were as follows:

	Balances June 30, 2021	Additions	Deletions	Transfers	Balances June 30, 2022
Land	$ 1,567,774	$ -	$ -	$ -	$ 1,567,774
7th Standard plant	30,849,720	18,750	-	-	30,868,470
Transmission system	852,299	-	-	-	852,299
Collection system	8,784,351	59,400	-	468,767	9,312,518
Extraction system	49,617	-	-	-	49,617
Buildings and fixtures	1,413,529	-	-	-	1,413,529
Equipment	2,372,421	104,852	-	-	2,477,273
Office equipment	59,582	-	-	-	59,582
Fencing and roads	51,615	-	-	-	51,615
Pumps, pipelines, wells	1,273,830	-	-	-	1,273,830
Motor vehicles	1,517,046	-	-	-	1,517,046
Construction in progress	45,332	1,285,467	-	(468,767)	862,032
	48,837,116	1,468,469	-	-	50,305,585
Less: accumulated depreciation	(23,613,848)	(1,405,276)	-	-	(25,019,124)
	$ 25,223,268	$ 63,193	$ -	$ -	$ 25,286,461

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NOTES TO FINANCIAL STATEMENTS

	Balances June 30, 2020	Additions	Deletions	Transfers	Balances June 30, 2021
Land	$ 1,567,774	$ -	$ -	$ -	$ 1,567,774
7th Standard plant	30,836,220	13,500	-	-	30,849,720
Transmission system	852,299	-	-	-	852,299
Collection system	7,502,388	-	-	1,281,963	8,784,351
Extraction system	49,617	-	-	-	49,617
Buildings and fixtures	1,413,529	-	-	-	1,413,529
Equipment	2,305,018	67,403	-	-	2,372,421
Office equipment	59,582	-	-	-	59,582
Fencing and roads	51,615	-	-	-	51,615
Pumps, pipelines, wells	1,273,830	-	-	-	1,273,830
Motor vehicles	665,792	851,254	-	-	1,517,046
Construction in progress	363,296	963,999	-	(1,281,963)	45,332
	46,940,960	1,896,156	-	-	48,837,116
Less: accumulated depreciation	(22,365,595)	(1,248,253)	-	-	(23,613,848)
	$ 24,575,365	$ 647,903	$ -	$ -	$ 25,223,268

Note 4. Long-term Debt

Long-term debt consists of the following at June 30, 2022 and 2021:

	2022	2021
Refund Revenue Bonds 2013A, net of bond premium and deferred refunding costs, interest payable at rates ranging from 2-4%, semi-annual payments in May and November, secured by net revenues, due May 2023	$ 879,015	$ 1,729,826

In 2013, the District issued $8,110,000 in Refund Revenue 2013A Limited Obligation Bonds with an average interest rate of 3.2% to refund $9,135,000 of outstanding Refund Revenue Bonds 2003 with an average interest rate of 4.1%. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $748,054. The difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the 2023 year using the effective-interest method. The District completed the refunding to reduce its total debt service payments over the next 10 years by $2,042,290, and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $849,773.

The Refund Revenue Bonds 2013A agreement requires the District to establish and maintain a reserve fund to be held by the trustee. The Reserve Fund is funded by a reserve fund insurance policy in the amount of $811,000. The reserve requirement is the lesser of (i) 10% of initial principal amount, (ii) an amount equal to the maximum annual debt service, or (iii) 125% of average annual debt service payments. Payment of the principal and interest on the bonds, when due, will be insured by the insurance policy.

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NOTES TO FINANCIAL STATEMENTS

A schedule of changes in long-term debt for the years ended June 30, 2022 and 2021 is shown below:

	Balances June 30, 2021	Additions	Deletions	Balances June 30, 2022	Due Within One Year
2013A Bonds	$1,680,000	$ -	$ 825,000	$ 855,000	$ 855,000
2013A Bond premium	93,448	-	59,020	34,428	34,428
Less deferred refunding costs, net	(43,622)	-	(33,209)	(10,413)	(10,413)
	$ 1,729,826	$ -	$ 850,811	$ 879,015	$ 879,015

	Balances June 30, 2020	Additions	Deletions	Balances June 30, 2021	Due Within One Year
2013A Bonds	$2,475,000	$ -	$ 795,000	$ 1,680,000	$ 825,000
2013A Bond premium	152,468	-	59,020	93,448	59,020
Less deferred refunding costs, net	(72,297)	-	(28,675)	(43,622)	(19,967)
	$ 2,555,171	$ -	$ 825,345	$ 1,729,826	$ 864,053

Aggregate maturities required on long-term debt as of June 30, 2022 are due in future years as follows:

Years ending June 30,	Principal	Interest	Total
2023	$ 855,000	$ 34,200	$ 889,200

Note 5. Pension Plan

General Information about the Pension Plan

Plan Description: The District contributes to the Kern County Employees' Retirement Association (KCERA), a cost-sharing multiple-employer defined benefit pension plan. KCERA provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. State statutes assign the authority to establish and amend benefit provisions to the Kern County Board of Supervisors. KCERA issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to KCERA, 11125 River Run Boulevard, Bakersfield, CA 93311 or by calling (661) 381-7700.

Benefits Provided: KCERA provides retirement, disability, cost-of-living and supplemental retirement benefits to eligible employees. All regular full-time employees of the District who work 50% or more of the regular standard hours required become members of KCERA effective on the first day of the payroll period following the date of employment.

General members (excluding Tier III) are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General Tier III members are eligible to retire once they have attained age 70 regardless of service or at age 52 and have acquired five or more years of retirement service credit.

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NOTES TO FINANCIAL STATEMENTS

A member with five years of service, regardless of age, who becomes permanently incapacitated from the performance of duty will be eligible for a nonservice-connected disability retirement. Any member who becomes permanently incapacitated from the performance of duty as a result of an injury or disease arising out of and in the course of employment is eligible for a service-connected disability, regardless of service length or age. An active member's beneficiary is entitled to receive death benefits, which consist of accumulated contributions, plus interest, and one month's salary for each full year of service, up to a maximum of six months of salary. If a member dies after retirement, a death benefit of $5,000 is payable to the designated beneficiary(ies) or the estate. KCERA provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustment, based upon the Consumer Price Index for the Los Angeles-Riverside-Orange County Area, is capped at 2.5%.

The KCERA plan provisions and benefits in effect at June 30, 2022 and 2021 are summarized as follows:

	2022	2021
Benefit formula (Tier I)	3% @ 60	3% @ 60
Benefit formula (Tier II)	1.62% @ 65	1.62% @ 65
Benefit vesting schedule	5-10 years of service	5-10 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-52	50-52
Monthly benefits, as a % of eligible compensation	1.62% to 3%	1.62% to 3%
Retirement employee contribution rates	4.55% to 18.74%	4.55% to 18.74%
Required employer contribution rates	35.78% to 78.08%	33.41% to 73.24%

Contributions: The District contributes to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from KCERA's actuary after the completion of the annual actuarial valuation. The KCERA average employer contribution rate as of June 30, 2021 for 2020-2021 (based on the June 30, 2019 valuation) was 47.09% of compensation.

Members are required to make contributions to KCERA regardless of the retirement plan or tier in which they are included. The average member contribution rate as of June 30, 2021 for 2020-2021 (based on the June 30, 2019 valuation) valuation was 6.67% of compensation.

For the years ended June 30, 2022 and 2021, the contributions recognized as part of pension expense for the plan were as follows:

	2022	2021
Contributions - employer	$ 530,845	$ 482,420
Contributions - employee	$ 71,549	$ 70,904

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2022 and 2021, the District reported net pension liabilities for its proportionate share of the net pension liability of $3,632,018 and $5,252,549, respectively.

The District's net pension liability is measured as the proportionate share of net pension liability. The net pension liability is measured as of June 30, 2021 and the total pension liability used to calculate the net pension liability was determined by an actuarial evaluation as of June 30, 2020. The District's proportion of the net pension liability was based on the actual payroll within the District membership class.

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NOTES TO FINANCIAL STATEMENTS

The District's proportionate share of the net pension liability as of June 30, 2022 and June 30, 2021 was as follows:

	2022
Proportion - June 30, 2022	0.192%
Proportion - June 30, 2021	0.197%
Change - increase (decrease)	-0.005%

The net pension liability is measured as of June 30, 2020 and the total pension liability used to calculate net pension liability was determined by an actuarial evaluation as of June 30, 2019. The District's proportion of the net pension liability was based on the actual payroll within the District membership class. The District's proportionate share of the net pension liability as of June 30, 2021 was as follows:

	2021
Proportion - June 30, 2021	0.197%
Proportion - June 30, 2020	0.180%
Change - increase (decrease)	0.017%

For the years ended June 30, 2022 and 2021, the District recognized pension expense of $443,679 and $854,664, respectively. For the years ended June 30, 2022 and 2021, the District reported deferred outflows of resources and deferred inflows of resources to pensions from the following sources:

	2022		2021	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 530,845	$ -	$ 482,420	$ -
Differences between actual and expected experience	-	128,271	-	211,940
Changes in assumptions	184,555	-	324,027	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	342,092	128,805	571,310	816
Net difference between projected and actual earnings on plan investments	-	824,205	348,836	-
Total	$ 1,057,492	$ 1,081,281	$ 1,726,593	$ 212,756

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$530,845 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30,	
2023	$ (44,021)
2024	(73,885)
2025	(131,985)
2026	(304,743)
	$ (554,634)

Actuarial Assumptions: The total pension liabilities in the June 30, 2022 and 2021 actuarial valuations were determined using the following actuarial assumptions:

	2022	2021
Valuation date	June 30, 2020	June 30, 2019
Measurement date	June 30, 2021	June 30, 2020
Actuarial cost method	Entry-Age actuarial cost method	
Actuarial assumptions:		
Discount rate	7.25%	7.25%
Inflation	2.75%	2.75%
Projected salary increase	General: 4.00% - 8.75% (a)	General: 4.00% - 8.75% (a)
Investment rate of return	7.25% (b)	7.25% (b)
Mortality	Pub-2010 Genernal Helathy Retiree Amount - Wighted Mortality Table (separate tables for males and females) with rates increased by 15% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2019, weighted 30% male and 70% female	

(a) Varies by service, including inflation
(b) Net of pension plan investment expense, including inflation

Discount Rate: The discount rates used to measure the total pension liability as of June 30, 2022 and 2021 was 7.25%. The projection of cash flows used to determine the discount rates assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates.

The discount rate assumptions have been developed without taking into consideration any impact of the 50/50 allocation of future excess earnings between the retirement and Supplement Retirement Benefit Reserve (SRBR) asset pools.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin.

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NOTES TO FINANCIAL STATEMENTS

The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	37%	6.51%
Core Fixed Income	14%	1.09%
High Yield Corporate Credit	6%	3.38%
Emerging Market Debt Blend	4%	3.41%
Commodities	4%	3.08%
Core Real Estate	5%	4.59%
Private Real Estate	5%	9.50%
Midstream	5%	8.20%
Capital Efficiency Alpha Pool	5%	2.40%
Hedge Fund	10%	2.40%
Private Equity	5%	9.40%
Private Credit	5%	5.60%
Cash	-5%	0.00%
Total	100%	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the District's proportionate share of the net pension liability, calculated using the discount rate, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	2022	2021
1% Decrease	6.25%	6.25%
Net Pension Liability	$ 5,469,974	$ 7,121,930
Current Discount Rate	7.25%	7.25%
Net Pension Liability	$ 3,632,018	$ 5,252,549
1% Increase	8.25%	8.25%
Net Pension Liability	$ 2,120,586	$ 3,733,618

Pension Plan Fiduciary Net Position - Detailed information about the plan's fiduciary net position is available in the separately issued KCERA financial reports.

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NOTES TO FINANCIAL STATEMENTS

Note 6. Designated Net Position

The Board of Directors has internally designated certain net position to be set aside for specific purposes. The net position designations, defined by the District as cash and investments segregated for these specific purposes are as follows at June 30, 2022 and 2021:

	2022	2021
Capacity fee	$ 40,030,980	$ 36,666,605
Capital improvement	14,658,786	13,658,786
Capital replacement	4,444,933	4,356,360
Operations and maintenance	1,700,000	1,700,000
Rate stabilization	300,000	300,000
	$ 61,134,699	$ 56,681,751

Note 7. City of Shafter Cost Sharing

The City of Shafter participates in certain cost sharing arrangements with the District. Under various agreements, the City of Shafter reimburses the District for its calculated share of District debt service obligations, treatment plant operating expenses and certain treatment plant and trunk sewer pipeline fixed asset additions. Amounts received by the District under these arrangements for the year ended June 30, 2022 and 2021 were as follows:

	2022	2021
Treatment plant operations cost reimbursement	$ 602,848	$ 564,129
Debt service participation	75,926	76,079
Additional pipeline capacity reimbursement	70,096	70,096
Capital improvement project reimbursement	68,329	223,909
	$ 817,199	$ 934,213

Note 8. Deferred Compensation

The District provides investment opportunities to all employees through an IRC 457 Deferred Compensation Plan (Plan) to defer a portion of their income, on a pre-tax basis. Employee contributions to the Plan are limited to the maximum allowed by law, and investment recordkeeping fees and mutual fund fees are levied directly against each participating employee's account balance. The District matches the first 6% contributed by employees.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH OF RIVER SANITARY DISTRICT NO. 1

SCHEDULES OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
(Last Ten Years)*
Year Ended June 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.19%	0.20%	0.18%	0.17%	0.16%	0.14%	0.14%	0.13%
Proportionate share of the net pension liability	$ 3,632,018	$ 5,252,549	$ 4,299,655	$ 3,952,942	$ 3,708,562	$ 3,285,264	$ 3,017,365	$ 2,698,448
Covered - employee payroll	$ 1,160,448	$ 1,149,593	$ 1,068,758	$ 1,037,184	$ 928,465	$ 869,712	$ 879,725	$ 865,760
Proportionate share of the net pension liability as a percentage of covered-employee payroll	312.98%	456.90%	402.30%	381.12%	399.43%	377.74%	342.99%	311.69%
Plan's fiduciary net postion	$ 5,417,513,179	$ 4,438,794,794	$ 4,345,780,060	$ 4,198,862,285	$ 3,962,895,176	$ 3,571,587,594	$ 3,625,093,939	$ 3,576,111,526
Plan fiduciary net position as a percentage of the total pension liability	74.14%	62.51%	64.59%	64.30%	62.64%	59.67%	62.20%	63.35%

* Fiscal year 2015 was the first year of implementation; therefore, only eight years are shown.

NORTH OF RIVER SANITARY DISTRICT NO. 1

SCHEDULES OF PENSION CONTRIBUTIONS (Last Ten Years)*
Year Ended June 30, 2022

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	$ 478,157	$ 468,009	$ 379,444	$ 332,489	$ 293,147	$ 271,329	$ 275,505	$ 275,180
Contributions in relation to the actuarially determined contributions	478,157	468,009	379,444	332,489	293,147	271,329	275,505	275,180
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 1,160,448	$ 1,149,593	$ 1,068,758	$ 1,037,184	$ 928,465	$ 869,712	$ 879,725	$ 865,760
Contributions as a percentage of covered-employee payroll	41.20%	40.71%	35.50%	32.06%	31.57%	31.20%	31.32%	31.78%
Notes to schedule								
Valuation date:	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Methods and assumptions used to determine contribution rates:								
Actuarial cost method	Entry Age Actuarial Cost Method							
Amortization method	Level percent of payroll for total unfunded liability							
Remaining amortization period	14.5 years	15.5 years	16.5 years	17.5 years	18.5 years	19.5 years	20.5 years	21.5 years
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized returns are equal to the difference between the actual market value return and the expected returns on a market value basis and are recognized semi-annualy over a five year period. The Actuarial Value of Assets cannot be less than 50% of Market Value of Assets, nor greater than 150% of Market Value of Assets. The Actuarial Value of Assets is reduced by the value of the non-valuation reserves.							
Inflation	2.75%	2.75%	3.00%	3.00%	3.00%	3.25%	3.25%	3.25%
Salary increases	4.00% to 8.75%	4.00% to 8.75%	4.00% to 9.00%	4.00% to 9.00%	4.00% to 9.00%	4.25% to 9.25%	4.25% to 9.25%	4.25% to 9.25%
Investment rate of return	7.25%, net of pension plan investment expenses, including inflation					7.50%, net of pension plan investment expenses, including inflation		
Retirement age	70 or 50 with 10 years of credited service							
Mortality	Pub-2010 General Healthy Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 15% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2019, weighted 30% male and 70% female							

* Fiscal year 2015 was the first year of implementation; therefore, only eight years are shown.

OTHER INFORMATION

NORTH OF RIVER SANITARY DISTRICT NO. 1

SCHEDULES OF FUNCTIONAL EXPENSES
Years Ended June 30, 2022 and 2021

	2022	2021
Sewage treatment and disposal:		
Salaries	**$ 501,779**	$ 504,001
Repairs and maintenance	**376,766**	256,152
Employee benefits	**357,113**	589,598
Utilities	**365,900**	298,319
Chemicals and supplies	**282,102**	303,064
Insurance	**89,085**	88,761
Permits and licenses	**78,446**	62,924
Other	**71,954**	147,991
Engineering	**71,272**	90,416
Professional services	**22,047**	24,043
Laboratory treatment	**17,330**	19,485
Safety	**10,539**	8,044
	$ 2,244,333	$ 2,392,798
Sewage collection:		
Salaries	**$ 401,253**	$ 340,127
Employee benefits	**292,705**	351,967
Engineering	**161,927**	68,611
Repairs and maintenance	**161,626**	261,644
Insurance	**70,383**	61,200
Other	**51,341**	27,151
Utilities	**47,943**	57,615
Professional services	**2,986**	2,772
	$ 1,190,164	$ 1,171,087
General and administration:		
Salaries	**$ 346,484**	$ 326,307
Employee benefits	**260,040**	364,365
Professional services	**152,177**	110,381
Utilities	**57,935**	23,575
Insurance	**54,886**	33,976
Other	**35,235**	38,180
Subscriptions and memberships	**27,271**	27,964
Office	**9,233**	8,834
Repairs and maintenance	**8,135**	4,861
Postage	**6,251**	6,280
Travel	**4,417**	2,630
Refunds	**1,710**	-
Safety	**55**	326
	$ 963,829	$ 947,679

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
North of River Sanitary District No. 1
Bakersfield, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **North of River Sanitary District No. 1** as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise **North of River Sanitary District No. 1**'s basic financial statements, and have issued our report thereon dated, December 9, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **North of River Sanitary District No. 1**'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **North of River Sanitary District No. 1'**s internal control. Accordingly, we do not express an opinion on the effectiveness of **North of River Sanitary District No. 1**'s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described below to be a material weakness.

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Finding 2022-001:

Condition: Several areas of internal control are addressed in SAS 115, *Communicating Internal Control Related Matters Identified in an Audit*, including internal control surrounding financial reporting and the need for the management of an entity to have adequate knowledge and understanding of financial reporting that it would be able to prepare its financial statements, including the footnotes, in accordance with generally accepted accounting principles. Based on the number of audit adjustments required to provide financial statements in accordance with generally accepted accounting principles it appears the District has a need to rely heavily on the auditor to prepare financial statements in accordance with generally accepted accounting principles.

Management Response: Management agrees with the above finding; however, current staffing needs do not provide for staff with this expertise.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **North of River Sanitary District No. 1**'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

North of River Sanitary District No. 1 Response to Finding

North of River Sanitary District No. 1's response to the finding in our audit is described previously. **North of River Sanitary District No. 1**'s response was not subject to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Daniells Phillips Vaughan & Bock

Bakersfield, California
December 9, 2022

NORTH OF RIVER SANITARY DISTRICT NO. 1

FINANCIAL REPORT
June 30, 2023

DANIELLS PHILLIPS VAUGHAN & BOCK
CPAs and Advisors

NORTH OF RIVER SANITARY DISTRICT NO. 1

ORGANIZATION DATA

JUNE 30, 2023

ELECTED OFFICERS

Gary McKibbin, President

Fred Kloepper, Vice-President

Steven M. Ruettgers, Director

Sandra R. Murphy, Director

Matthew T. Hooker, Director

ADMINISTRATION

Patrick Ostly, District Manager & Secretary-Treasurer

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
North of River Sanitary District No. 1
Bakersfield, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **North of River Sanitary District No. 1 (**the District) as of and for the years ended June 30, 2023 and 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2023 and 2022, and the respective changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-6 and the schedules of proportionate share of the net pension liability, and schedules of pension contributions on pages 22-23 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedules of functional expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of functional expenses are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Daniells Phillips Vaughan & Bock

Bakersfield, California
December 14, 2023

NORTH OF RIVER SANITARY DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the **North of River Sanitary District No. 1**, we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance during the fiscal year ended June 30, 2023. Please read it in conjunction with the District's financial statements, which will follow this section.

Using This Annual Report

This annual report includes this management's discussion and analysis report, the independent auditor's report and the basic financial statements of the District. The basic financial statements consist of a series of financial statements. The statements of net position, the statements of revenues, expenses and changes in net position and the statements of cash flows provide information about the activities of the District. The basic financial statements also include various footnote disclosures, which further describe District activities. In addition, this report presents certain supplementary information.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The statement of net position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses and changes in net position. This statement measures the success of the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The final required financial statement is the statement of cash flows. This statement reports cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Financial Highlights

- The largest portion of the District's assets is its investment in capital assets. The District uses these assets to provide service and consequently, these assets are not available to liquidate liabilities or other spending.

- Current assets as of June 30, 2023 include approximately $67.3 million in cash, maintained principally in County of Kern Treasury accounts.

- Operating revenues for the year ended June 30, 2023 consist principally of sewer service charges and capacity/connection fees. Operating revenues increased 12% primarily due to an increase in capacity/connection fees related to a increase in development in the area.

NORTH OF RIVER SANITARY DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS

Condensed Financial Statements

	2023	2022	2021
Current assets	$ 68,384,920	$ 62,492,317	$ 57,215,317
Other assets	-	-	15,000
Capital assets, net	26,678,796	25,286,461	25,223,268
Total assets	95,063,716	87,778,778	82,453,585
Deferred outflows of resources	1,400,329	1,057,492	1,726,593
Total assets and deferred outflows of resources	$ 96,464,045	$ 88,836,270	$ 84,180,178
Current liabilities	$ 885,294	$ 1,290,194	$ 1,190,919
Long-term liabilities	4,935,134	3,632,018	6,118,322
Total liabilities	5,820,428	4,922,212	7,309,241
Deferred inflows of resources	273,171	1,081,281	212,756
Net position:			
Net investment in capital assets	26,678,796	24,407,446	23,493,442
Unrestricted	63,691,650	58,425,331	53,164,739
	90,370,446	82,832,777	76,658,181
Total net position	$ 96,464,045	$ 88,836,270	$ 84,180,178
Operating revenue	$ 11,479,980	$ 10,295,779	$ 8,978,818
Operating expenses	5,656,848	4,986,403	4,825,604
Operating income	5,823,132	5,309,376	4,153,214
Non-operating revenues (expenses):			
Interest income	1,350,276	583,337	618,762
All other revenues	368,702	314,886	291,254
Interest (expense)	(4,441)	(33,003)	(67,270)
	1,714,537	865,220	842,746
Change in net position	$ 7,537,669	$ 6,174,596	$ 4,995,960

Long-Term Debt

The District's long-term debt consisted of 2013A Refunding Revenue Bond. This obligation was reduced by $855,000 and paid off during the year ended June 30, 2023 through scheduled principal payments.

Economic Factors

The local building economy had a healthy level of activity during the year resulting in a consistent rate of new accounts. Plant expansion has begun with planning and preliminary engineering tasks ongoing.

NORTH OF RIVER SANITARY DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS

Contacting the District's Financial Management

This financial report is designed to provide the Board, our customers, and creditors with a general overview of the District's accountability for the assets it receives and manages.

If you have questions about this report or need additional information, please contact Patrick Ostly, District Manager, at 204 Universe Avenue, Bakersfield, California, 93308.

NORTH OF RIVER SANITARY DISTRICT NO. 1

STATEMENTS OF NET POSITION
June 30, 2023 and 2022

	2023	2022
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents (Note 2)	**$ 67,266,040**	$ 61,739,203
Accounts receivable	**417,101**	336,839
Accrued interest receivable	**439,008**	145,372
Prepaid expenses	**262,771**	270,903
Total current assets	**68,384,920**	62,492,317
Capital Assets (Note 3)	**26,678,796**	25,286,461
Total assets	**95,063,716**	87,778,778
Deferred Outflows of Resources (Note 5)	**1,400,329**	1,057,492
Total assets and deferred outflows of resources	**$ 96,464,045**	$ 88,836,270
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current Liabilities		
Accounts payable	**$ 647,398**	$ 201,838
Accrued expenses	**237,896**	203,641
Current maturities of long-term debt (Note 4)	**-**	879,015
Accrued interest payable	**-**	5,700
Total current liabilities	**885,294**	1,290,194
Noncurrent Liabilities		
Net pension liability (Note 5)	**4,935,134**	3,632,018
Total liabilities	**5,820,428**	4,922,212
Deferred Inflows of Resources (Note 5)	**273,171**	1,081,281
Net Position		
Net investment in capital assets	**26,678,796**	24,407,446
Unrestricted		
Designated (Note 6)	**67,375,913**	61,134,699
Other	**(3,684,263)**	(2,709,368)
Total net position	**90,370,446**	82,832,777
Total liabilities, deferred inflow of resources and net position	**$ 96,464,045**	$ 88,836,270

See Notes to Financial Statements.

NORTH OF RIVER SANITARY DISTRICT NO. 1

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2023 and 2022

	2023	2022
Operating Revenue:		
Service charges and connection fees	**$ 11,479,980**	$ 10,295,779
Operating Expenses:		
Sewage treatment and disposal	**2,782,453**	2,244,333
Depreciation	**1,461,054**	1,405,276
General and administration	**1,312,783**	963,829
Sewage collection	**1,166,372**	1,190,164
City of Shafter cost sharing (Note 7)	**(1,065,814)**	(817,199)
	5,656,848	4,986,403
Operating income	**5,823,132**	5,309,376
Non-operating Revenues and (Expenses):		
Interest income	**1,350,276**	583,337
Property taxes	**275,602**	242,232
Other income	**84,750**	72,654
Gain on sale of assets	**8,350**	-
Interest (expense)	**(4,441)**	(33,003)
	1,714,537	865,220
Change in net position	**7,537,669**	6,174,596
Net position, beginning	**82,832,777**	76,658,181
Net postion, ending	**$ 90,370,446**	$ 82,832,777

See Notes to Financial Statements.

NORTH OF RIVER SANITARY DISTRICT NO. 1

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2023 and 2022

	2023	2022
Cash Flows From Operating Activities		
Receipts from users	**$ 11,396,917**	$ 10,171,055
Payments for administration services	**(1,274,674)**	(992,539)
Payments to suppliers for goods and services	**(2,286,553)**	(2,605,090)
Net cash provided by operating activities	**7,835,690**	6,573,426
Cash Flows From Non-Capital Financing Activities		
Proceeds from property taxes	**275,602**	242,232
Other non-operating income	**84,750**	72,654
Net cash provided by non-capital financing activities	**360,352**	314,886
Cash Flows From Capital and Related Financing Activities		
Purchases of property and equipment	**(2,853,389)**	(1,468,469)
Principal (payments) on long-term debt	**(855,000)**	(825,000)
Interest (payments)	**(5,700)**	(10,594)
Net cash (used in) capital and related financing activities	**(3,714,089)**	(2,304,063)
Cash Flows From Investing Activities		
Investment income received	**1,036,534**	523,506
Proceeds on sale of equipment	**8,350**	-
Net cash provided by investing activities	**1,044,884**	523,506
Net increase in cash and cash equivalents	**5,526,837**	5,107,755
Cash and cash equivalents:		
Beginning	**61,739,203**	56,631,498
Ending	**$ 67,266,040**	$ 61,739,253
Reconciliation of operating income to net cash provided by operating activities		
Operating income	**$ 5,823,132**	$ 5,309,376
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	**1,461,054**	1,405,276
(Gain) on sale of property and equipment	**(8,350)**	-
Deferred outflows of resources	**(342,837)**	669,101
Net pension liability	**1,303,116**	(1,620,531)
Deferred inflow of resources	**(808,110)**	868,525
Changes in working capital components:		
(Increase) decrease in:		
Accounts receivable	**(80,262)**	(124,724)
Prepaid expenses	**8,132**	(28,710)
Increase in:		
Accounts payable	**445,560**	62,215
Accrued expenses	**34,255**	32,898
Net cash provided by operating activities	**$ 7,835,690**	$ 6,573,426

See Notes to Financial Statements.

NORTH OF RIVER SANITARY DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Nature of activities: North of River Sanitary District No.1 (the "District") is a sanitary district organized and existing under the laws for special districts in the State of California. The District's primary source of revenue is service charges, which are included in property owner's tax rolls and are administered by the County of Kern. The District's service area is principally North Bakersfield, California, in the County of Kern.

A summary of the District's significant accounting policies follows:

Reporting entity: The District has no oversight responsibility for any other governmental entity, nor is the District's operation a component unit of any other governmental entity. Therefore, the reporting entity consists only of District operations.

The District operates as an enterprise fund. An enterprise fund accounts for operations that are financed and operated similar to private business enterprises, where the intent is that the costs of providing services to sewer connections on a continuing basis be financed or recovered primarily through user charges.

Basis of accounting: The accompanying financial statements have been prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recognized when incurred.

Budget: Although a budget is adopted annually, it is used primarily as a guideline for the Board in regulating expenditures. There is no legal requirement to stay within the adopted budget in the payment or classification of expenditures.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. As explained in Note 5, the deferred outflows and inflows of resources and the net pension liability shown in the statements of net position are significant estimates with respect to these financial statements.

Cash and cash equivalents: Cash and cash equivalents consist of cash on hand and in banks and short-term, highly liquid investments with a maturity of three months or less, which includes money market funds and cash management pools in County Treasuries.

Property and equipment: Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 5 – 50 years. Maintenance and repairs which do not increase the useful life of the assets are charged to expense as incurred. Major renewals and betterments are capitalized. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

Compensated absences: District employees accumulate vacation leave hours and sick leave hours for subsequent use or for payment upon termination or retirement. Accumulated vacation pay and sick pay are accrued when earned by employees, and are included as liabilities in the statements of net position.

Property tax: Property taxes attach as an enforceable lien on property as of March 1. Taxes are levied on July 1 and are due and payable in two installments on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. The County of Kern bills and collects the taxes for the District. Property taxes are recognized as revenue when they are levied.

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NOTES TO FINANCIAL STATEMENTS

Net position: The basic financial statements utilize a net position presentation. Net position is categorized as invested capital assets (net of related debt), restricted and unrestricted.

- *Net Investment In Capital Assets* - This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

- *Restricted Net Position* - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

- *Unrestricted Net Position* - This category represents net assets of the District, not restricted for any project or other purpose.

Changes in Accounting Principles: The District has adopted all current statements of Governmental Accounting Standards Board (GASB) that are applicable. For the year ended June 30, 2023, the District implemented the following new standard issued by GASB:

- In June 2022, the GASB issued Statement No. 101, *Compensated Absences.* The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

  This Statement requires that liabilities for compensated absences be recognized for (1) leave that has not been used and (2) leave that has been used but not yet paid in cash or settled through noncash means. A liability should be recognized for leave that has not been used if (a) the leave is attributable to services already rendered, (b) the leave accumulates, and (c) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. Leave that accumulates is carried forward from the reporting period in which it is earned to a future reporting period during which it may be used for time off or otherwise paid or settled. In estimating the leave that is more likely than not to be used or otherwise paid or settled, a government should consider relevant factors such as employment policies related to compensated absences and historical information about the use or payment of compensated absences. However, leave that is more likely than not to be settled through conversion to defined benefit postemployment benefits should not be included in a liability for compensated absences.

  This Statement requires that a liability for certain types of compensated absences—including parental leave, military leave, and jury duty leave—not be recognized until the leave commences. This Statement also requires that a liability for specific types of compensated absences not be recognized until the leave is used.

  This Statement also establishes guidance for measuring a liability for leave that has not been used, generally using an employee's pay rate as of the date of the financial statements. A liability for leave that has been used but not yet paid or settled should be measured at the amount of the cash payment or noncash settlement to be made. Certain salary-related payments that are directly and incrementally associated with payments for leave also should be included in the measurement of the liabilities.

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NOTES TO FINANCIAL STATEMENTS

With respect to financial statements prepared using the current financial resources measurement focus, this Statement requires that expenditures be recognized for the amount that normally would be liquidated with expendable available financial resources.

This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences.

The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The District elected to adopt early.

Authoritative pronouncements not yet adopted: The following statement issued by GASB is effective for year ends disclosed below and management is evaluating the impact of the implementation of this statement on their financial statements.

- In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62.* The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

  This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

  This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

  This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

Reclassifications: Certain items in the 2022 financial statements have been reclassified to conform to the 2023 presentation, with no effect on change in net position.

Subsequent events: Management has evaluated subsequent events through December 14, 2023, the date on which the financial statements were available to be issued. No events were identified by management which would require disclosure in the financial statements.

Note 2. Cash and Cash Equivalents

Cash and cash equivalents consist of the following at June 30, 2023 and 2022:

	2023	2022
County of Kern Treasury	$ 67,212,760	$ 61,686,334
Checking account - operations	52,984	52,471
Petty cash	296	398
	$ 67,266,040	$ 61,739,203

Balances held in County Treasury are collateralized by pledged securities, in accordance with the California State Financial Code. The District maintains cash in the Kern County Treasury which pools these funds with those of other districts in the county as well as the County's own funds and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited quarterly and any investment losses are proportionately shared by all entities in the pool.

Investments Authorized by the District's Investment Policy

The District's investment policy requires compliance with current state law and current legislation.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investments in the County of Kern Treasury have a maturity of three months or less and are therefore, classified as cash equivalents.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County of Kern does not have a rating provided by a nationally recognized statistical rating organization, and they are exempt from disclosure due to credit risk.

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NOTES TO FINANCIAL STATEMENTS

Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. District policy does not require diversification of the investment portfolio in such a manner not to obligate the District toward dependence in one investment instrument.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unity). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

Note 3. Capital Assets

Capital assets activity for the years ended June 30, 2023 and 2022 were as follows:

	Balances June 30, 2022	Additions	Deletions	Transfers	Balances June 30, 2023
Land	$ 1,567,774	$ -	$ -	$ -	$ 1,567,774
7th Standard plant	30,868,470	11,121	-	228,723	31,108,314
Transmission system	852,299	-	-	-	852,299
Collection system	9,312,518	-	-	901,152	10,213,670
Extraction system	49,617	-	-	-	49,617
Buildings and fixtures	1,413,529	-	-	-	1,413,529
Equipment	2,477,273	327,569	-	-	2,804,842
Office equipment	59,582	29,114	-	-	88,696
Fencing and roads	51,615	-	-	-	51,615
Pumps, pipelines, wells	1,273,830	-	-	-	1,273,830
Motor vehicles	1,517,046	-	34,250	-	1,482,796
Construction in progress	862,032	2,485,585	-	(1,129,875)	2,217,742
	50,305,585	2,853,389	34,250	-	53,124,724
Less: accumulated depreciation	(25,019,124)	(1,461,054)	(34,250)	-	(26,445,928)
	$ 25,286,461	$ 1,392,335	$ -	$ -	$ 26,678,796

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NOTES TO FINANCIAL STATEMENTS

	Balances June 30, 2021	Additions	Deletions	Transfers	Balances June 30, 2022
Land	$ 1,567,774	$ -	$ -	$ -	$ 1,567,774
7th Standard plant	30,849,720	18,750	-	-	30,868,470
Transmission system	852,299	-	-	-	852,299
Collection system	8,784,351	59,400	-	468,767	9,312,518
Extraction system	49,617	-	-	-	49,617
Buildings and fixtures	1,413,529	-	-	-	1,413,529
Equipment	2,372,421	104,852	-	-	2,477,273
Office equipment	59,582	-	-	-	59,582
Fencing and roads	51,615	-	-	-	51,615
Pumps, pipelines, wells	1,273,830	-	-	-	1,273,830
Motor vehicles	1,517,046	-	-	-	1,517,046
Construction in progress	45,332	1,285,467	-	(468,767)	862,032
	48,837,116	1,468,469	-	-	50,305,585
Less: accumulated depreciation	(23,613,848)	(1,405,276)	-	-	(25,019,124)
	$ 25,223,268	$ 63,193	$ -	$ -	$ 25,286,461

Note 4. Long-term Debt

Long-term debt consists of the following at June 30, 2023 and 2022:

	2023	2022
Refund Revenue Bonds 2013A, net of bond premium and deferred refunding costs, interest payable at rates ranging from 2-4%, semi-annual payments in May and November, secured by net revenues, due May 2023	$ -	$ 879,015

In 2013, the District issued $8,110,000 in Refund Revenue 2013A Limited Obligation Bonds with an average interest rate of 3.2% to refund $9,135,000 of outstanding Refund Revenue Bonds 2003 with an average interest rate of 4.1%. The refunding resulted in a difference between the reacquisition price and the net carrying amount of the old debt of $748,054. The difference, reported in the accompanying financial statements as a deduction from bonds payable, is being charged to operations through the 2023 year using the effective-interest method. The District completed the refunding to reduce its total debt service payments over the next 10 years by $2,042,290, and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $849,773.

The Refund Revenue Bonds 2013A agreement requires the District to establish and maintain a reserve fund to be held by the trustee. The Reserve Fund is funded by a reserve fund insurance policy in the amount of $811,000. The reserve requirement is the lesser of (i) 10% of initial principal amount, (ii) an amount equal to the maximum annual debt service, or (iii) 125% of average annual debt service payments. Payment of the principal and interest on the bonds, when due, will be insured by the insurance policy.

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NOTES TO FINANCIAL STATEMENTS

A schedule of changes in long-term debt for the years ended June 30, 2023 and 2022 is shown below:

	Balances June 30, 2022	Additions	Deletions	Balances June 30, 2023	Due Within One Year
2013A Bonds	$ 855,000	$ -	$ 855,000	$ -	$ -
2013A Bond premium	34,428	-	34,428	-	-
Less deferred refunding costs, net	(10,413)	-	(10,413)	-	-
	$ 879,015	$ -	$ 879,015	$ -	$ -

	Balances June 30, 2021	Additions	Deletions	Balances June 30, 2022	Due Within One Year
2013A Bonds	$1,680,000	$ -	$ 825,000	$ 855,000	$ 855,000
2013A Bond premium	93,448	-	59,020	34,428	34,428
Less deferred refunding costs, net	(43,622)	-	(33,209)	(10,413)	(10,413)
	$ 1,729,826	$ -	$ 850,811	$ 879,015	$ 879,015

Note 5. Pension Plan

General Information about the Pension Plan

Plan Description: The District contributes to the Kern County Employees' Retirement Association (KCERA), a cost-sharing multiple-employer defined benefit pension plan. KCERA provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. State statutes assign the authority to establish and amend benefit provisions to the Kern County Board of Supervisors. KCERA issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to KCERA, 11125 River Run Boulevard, Bakersfield, CA 93311 or by calling (661) 381-7700.

Benefits Provided: KCERA provides retirement, disability, cost-of-living and supplemental retirement benefits to eligible employees. All regular full-time employees of the District who work 50% or more of the regular standard hours required become members of KCERA effective on the first day of the payroll period following the date of employment.

General members (excluding Tier III) are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General Tier III members are eligible to retire once they have attained age 70 regardless of service or at age 52 and have acquired five or more years of retirement service credit.

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NOTES TO FINANCIAL STATEMENTS

A member with five years of service, regardless of age, who becomes permanently incapacitated from the performance of duty will be eligible for a nonservice-connected disability retirement. Any member who becomes permanently incapacitated from the performance of duty as a result of an injury or disease arising out of and in the course of employment is eligible for a service-connected disability, regardless of service length or age. An active member's beneficiary is entitled to receive death benefits, which consist of accumulated contributions, plus interest, and one month's salary for each full year of service, up to a maximum of six months of salary. If a member dies after retirement, a death benefit of $5,000 is payable to the designated beneficiary(ies) or the estate. KCERA provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustment, based upon the Consumer Price Index for the Los Angeles-Riverside-Orange County Area, is capped at 2.5%.

The KCERA plan provisions and benefits in effect at June 30, 2023 and 2022 are summarized as follows:

	2023	2022
Benefit formula (Tier I)	3% @ 60	3% @ 60
Benefit formula (Tier II)	1.62% @ 65	1.62% @ 65
Benefit vesting schedule	5-10 years of service	5-10 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-52	50-52
Monthly benefits, as a % of eligible compensation	1.62% to 3%	1.62% to 3%
Retirement employee contribution rates	4.72% to 19.29%	4.55% to 18.74%
Required employer contribution rates	36.02% to 76.64%	35.78% to 78.08%

Contributions: The District contributes to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from KCERA's actuary after the completion of the annual actuarial valuation. The KCERA average employer contribution rate as of June 30, 2022 for 2021-2022 (based on the June 30, 2020 valuation) was 48.78% of compensation.

Members are required to make contributions to KCERA regardless of the retirement plan or tier in which they are included. The average member contribution rate as of June 30, 2022 for 2021-2022 (based on the June 30, 2020 valuation) valuation was 6.74% of compensation.

For the years ended June 30, 2023 and 2022, the contributions recognized as part of pension expense for the plan were as follows:

	2023	2022
Contributions - employer	$ 457,829	$ 478,157
Contributions - employee	$ 73,748	$ 71,549

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2023 and 2022, the District reported net pension liabilities for its proportionate share of the net pension liability of $4,935,134 and $3,632,018, respectively.

The District's net pension liability is measured as the proportionate share of net pension liability. The net pension liability is measured as of June 30, 2022 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2021. The District's proportion of the net pension liability was based on the actual payroll within the District membership class.

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NOTES TO FINANCIAL STATEMENTS

The District's proportionate share of the net pension liability as of June 30, 2023 and June 30, 2022 was as follows:

	2023
Proportion - June 30, 2023	0.207%
Proportion - June 30, 2022	0.192%
Change - increase (decrease)	0.015%

The net pension liability is measured as of June 30, 2021 and the total pension liability used to calculate net pension liability was determined by an actuarial valuation as of June 30, 2020. The District's proportion of the net pension liability was based on the actual payroll within the District membership class. The District's proportionate share of the net pension liability as of June 30, 2022 was as follows:

	2022
Proportion - June 30, 2022	0.192%
Proportion - June 30, 2021	0.197%
Change - increase (decrease)	-0.005%

For the years ended June 30, 2023 and 2022, the District recognized pension expense of $715,069 and $443,679, respectively. For the years ended June 30, 2023 and 2022, the District reported deferred outflows of resources and deferred inflows of resources to pensions from the following sources:

	2023		2022	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 457,829	$ -	$ 478,157	$ -
Differences between actual and expected experience	-	177,393	-	128,271
Changes in assumptions	128,537	-	184,555	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	407,192	95,778	342,092	128,805
Net difference between projected and actual earnings on plan investments	302,432	-	-	824,205
Total	$ 1,295,990	$ 273,171	$ 1,004,804	$ 1,081,281

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NOTES TO FINANCIAL STATEMENTS

$562,168 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30,	
2024	$ 196,485
2025	137,310
2026	(44,450)
2027	275,645
	$ 564,990

Actuarial Assumptions: The total pension liabilities in the June 30, 2023 and 2022 actuarial valuations were determined using the following actuarial assumptions:

	2023	2022
Valuation date	June 30, 2021	June 30, 2020
Measurement date	June 30, 2022	June 30, 2021
Actuarial cost method	Entry-Age actuarial cost method	
Actuarial assumptions:		
Discount rate	7.25%	7.25%
Inflation	2.75%	2.75%
Projected salary increase	General: 4.00% - 8.75% (a)	General: 4.00% - 8.75% (a)
Investment rate of return	7.25% (b)	7.25% (b)
Mortality	Pub-2010 Genernal Helathy Retiree Amount - Wighted Mortality Table (separate tables for males and females) with rates increased by 15% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2019, weighted 30% male and 70% female	

(a) Varies by service, including inflation
(b) Net of pension plan investment expense, including inflation

Discount Rate: The discount rates used to measure the total pension liability as of June 30, 2023 and 2022 was 7.25%. The projection of cash flows used to determine the discount rates assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates.

The discount rate assumptions have been developed without taking into consideration any impact of the 50/50 allocation of future excess earnings between the retirement and Supplement Retirement Benefit Reserve (SRBR) asset pools.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin.

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The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	37%	6.51%
Core Fixed Income	14%	1.09%
High Yield Corporate Credit	6%	3.38%
Emerging Market Debt Blend	4%	3.41%
Commodities	4%	3.08%
Core Real Estate	5%	4.59%
Private Real Estate	5%	9.50%
Midstream	5%	8.20%
Capital Efficiency Alpha Pool	5%	2.40%
Hedge Fund	10%	2.40%
Private Equity	5%	9.40%
Private Credit	5%	5.60%
Cash	-5%	0.00%
Total	100%	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the District's proportionate share of the net pension liability, calculated using the discount rate, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	2023	2022
1% Decrease	6.25%	6.25%
Net Pension Liability	$ 6,960,206	$ 5,469,974
Current Discount Rate	7.25%	7.25%
Net Pension Liability	$ 4,935,134	$ 3,632,018
1% Increase	8.25%	8.25%
Net Pension Liability	$ 3,269,086	$ 2,120,586

Pension Plan Fiduciary Net Position - Detailed information about the plan's fiduciary net position is available in the separately issued KCERA financial reports.

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NOTES TO FINANCIAL STATEMENTS

Note 6. Designated Net Position

The Board of Directors has internally designated certain net position to be set aside for specific purposes. The net position designations, defined by the District as cash and investments segregated for these specific purposes are as follows at June 30, 2023 and 2022:

	2023	2022
Capacity fee	$ 44,164,760	$ 40,030,980
Capital improvement	16,658,786	14,658,786
Capital replacement	4,552,367	4,444,933
Operations and maintenance	1,700,000	1,700,000
Rate stabilization	300,000	300,000
	$ 67,375,913	$ 61,134,699

Note 7. City of Shafter Cost Sharing

The City of Shafter participates in certain cost sharing arrangements with the District. Under various agreements, the City of Shafter reimburses the District for its calculated share of District debt service obligations, treatment plant operating expenses and certain treatment plant and trunk sewer pipeline fixed asset additions. Amounts received by the District under these arrangements for the year ended June 30, 2023 and 2022 were as follows:

	2023	2022
Treatment plant operations cost reimbursement	$ 660,531	$ 602,848
Capital improvement project reimbursement	259,520	68,329
Debt service participation	75,667	75,926
Additional pipeline capacity reimbursement	70,096	70,096
	$ 1,065,814	$ 817,199

Note 8. Deferred Compensation

The District provides investment opportunities to all employees through an IRC 457 Deferred Compensation Plan (Plan) to defer a portion of their income, on a pre-tax basis. Employee contributions to the Plan are limited to the maximum allowed by law, and investment recordkeeping fees and mutual fund fees are levied directly against each participating employee's account balance. The District matches the first 6% contributed by employees. District contributions for the years ended June 30, 2023 and 2022 were $77,854 and $76,922, respectively.

REQUIRED SUPPLEMENTARY INFORMATION

NORTH OF RIVER SANITARY DISTRICT NO. 1

SCHEDULES OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
(Last Ten Years)*
Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.21%	0.19%	0.20%	0.18%	0.17%	0.16%	0.14%	0.14%	0.13%
Proportionate share of the net pension liability	$ 4,935,134	$ 3,632,018	$ 5,252,549	$ 4,299,655	$ 3,952,942	$ 3,708,562	$ 3,285,264	$ 3,017,365	$ 2,698,448
Covered - employee payroll	$ 1,230,032	$ 1,160,448	$ 1,149,593	$ 1,068,758	$ 1,037,184	$ 928,465	$ 869,712	$ 879,725	$ 865,760
Proportionate share of the net pension liability as a percentage of covered-employee payroll	401.22%	312.98%	456.90%	402.30%	381.12%	399.43%	377.74%	342.99%	311.69%
Plan's fiduciary net postion	$ 5,131,128,660	$ 5,417,513,179	$ 4,438,794,794	$ 4,345,780,060	$ 4,198,862,285	$ 3,962,895,176	$ 3,571,587,594	$ 3,625,093,939	$ 3,576,111,526
Plan fiduciary net position as a percentage of the total pension liability	62.80%	74.14%	62.51%	64.59%	64.30%	62.64%	59.67%	62.20%	63.35%

* Fiscal year 2015 was the first year of implementation; therefore, only nine years are shown.

NORTH OF RIVER SANITARY DISTRICT NO. 1

SCHEDULES OF PENSION CONTRIBUTIONS (Last Ten Years)*
Year Ended June 30, 2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	$ 531,577	$ 478,157	$ 468,009	$ 379,444	$ 332,489	$ 293,147	$ 271,329	$ 275,505	$ 275,180
Contributions in relation to the actuarially determined contributions	531,577	478,157	468,009	379,444	332,489	293,147	271,329	275,505	275,180
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 1,230,032	$ 1,160,448	$ 1,149,593	$ 1,068,758	$ 1,037,184	$ 928,465	$ 869,712	$ 869,712	$ 865,760
Contributions as a percentage of covered-employee payroll	43.22%	41.20%	40.71%	35.50%	32.06%	31.57%	31.20%	31.68%	31.78%

Notes to schedule

Valuation date:	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Methods and assumptions used to determine contribution rates:									
Actuarial cost method	Entry Age Actuarial Cost Method								
Amortization method	Level percent of payroll for total unfunded liability								
Remaining amortization period	13.5 years	14.5 years	15.5 years	16.5 years	17.5 years	18.5 years	19.5 years	20.5 years	21.5 years
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized returns are equal to the difference between the actual market value return and the expected returns on a market value basis and are recognized semi-annualy over a five year period. The Actuarial Value of Assets cannot be less than 50% of Market Value of Assets, nor greater than 150% of Market Value of Assets. The Actuarial Value of Assets is reduced by the value of the non-valuation reserves.								
Inflation	2.75%	2.75%	2.75%	3.00%	3.00%	3.00%	3.25%	3.25%	3.25%
Salary increases	4.00% to 8.75%	4.00% to 8.75%	4.00% to 8.75%	4.00% to 9.00%	4.00% to 9.00%	4.00% to 9.00%	4.25% to 9.25%	4.25% to 9.25%	4.25% to 9.25%
Investment rate of return	7.25%, net of pension plan investment expenses, including inflation					7.50%, net of pension plan investment expenses, including inflation			
Retirement age	70 or 50 with 10 years of credited service								
Mortality	Pub-2010 General Healthy Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 15% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2019, weighted 30% male and 70% female								

* Fiscal year 2015 was the first year of implementation; therefore, only nine years are shown.

OTHER INFORMATION

NORTH OF RIVER SANITARY DISTRICT NO. 1

SCHEDULES OF FUNCTIONAL EXPENSES
Years Ended June 30, 2023 and 2022

	2023	2022
Sewage treatment and disposal:		
Repairs and maintenance	**$ 576,969**	$ 376,766
Salaries	**542,148**	501,779
Employee benefits	**518,388**	357,113
Utilities	**369,094**	365,900
Chemicals and supplies	**358,447**	282,102
Insurance	**106,133**	89,085
Other	**86,947**	71,954
Engineering	**78,510**	71,272
Permits and licenses	**75,359**	78,446
Laboratory treatment	**33,328**	17,330
Professional services	**32,096**	22,047
Safety	**5,034**	10,539
	$ 2,782,453	$ 2,244,333
General and administration:		
Professional services	**$ 372,295**	$ 152,177
Salaries	**367,742**	346,484
Employee benefits	**359,162**	260,040
Insurance	**63,756**	54,886
Other	**42,928**	35,235
Utilities	**35,253**	57,935
Subscriptions and memberships	**29,297**	27,271
Office	**15,877**	9,233
Postage	**14,377**	6,251
Repairs and maintenance	**7,083**	8,135
Travel	**4,608**	4,417
Safety	**405**	55
Refunds	**-**	1,710
	$ 1,312,783	$ 963,829
Sewage collection:		
Salaries	**$ 366,648**	$ 401,253
Employee benefits	**361,119**	292,705
Repairs and maintenance	**176,893**	161,626
Engineering	**98,722**	161,927
Insurance	**72,989**	70,383
Utilities	**65,216**	47,943
Other	**22,550**	51,341
Professional services	**2,235**	2,986
	$ 1,166,372	$ 1,190,164

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
North of River Sanitary District No. 1
Bakersfield, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **North of River Sanitary District No. 1** as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise **North of River Sanitary District No. 1**'s basic financial statements, and have issued our report thereon dated December 14, 2023.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **North of River Sanitary District No. 1**'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **North of River Sanitary District No. 1'**s internal control. Accordingly, we do not express an opinion on the effectiveness of **North of River Sanitary District No. 1**'s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described below to be a material weakness.

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Finding 2023-001:

Condition: Several areas of internal control are addressed in SAS 115, *Communicating Internal Control Related Matters Identified in an Audit*, including internal control surrounding financial reporting and the need for the management of an entity to have adequate knowledge and understanding of financial reporting that it would be able to prepare its financial statements, including the footnotes, in accordance with generally accepted accounting principles. Based on the number of audit adjustments required to provide financial statements in accordance with generally accepted accounting principles it appears the District has a need to rely heavily on the auditor to prepare financial statements in accordance with generally accepted accounting principles.

Management Response: Management agrees with the above finding; however, current staffing needs do not provide for staff with this expertise.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **North of River Sanitary District No. 1**'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

North of River Sanitary District No. 1 Response to Finding

North of River Sanitary District No. 1's response to the finding in our audit is described previously. **North of River Sanitary District No. 1**'s response was not subject to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Daniells Phillips Vaughan & Bock

Bakersfield, California
December 14, 2023

NORTH OF RIVER SANITARY DISTRICT NO. 1

FINANCIAL REPORT
June 30, 2024

DANIELLS PHILLIPS VAUGHAN & BOCK
CPAs and Advisors

NORTH OF RIVER SANITARY DISTRICT NO. 1

ORGANIZATION DATA

JUNE 30, 2024

ELECTED OFFICERS

Gary McKibbin, President

Fred Kloepper, Vice-President

Steven M. Ruettgers, Director

Sandra R. Murphy, Director

Matthew T. Hooker, Director

ADMINISTRATION

Patrick Ostly, District Manager & Secretary-Treasurer

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
North of River Sanitary District No. 1
Bakersfield, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **North of River Sanitary District No. 1** (the District) as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2024 and 2023, and the respective changes in its financial position and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(*Government Auditing Standards*).* Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4-5 and the schedules of proportionate share of the net pension liability, and schedules of pension contributions on pages 22-23 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The schedules of functional expenses are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of functional expenses are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 12, 2024 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Daniells Phillips Vaughan & Bock

Bakersfield, California
December 12, 2024

NORTH OF RIVER SANITARY DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the **North of River Sanitary District No. 1**, we offer readers of the District's financial statements this narrative overview and analysis of the District's financial performance during the fiscal year ended June 30, 2024. Please read it in conjunction with the District's financial statements, which will follow this section.

Using This Annual Report

This annual report includes this management's discussion and analysis report, the independent auditor's report and the basic financial statements of the District. The basic financial statements consist of a series of financial statements. The statements of net position, the statements of revenues, expenses and changes in net position and the statements of cash flows provide information about the activities of the District. The basic financial statements also include various footnote disclosures, which further describe District activities. In addition, this report presents certain supplementary information.

Required Financial Statements

The financial statements of the District report information of the District using accounting methods similar to those used by private sector companies. These statements offer short and long-term financial information about its activities. The statement of net position includes all of the District's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to District creditors (liabilities). It also provides the basis for evaluating the capital structure of the District and assessing the liquidity and financial flexibility of the District.

All of the current year's revenues and expenses are accounted for in the statement of revenues, expenses and changes in net position. This statement measures the success of the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and other charges, profitability and credit worthiness.

The final required financial statement is the statement of cash flows. This statement reports cash resulting from operations, investing, and financing activities and provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the reporting period.

Financial Highlights

- The largest portion of the District's assets is its investment in capital assets. The District uses these assets to provide service and consequently, these assets are not available to liquidate liabilities or other spending.

- Current assets as of June 30, 2024 include approximately $53.3 million in cash, maintained principally in County of Kern Treasury accounts, as well as $20.6 million in cash equivalents, maintained in a California Cooperative Liquid Assets Securities System (CLASS) account.

- Operating revenues for the year ended June 30, 2024 consist principally of sewer service charges and capacity/connection fees. Operating revenues decreased 1% primarily due to a decrease in capacity/connection fees in the current year.

NORTH OF RIVER SANITARY DISTRICT NO. 1

MANAGEMENT'S DISCUSSION AND ANALYSIS

Condensed Financial Statements

	2024	2023	2022
Current assets	$ 74,874,863	$ 68,384,920	$ 62,492,317
Capital assets, net	29,769,169	26,678,796	25,286,461
Total assets	104,644,032	95,063,716	87,778,778
Deferred outflows of resources	1,572,738	1,400,329	1,057,492
Total assets and deferred outflows of resources	$ 106,216,770	$ 96,464,045	$ 88,836,270
Current liabilities	$ 1,646,776	$ 885,294	$ 1,290,194
Long-term liabilities	4,975,803	4,935,134	3,632,018
Total liabilities	6,622,579	5,820,428	4,922,212
Deferred inflows of resources	439,715	273,171	1,081,281
Net position:			
Net investment in capital assets	29,769,169	26,678,796	24,407,446
Unrestricted	69,385,307	63,691,650	58,425,331
	99,154,476	90,370,446	82,832,777
Total net position	$ 106,216,770	$ 96,464,045	$ 88,836,270
Operating revenue	$ 11,330,251	$ 11,479,980	$ 10,295,779
Operating expenses	5,484,394	5,656,848	4,986,403
Operating income	5,845,857	5,823,132	5,309,376
Non-operating revenues (expenses):			
Interest income	2,526,970	1,350,276	583,337
All other revenues	411,203	368,702	314,886
Interest (expense)	-	(4,441)	(33,003)
	2,938,173	1,714,537	865,220
Change in net position	$ 8,784,030	$ 7,537,669	$ 6,174,596

Economic Factors

The local building economy had a healthy level of activity during the year resulting in a consistent rate of new accounts. Plant expansion has begun with planning and design engineering tasks ongoing.

Contacting the District's Financial Management

This financial report is designed to provide the Board, our customers, and creditors with a general overview of the District's accountability for the assets it receives and manages.

If you have questions about this report or need additional information, please contact Patrick Ostly, District Manager, at 204 Universe Avenue, Bakersfield, California, 93308.

NORTH OF RIVER SANITARY DISTRICT NO. 1

STATEMENTS OF NET POSITION
June 30, 2024 and 2023

	2024	2023
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Current Assets		
Cash and cash equivalents (Note 2)	**$ 73,895,242**	$ 67,266,040
Accounts receivable	**158,864**	417,101
Accrued interest receivable	**545,963**	439,008
Prepaid expenses	**274,794**	262,771
Total current assets	**74,874,863**	68,384,920
Capital Assets (Note 3)	**29,769,169**	26,678,796
Total assets	**104,644,032**	95,063,716
Deferred Outflows of Resources (Note 4)	**1,572,738**	1,400,329
Total assets and deferred outflows of resources	**$ 106,216,770**	$ 96,464,045
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION		
Current Liabilities		
Accounts payable	**$ 1,359,019**	$ 647,398
Accrued expenses	**287,757**	237,896
Total current liabilities	**1,646,776**	885,294
Noncurrent Liabilities		
Net pension liability (Note 4)	**4,975,803**	4,935,134
Total liabilities	**6,622,579**	5,820,428
Deferred Inflows of Resources (Note 4)	**439,715**	273,171
Net Position		
Net investment in capital assets	**29,769,169**	26,678,796
Unrestricted		
Designated (Note 5)	**73,109,483**	67,375,913
Other	**(3,724,176)**	(3,684,263)
Total net position	**99,154,476**	90,370,446
Total liabilities, deferred inflow of resources and net position	**$ 106,216,770**	$ 96,464,045

See Notes to Financial Statements.

NORTH OF RIVER SANITARY DISTRICT NO. 1

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
Years Ended June 30, 2024 and 2023

	2024	2023
Operating Revenue:		
Service charges and connection fees	$ 11,330,251	$ 11,479,980
Operating Expenses:		
Sewage treatment and disposal	2,777,130	2,782,453
Depreciation	1,549,505	1,461,054
General and administration	1,220,207	1,312,783
Sewage collection	1,434,291	1,166,372
City of Shafter cost sharing (Note 6)	(1,496,739)	(1,065,814)
	5,484,394	5,656,848
Operating income	5,845,857	5,823,132
Non-operating Revenues and (Expenses):		
Interest income	2,526,970	1,350,276
Property taxes	302,253	275,602
Other income	84,750	84,750
Gain on sale of assets	24,200	8,350
Interest (expense)	-	(4,441)
	2,938,173	1,714,537
Change in net position	8,784,030	7,537,669
Net position, beginning	90,370,446	82,832,777
Net postion, ending	$ 99,154,476	$ 90,370,446

See Notes to Financial Statements.

NORTH OF RIVER SANITARY DISTRICT NO. 1

STATEMENTS OF CASH FLOWS
Years Ended June 30, 2024 and 2023

	2024	2023
Cash Flows From Operating Activities		
Receipts from users	**$ 11,564,288**	$ 11,396,917
Payments for administration services	**(1,232,230)**	(1,274,674)
Payments to suppliers for goods and services	**(1,918,396)**	(2,286,553)
Net cash provided by operating activities	**8,413,662**	7,835,690
Cash Flows From Non-Capital Financing Activities		
Proceeds from property taxes	**302,253**	275,602
Other non-operating income	**84,750**	84,750
Net cash provided by non-capital financing activities	**387,003**	360,352
Cash Flows From Capital and Related Financing Activities		
Purchases of property and equipment	**(4,639,878)**	(2,853,389)
Principal (payments) on long-term debt	**-**	(855,000)
Interest (payments)	**-**	(5,700)
Net cash (used in) capital and related financing activities	**(4,639,878)**	(3,714,089)
Cash Flows From Investing Activities		
Investment income received	**2,444,215**	1,036,534
Proceeds on sale of equipment	**24,200**	8,350
Net cash provided by investing activities	**2,468,415**	1,044,884
Net increase in cash and cash equivalents	**6,629,202**	5,526,837
Cash and cash equivalents:		
Beginning	**67,266,040**	61,739,203
Ending	**$ 73,895,242**	$ 67,266,040
Reconciliation of operating income to net cash provided by operating activities		
Operating income	**$ 5,845,857**	$ 5,823,132
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	**1,549,505**	1,461,054
(Gain) on sale of property and equipment	**(24,200)**	(8,350)
Deferred outflows of resources	**(172,409)**	(342,837)
Net pension liability	**40,669**	1,303,116
Deferred inflow of resources	**166,544**	(808,110)
Changes in working capital components:		
(Increase) decrease in:		
Accounts receivable	**258,237**	(80,262)
Prepaid expenses	**(12,023)**	8,132
Increase in:		
Accounts payable	**711,621**	445,560
Accrued expenses	**49,861**	34,255
Net cash provided by operating activities	**$ 8,413,662**	$ 7,835,690

See Notes to Financial Statements.

NORTH OF RIVER SANITARY DISTRICT NO. 1

NOTES TO FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Nature of activities: North of River Sanitary District No.1 (the District) is a sanitary district organized and existing under the laws for special districts in the State of California. The District's primary source of revenue is service charges, which are included in property owner's tax rolls and are administered by the County of Kern. The District's service area is principally North Bakersfield, California, in the County of Kern.

A summary of the District's significant accounting policies follows:

Reporting entity: The District has no oversight responsibility for any other governmental entity, nor is the District's operation a component unit of any other governmental entity. Therefore, the reporting entity consists only of District operations.

The District operates as an enterprise fund. An enterprise fund accounts for operations that are financed and operated similar to private business enterprises, where the intent is that the costs of providing services to sewer connections on a continuing basis be financed or recovered primarily through user charges.

Basis of accounting: The accompanying financial statements have been prepared on the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recognized when incurred.

Budget: Although a budget is adopted annually, it is used primarily as a guideline for the Board in regulating expenditures. There is no legal requirement to stay within the adopted budget in the payment or classification of expenditures.

Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. As explained in Note 5, the deferred outflows and inflows of resources and the net pension liability shown in the statements of net position are significant estimates with respect to these financial statements.

Cash and cash equivalents: Cash and cash equivalents consist of cash on hand and in banks and short-term, highly liquid investments with a maturity of three months or less, which includes money market funds and cash management pools in County Treasuries.

Property and equipment: Property and equipment are stated at cost. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 5 – 50 years. Maintenance and repairs which do not increase the useful life of the assets are charged to expense as incurred. Major renewals and betterments are capitalized. When items of property or equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in income.

Compensated absences: District employees accumulate vacation leave hours and sick leave hours for subsequent use or for payment upon termination or retirement. Accumulated vacation pay and sick pay are accrued when earned by employees, and are included as liabilities in the statements of net position.

Property tax: Property taxes attach as an enforceable lien on property as of March 1. Taxes are levied on July 1 and are due and payable in two installments on November 15 and March 15. Unsecured property taxes are payable in one installment on or before August 31. The County of Kern bills and collects the taxes for the District. Property taxes are recognized as revenue when they are levied.

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Net position: The basic financial statements utilize a net position presentation. Net position is categorized as invested capital assets (net of related debt), restricted and unrestricted.

- *Net Investment In Capital Assets* - This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction or improvement of these assets reduce the balance in this category.

- *Restricted Net Position* - This category presents external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

- *Unrestricted Net Position* - This category represents net assets of the District, not restricted for any project or other purpose.

Changes in Accounting Principles: The District has adopted all current Statements of Governmental Accounting Standards Board (GASB) that are applicable. For the year ended June 30, 2024, the District implemented the following new standard issued by GASB:

- In June 2022, the GASB issued Statement No. 100, *Accounting Changes and Error Corrections – An Amendment of GASB Statement No. 62.* The primary objective of this Statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

  This Statement defines *accounting changes* as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. As part of those descriptions, for (1) certain changes in accounting principles and (2) certain changes in accounting estimates that result from a change in measurement methodology, a new principle or methodology should be justified on the basis that it is preferable to the principle or methodology used before the change. That preferability should be based on the qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. This Statement also addresses corrections of errors in previously issued financial statements.

  This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements.

  This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated.

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Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles.

Authoritative pronouncements not yet adopted: The following statement issued by GASB is effective for year ends after June 30, 2024 and management is evaluating the impact of the implementation of this statement on their financial statements.

- In December 2023, the GASB issued Statement No. 102, *Certain Risk Disclosures.* State and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints.

  This Statement defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A *constraint* is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending.

  This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued.

  If a government determines that those criteria for disclosure have been met for a concentration or constraint, it should disclose information in notes to financial statements in sufficient detail to enable users of financial statements to understand the nature of the circumstances disclosed and the government's vulnerability to the risk of a substantial impact. The disclosure should include descriptions of the following:
  - The concentration or constraint
  - Each event associated with the concentration or constraint that could cause a substantial impact if the event had occurred or had begun to occur prior to the issuance of the financial statements
  - Actions taken by the government prior to the issuance of the financial statements to mitigate the risk.

  The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

- In April 2024, the GASB issued Statement No. 103, *Financial Reporting Model Improvements.* The objective of this Statement is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain application issues.

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This Statement continues the requirement that the basic financial statements be preceded by management's discussion and analysis (MD&A), which is presented as required supplementary information (RSI). MD&A provides an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions and presents comparisons between the current year and the prior year. This Statement requires that the information presented in MD&A be limited to the related topics discussed in five sections: (1) Overview of the Financial Statements, (2) Financial Summary, (3) Detailed Analyses, (4) Significant Capital Asset and Long-Term Financing Activity, and (5) Currently Known Facts, Decisions, or Conditions. Furthermore, this Statement stresses that the detailed analyses should explain why balances and results of operations changed rather than simply presenting the amounts or percentages by which they changed. This Statement emphasizes that the analysis provided in MD&A should avoid unnecessary duplication by not repeating explanations that may be relevant to multiple sections and that "boilerplate" discussions should be avoided by presenting only the most relevant information, focused on the primary government. In addition, this Statement continues the requirement that information included in MD&A distinguish between that of the primary government and its discretely presented component units.

This Statement describes unusual or infrequent items as transactions and other events that are either unusual in nature or infrequent in occurrence. Furthermore, governments are required to display the inflows and outflows related to each unusual or infrequent item separately as the last presented flow(s) of resources prior to the net change in resource flows in the government-wide, governmental fund, and proprietary fund statements of resource flows.

This Statement requires that the proprietary fund statement of revenues, expenses, and changes in fund net position continue to distinguish between operating and nonoperating revenues and expenses. Operating revenues and expenses are defined as revenues and expenses other than nonoperating revenues and expenses. Nonoperating revenues and expenses are defined as (1) subsidies received and provided, (2) contributions to permanent and term endowments, (3) revenues and expenses related to financing, (4) resources from the disposal of capital assets and inventory, and (5) investment income and expenses.

In addition to the subtotals currently required in a proprietary fund statement of revenues, expenses, and changes in fund net position, this Statement requires that a subtotal for *operating income (loss) and noncapital subsidies* be presented before reporting other nonoperating revenues and expenses. Subsidies are defined as (1) resources received from another party or fund (a) for which the proprietary fund does not provide goods and services to the other party or fund and (b) that directly or indirectly keep the proprietary fund's current or future fees and charges lower than they would be otherwise, (2) resources provided to another party or fund (a) for which the other party or fund does not provide goods and services to the proprietary fund and (b) that are recoverable through the proprietary fund's current or future pricing policies, and (3) all other transfers.

This Statement requires governments to present each major component unit separately in the reporting entity's statement of net position and statement of activities if it does not reduce the readability of the statements. If the readability of those statements would be reduced, combining statements of major component units should be presented after the fund financial statements.

NOTES TO FINANCIAL STATEMENTS

This Statement requires governments to present budgetary comparison information using a single method of communication—RSI. Governments also are required to present (1) variances between original and final budget amounts and (2) variances between final budget and actual amounts. An explanation of significant variances is required to be presented in notes to RSI.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter. Earlier application is encouraged.

Subsequent events: Management has evaluated subsequent events through December 12, 2024, the date on which the financial statements were available to be issued. There were no subsequent events identified by management which would require disclosure in the financial statements.

Note 2. Cash and Cash Equivalents

Cash and cash equivalents consist of the following at June 30, 2024 and 2023:

	2024	2023
County of Kern Treasury	$ 53,255,414	$ 67,212,760
California Cooperative Liquid Assets Securities System (CLASS)	20,568,332	-
Checking account - operations	71,297	52,984
Petty cash	199	296
	$ 73,895,242	$ 67,266,040

Balances held in County Treasury are collateralized by pledged securities, in accordance with the California State Financial Code. The District maintains cash in the Kern County Treasury which pools these funds with those of other districts in the county as well as the County's own funds and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited quarterly and any investment losses are proportionately shared by all entities in the pool.

Investments Authorized by the District's Investment Policy

The District's investment policy requires compliance with current state law and current legislation.

Disclosures Relating to Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District's investments in the California Cooperative Liquid Assets Securities System (CLASS) and County of Kern Treasury have a maturity of three months or less and are therefore, classified as cash equivalents.

Disclosures Relating to Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. CLASS and the County of Kern does not have a rating provided by a nationally recognized statistical rating organization, and they are exempt from disclosure due to credit risk.

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Concentration of Credit Risk

The investment policy of the District contains no limitations on the amount that can be invested in any one issuer beyond that stipulated by the California Government Code. District policy does not require diversification of the investment portfolio in such a manner not to obligate the District toward dependence in one investment instrument.

The District maintains its cash in bank deposit accounts which, at times may exceed federally insured limits. The District believes it is not exposed to any significant credit risk on cash and cash equivalents.

Custodial Credit Risk

Custodial credit risk for *deposits* is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The California Government Code does not contain legal or policy requirements that would limit the exposure to custodial credit risk for deposits or investments, other than the following provision for deposits: The California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law (unless so waived by the governmental unity). The market value of the pledged securities in the collateral pool must equal at least 110% of the total amount deposited by the public agencies. California law also allows financial institutions to secure District deposits by pledging first trust deed mortgage notes having a value of 150% of the secured public deposits.

The custodial credit risk for *investments* is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The California Government Code and the District's investment policy do not contain legal or policy requirements that would limit the exposure to custodial credit risk for investments. With respect to investments, custodial credit risk generally applies only to direct investments in marketable securities. Custodial credit risk does not apply to a local government's indirect investments in securities through the use of mutual funds or government investments pools (such as CLASS).

Investments in State/County Investment Pools

The District is a voluntary participant in CLASS that is regulated by the California Government Code under the oversight of the Treasurer of the State of California. The fair value of the District's investment in this pool is reported in the accompanying financial statements at amounts based upon the District's pro-rata share of the fair value provided by CLASS for the entire CLASS portfolio (in relation to amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by CLASS, which are recorded on an amortized cost basis.

The District maintains cash in the Kern County Treasury which pools these funds with those of other districts in the county and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited monthly and any investments losses are proportionately shared by all entities in the pool.

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NOTES TO FINANCIAL STATEMENTS

Note 3. Capital Assets

Capital assets activity for the years ended June 30, 2024 and 2023 were as follows:

	Balances June 30, 2023	Additions	Deletions	Transfers	Balances June 30, 2024
Land	$ 1,567,774	$ -	$ -	$ -	$ 1,567,774
7th Standard plant	31,108,314	5,734	-	-	31,114,048
Transmission system	852,299	-	-	-	852,299
Collection system	10,213,670	59,664	-	1,572,794	11,846,128
Extraction system	49,617	-	-	-	49,617
Buildings and fixtures	1,413,529	-	-	-	1,413,529
Equipment	2,804,842	66,390	-	-	2,871,232
Office equipment	88,696	-	-	-	88,696
Fencing and roads	51,615	16,150	-	-	67,765
Pumps, pipelines, wells	1,273,830	126,080	-	-	1,399,910
Motor vehicles	1,482,796	488,026	160,681	-	1,810,141
Construction in progress	2,217,742	3,877,834	-	(1,572,794)	4,522,782
	53,124,724	4,639,878	160,681	-	57,603,921
Less: accumulated depreciation	(26,445,928)	(1,549,505)	(160,681)	-	(27,834,752)
	$ 26,678,796	$ 3,090,373	$ -	$ -	$ 29,769,169

	Balances June 30, 2022	Additions	Deletions	Transfers	Balances June 30, 2023
Land	$ 1,567,774	$ -	$ -	$ -	$ 1,567,774
7th Standard plant	30,868,470	11,121	-	228,723	31,108,314
Transmission system	852,299	-	-	-	852,299
Collection system	9,312,518	-	-	901,152	10,213,670
Extraction system	49,617	-	-	-	49,617
Buildings and fixtures	1,413,529	-	-	-	1,413,529
Equipment	2,477,273	327,569	-	-	2,804,842
Office equipment	59,582	29,114	-	-	88,696
Fencing and roads	51,615	-	-	-	51,615
Pumps, pipelines, wells	1,273,830	-	-	-	1,273,830
Motor vehicles	1,517,046	-	34,250	-	1,482,796
Construction in progress	862,032	2,485,585	-	(1,129,875)	2,217,742
	50,305,585	2,853,389	34,250	-	53,124,724
Less: accumulated depreciation	(25,019,124)	(1,461,054)	(34,250)	-	(26,445,928)
	$ 25,286,461	$ 1,392,335	$ -	$ -	$ 26,678,796

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NOTES TO FINANCIAL STATEMENTS

Note 4. Pension Plan

General Information about the Pension Plan

Plan Description: The District contributes to the Kern County Employees' Retirement Association (KCERA), a cost-sharing multiple-employer defined benefit pension plan. KCERA provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to Plan members and beneficiaries. State statutes assign the authority to establish and amend benefit provisions to the Kern County Board of Supervisors. KCERA issues a publicly available financial report that includes financial statements and required supplementary information for the Plan. That report may be obtained by writing to KCERA, 11125 River Run Boulevard, Bakersfield, CA 93311 or by calling (661) 381-7700.

Benefits Provided: KCERA provides retirement, disability, cost-of-living and supplemental retirement benefits to eligible employees. All regular full-time employees of the District who work 50% or more of the regular standard hours required become members of KCERA effective on the first day of the payroll period following the date of employment.

General members (excluding Tier III) are eligible to retire once they attain the age of 70 regardless of service or at age 50 and have acquired 10 or more years of retirement service credit. A member with 30 years of service is eligible to retire regardless of age. General Tier III members are eligible to retire once they have attained age 70 regardless of service or at age 52 and have acquired five or more years of retirement service credit.

A member with five years of service, regardless of age, who becomes permanently incapacitated from the performance of duty will be eligible for a nonservice-connected disability retirement. Any member who becomes permanently incapacitated from the performance of duty as a result of an injury or disease arising out of and in the course of employment is eligible for a service-connected disability, regardless of service length or age. An active member's beneficiary is entitled to receive death benefits, which consist of accumulated contributions, plus interest, and one month's salary for each full year of service, up to a maximum of six months of salary. If a member dies after retirement, a death benefit of $5,000 is payable to the designated beneficiary(ies) or the estate. KCERA provides an annual cost-of-living benefit to all retirees. The cost-of-living adjustment, based upon the Consumer Price Index for the Los Angeles-Riverside-Orange County Area, is capped at 2.5%.

The KCERA plan provisions and benefits in effect at June 30, 2024 and 2023 are summarized as follows:

	2024	2023
Benefit formula (Tier I)	3% @ 60	3% @ 60
Benefit formula (Tier II)	1.62% @ 65	1.62% @ 65
Benefit vesting schedule	5-10 years of service	5-10 years of service
Benefit payments	Monthly for life	Monthly for life
Retirement age	50-52	50-52
Monthly benefits, as a % of eligible compensation	1.62% to 3%	1.62% to 3%
Retirement employee contribution rates	4.72% to 19.29%	4.72% to 19.29%
Required employer contribution rates	36.03% to 76.91%	36.02% to 76.64%

Contributions: The District contributes to the retirement plan based upon actuarially determined contribution rates adopted by the Board of Retirement. Employer contribution rates are adopted annually based upon recommendations received from KCERA's actuary after the completion of the annual actuarial valuation. The KCERA average employer contribution rate as of June 30, 2023 for 2022-2023 (based on the June 30, 2021 valuation) was 48.91% of compensation.

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NOTES TO FINANCIAL STATEMENTS

Members are required to make contributions to KCERA regardless of the retirement plan or tier in which they are included. The average member contribution rate as of June 30, 2023 for 2022-2023 (based on the June 30, 2021 valuation) valuation was 6.82% of compensation.

For the years ended June 30, 2024 and 2023, the contributions recognized as part of pension expense for the plan were as follows:

	2024	2023
Contributions - employer	$ 654,885	$ 562,168
Contributions - employee	$ 89,798	$ 73,748

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

As of June 30, 2024 and 2023, the District reported net pension liabilities for its proportionate share of the net pension liability of $4,975,803 and $4,935,134, respectively.

The District's net pension liability for the year ended June 30, 2024 is measured as the proportionate share of net pension liability. The net pension liability is measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2022. The District's proportion of the net pension liability was based on the actual payroll within the District membership class.

The District's proportionate share of the net pension liability as of June 30, 2024 was as follows:

	2024
Proportion - June 30, 2024	0.198%
Proportion - June 30, 2023	0.207%
Change - increase (decrease)	-0.009%

The District's net pension liability for the year ended June 30, 2023 is measured as the proportionate share of net pension liability. The net pension liability is measured as of June 30, 2022 and the total pension liability used to calculate net pension liability was determined by an actuarial valuation as of June 30, 2021. The District's proportion of the net pension liability was based on the actual payroll within the District membership class.

The District's proportionate share of the net pension liability as of June 30, 2023 was as follows:

	2023
Proportion - June 30, 2023	0.207%
Proportion - June 30, 2022	0.192%
Change - increase (decrease)	0.015%

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NOTES TO FINANCIAL STATEMENTS

For the years ended June 30, 2024 and 2023, the District recognized pension expense of $688,619 and $715,069, respectively. For the years ended June 30, 2024 and 2023, the District reported deferred outflows of resources and deferred inflows of resources to pensions from the following sources:

	2024		2023	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 654,885	$ -	$ 562,168	$ -
Differences between actual and expected experience	-	154,951	-	177,393
Changes in assumptions	351,880	-	128,537	-
Change in employer's proportion and differences between the employer's contributions and the employer's proportionate share of contributions	236,455	284,764	407,192	95,778
Net difference between projected and actual earnings on plan investments	329,518	-	302,432	-
Total	$ 1,572,738	$ 439,715	$ 1,400,329	$ 273,171

$654,885 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year ended June 30,	
2025	$ 165,287
2026	(10,743)
2027	294,980
2028	28,614
	$ 478,138

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NOTES TO FINANCIAL STATEMENTS

Actuarial Assumptions: The total pension liabilities in the June 30, 2024 and 2023 actuarial valuations were determined using the following actuarial assumptions:

	2024	2023
Valuation date	June 30, 2022	June 30, 2021
Measurement date	June 30, 2023	June 30, 2022
Actuarial cost method	Entry-Age actuarial cost method	
Actuarial assumptions:		
Discount rate	7.00%	7.25%
Inflation	2.50%	2.75%
Projected salary increase	General: 3.70% - 8.00% (a)	General: 4.00% - 8.75% (a)
Investment rate of return	7.00% (b)	7.25% (b)
Mortality	Pub-2010 Genernal Helathy Retiree Amount - Wighted Mortality Table (separate tables for males and females) with rates increased by 15% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2019, weighted 30% male and 70% female	

(a) Varies by service, including inflation
(b) Net of pension plan investment expense, including inflation

Discount Rate: The discount rates used to measure the total pension liability as of June 30, 2024 and 2023 was 7.00% and 7.25%, respectively. The projection of cash flows used to determine the discount rates assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates.

The discount rate assumptions have been developed without taking into consideration any impact of the 50/50 allocation of future excess earnings between the retirement and Supplement Retirement Benefit Reserve (SRBR) asset pools.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. These returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage, adding expected inflation and subtracting expected investment expenses and a risk margin.

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NOTES TO FINANCIAL STATEMENTS

The target allocation and projected arithmetic real rates of return for each major asset class, after deducting inflation, but before investment expenses, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	37%	7.05%
Core Fixed Income	14%	1.97%
High Yield Corporate Credit	6%	4.63%
Emerging Market Debt (Hard)	2%	4.72%
Emerging Market Debt (Local)	2%	4.53%
Commodities	4%	4.21%
Core Real Estate	5%	3.86%
Value Added Real Estate	5%	6.70%
Midstream	5%	8.00%
Capital Efficiency Alpha Pool	8%	3.10%
Hedge Fund	10%	3.10%
Private Equity	5%	10.27%
Private Credit	5%	6.97%
Cash	-8%	0.63%
Total	100%	

Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the District's proportionate share of the net pension liability, calculated using the discount rate, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	2024	2023
1% Decrease	6.00%	6.25%
Net Pension Liability	$ 7,017,861	$ 6,960,206
Current Discount Rate	7.00%	7.25%
Net Pension Liability	$ 4,975,803	$ 4,935,134
1% Increase	8.00%	8.25%
Net Pension Liability	$ 3,297,580	$ 3,269,086

Pension Plan Fiduciary Net Position - Detailed information about the plan's fiduciary net position is available in the separately issued KCERA financial reports.

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NOTES TO FINANCIAL STATEMENTS

Note 5. Designated Net Position

The Board of Directors has internally designated certain net position to be set aside for specific purposes. The net position designations, defined by the District as cash and investments segregated for these specific purposes are as follows at June 30, 2024 and 2023:

	2024	2023
Capacity fee	$ 47,744,915	$ 44,164,760
Capital improvement	18,658,786	16,658,786
Capital replacement	4,705,782	4,552,367
Operations and maintenance	1,700,000	1,700,000
Rate stabilization	300,000	300,000
	$ 73,109,483	$ 67,375,913

Note 6. City of Shafter Cost Sharing

The City of Shafter participates in certain cost sharing arrangements with the District. Under various agreements, the City of Shafter reimburses the District for its calculated share of District debt service obligations, treatment plant operating expenses and certain treatment plant and trunk sewer pipeline fixed asset additions. Amounts received by the District under these arrangements for the year ended June 30, 2024 and 2023 were as follows:

	2024	2023
Treatment plant operations cost reimbursement	$ 763,002	$ 660,531
Capital improvement project reimbursement	663,646	259,520
Additional pipeline capacity reimbursement	70,091	70,096
Debt service participation	-	75,667
	$ 1,496,739	$ 1,065,814

Note 7. Deferred Compensation

The District provides investment opportunities to all employees through an IRC 457 Deferred Compensation Plan (Plan) to defer a portion of their income, on a pre-tax basis. Employee contributions to the Plan are limited to the maximum allowed by law, and investment recordkeeping fees and mutual fund fees are levied directly against each participating employee's account balance. The District matches the first 6% contributed by employees. District contributions for the years ended June 30, 2024 and 2023 were $68,105 and $59,773, respectively.

REQUIRED SUPPLEMENTARY INFORMATION

AGENDA

NORTH OF RIVER SANITARY DISTRICT NO. 1

SCHEDULES OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
(Last Ten Years)
Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Proportion of the net pension liability	0.20%	0.21%	0.19%	0.20%	0.18%	0.17%	0.16%	0.14%	0.14%	0.13%
Proportionate share of the net pension liability	$ 4,975,803	$ 4,935,134	$ 3,632,018	$ 5,252,549	$ 4,299,655	$ 3,952,942	$ 3,708,562	$ 3,285,264	$ 3,017,365	$ 2,698,448
Covered - employee pay	$ 1,267,296	$ 1,230,032	$ 1,160,448	$ 1,149,593	$ 1,068,758	$ 1,037,184	$ 928,465	$ 869,712	$ 879,725	$ 865,760
Proportionate share of the net pension liability as a percentage of covered-employee payroll	392.63%	401.22%	312.98%	456.90%	402.30%	381.12%	399.43%	377.74%	342.99%	311.69%
Plan's fiduciary net posti	$5,386,581,194	$5,131,128,660	$5,417,513,179	$4,438,794,794	$4,345,780,060	$4,198,862,285	$3,962,895,176	$3,571,587,594	$3,625,093,939	$3,576,111,526
Plan fiduciary net position as a percentage of the total pension liability	63.49%	62.80%	74.14%	62.51%	64.59%	64.30%	62.64%	59.67%	62.20%	63.35%

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NORTH OF RIVER SANITARY DISTRICT NO. 1

SCHEDULES OF PENSION CONTRIBUTIONS (Last Ten Years)
Year Ended June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution (actuarially determined)	$ 561,099	$ 531,577	$ 478,157	$ 468,009	$ 379,444	$ 332,489	$ 293,147	$ 271,329	$ 275,505	$ 275,180
Contributions in relation to the actuarially determined contributions	561,099	531,577	478,157	468,009	379,444	332,489	293,147	271,329	275,505	275,180
Contribution deficiency	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 1,267,296	$ 1,230,032	$ 1,160,448	$ 1,149,593	$ 1,068,758	$ 1,037,184	$ 928,465	$ 869,712	$ 879,725	$ 865,760
Contributions as a percentage of covered-employee payroll	44.28%	43.22%	41.20%	40.71%	35.50%	32.06%	31.57%	31.20%	31.32%	31.78%

Notes to schedule

Valuation date:	June 30, 2022	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014	June 30, 2013
Methods and assumptions used to determine contribution rates:										
Actuarial cost method	Entry Age Actuarial Cost Method									
Amortization method	Level percent of payroll for total unfunded liability									
Remaining amortization period	12.5 years	13.5 years	14.5 years	15.5 years	16.5 years	17.5 years	18.5 years	19.5 years	20.5 years	21.5 years
Asset valuation method	Market value of assets less unrecognized returns in each of the last five years. Unrecognized returns are equal to the difference between the actual market value return and the expected returns on a market value basis and are recognized semi-annualy over a five year period. The Actuarial Value of Assets cannot be less than 50% of Market Value of Assets, nor greater than 150% of Market Value of Assets. The Actuarial Value of Assets is reduced by the value of the non-valuation reserves.									
Inflation	2.75%	2.75%	2.75%	2.75%	3.00%	3.00%	3.00%	3.25%	3.25%	3.25%
Salary increases	4.00% to 8.75%	4.00% to 8.75%	4.00% to 8.75%	4.00% to 8.75%	4.00% to 9.00%	4.00% to 9.00%	4.00% to 9.00%	4.25% to 9.25%	4.25% to 9.25%	4.25% to 9.25%
Investment rate of return	7.25%, net of pension plan investment expenses, including inflation									
Retirement age	70 or 50 with 10 years of credited service									
Mortality	Pub-2010 General Healthy Retiree Amount-Weighted Mortality Table (separate tables for males and females) with rates increased by 15% for females, projected 30 years (from 2010) with the two-dimensional mortality improvement scale MP-2019, weighted 30% male and 70% female									

OTHER INFORMATION

NORTH OF RIVER SANITARY DISTRICT NO. 1

SCHEDULES OF FUNCTIONAL EXPENSES
Years Ended June 30, 2024 and 2023

	2024	2023
Sewage treatment and disposal:		
Salaries	$ 635,986	$ 542,148
Employee benefits	493,055	518,388
Utilities	490,674	369,094
Repairs and maintenance	404,600	576,969
Chemicals and supplies	302,985	358,447
Insurance	116,538	106,133
Professional services	85,833	32,096
Permits and licenses	79,780	75,359
Other	72,289	86,947
Laboratory treatment	61,607	33,328
Engineering	24,762	78,510
Safety	9,021	5,034
	$ 2,777,130	$ 2,782,453
General and administration:		
Salaries	$ 440,786	$ 367,742
Employee benefits	367,472	359,162
Professional services	160,600	372,295
Insurance	72,244	63,756
Other	67,022	42,928
Utilities	32,182	35,253
Subscriptions and memberships	30,043	29,297
Office	15,630	15,877
Repairs and maintenance	15,603	7,083
Travel	7,886	4,608
Postage	6,891	14,377
Safety	3,848	405
	$ 1,220,207	$ 1,312,783
Sewage collection:		
Salaries	$ 476,063	$ 366,648
Employee benefits	408,978	361,119
Repairs and maintenance	177,783	176,893
Engineering	161,490	98,722
Insurance	88,530	72,989
Utilities	78,785	65,216
Other	42,562	22,550
Professional services	100	2,235
	$ 1,434,291	$ 1,166,372

DANIELLS PHILLIPS VAUGHAN & BOCK
CPAs and Advisors

Member of AICPA Division for Firms
Private Companies Practice Section

PATRICK W. PAGGI

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
North of River Sanitary District No. 1
Bakersfield, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of **North of River Sanitary District No. 1** as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise **North of River Sanitary District No. 1**'s basic financial statements, and have issued our report thereon dated December 12, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered **North of River Sanitary District No. 1**'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of **North of River Sanitary District No. 1**'s internal control. Accordingly, we do not express an opinion on the effectiveness of **North of River Sanitary District No. 1**'s internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described below to be a material weakness.

300 New Stine Road – Bakersfield, CA 93309 – Tel. 661.834.7411 – Fax. 661.834.4839 – www. dpvb.com

Finding 2024-001:

Condition: Several areas of internal control are addressed in SAS 115, *Communicating Internal Control Related Matters Identified in an Audit*, including internal control surrounding financial reporting and the need for the management of an entity to have adequate knowledge and understanding of financial reporting that it would be able to prepare its financial statements, including the footnotes, in accordance with generally accepted accounting principles. Based on the number of audit adjustments required to provide financial statements in accordance with generally accepted accounting principles it appears the District has a need to rely heavily on the auditor to prepare financial statements in accordance with generally accepted accounting principles.

Management Response: Management agrees with the above finding; however, current staffing needs do not provide for staff with this expertise.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **North of River Sanitary District No. 1**'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

North of River Sanitary District No. 1 Response to Finding

North of River Sanitary District No. 1's response to the finding in our audit is described previously. **North of River Sanitary District No. 1**'s response was not subject to the auditing procedures applied in the audit of the financial statement and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Daniells Phillips Vaughan & Bock

Bakersfield, California
December 12, 2024

AGENDA

Proceeding No. 1851

NORTH OF THE RIVER SANITARY DISTRICT NO. 1
Annexation No. 115

Report & Presentation Documents

- Report & Recommendation
- LAFCo Resolution (DRAFT)

Application Packet

- Application Form
- Plan for Providing Services
- Resolution of Application
    - NORSD Board
    - CSA 71 - Board of Supervisors
- Environmental Documentation
- Exhibit A – Legal Description
- Exhibit B – Map
- Landowner's Consent

Supporting Documentation

- Report of Assessor
- Report of Auditor
- Certificate of Filing

AGENDA

1851

BEFORE THE LOCAL AGENCY FORMATION COMMISSION

COUNTY OF KERN, STATE OF CALIFORNIA

In the Matter of NORTH OF RIVER SANITARY DISTRICT NO.1 ANNEXATION NO. 115, & COUNTY SERVICE AREA 71 DETACHMENT "W"	Proceeding No. 1851 REPORT AND RECOMMENDATION August 20, 2025

In the above-entitled matter, the staff report and the recommendation of the Executive Officer are respectfully submitted as follows:

PROPOSAL BACKGROUND AND ANALYSIS:

On April 24, 2025, an application was received for North of the River Sanitary District No. 1 (NORSD), Annexation No. 115 and County Service Area (CSA) 71 Detachment "W". The application was deemed complete on August 8, 2025. The process required by the Cortese-Knox-Hertzberg Reorganization Act of 2000 has been followed including notices to affected agencies.

This proposal is to annex into NORSD approximately 851.20 acres consisting of 4 areas:

Area A: 79.32 acres located south of Reina Road and east of Rudd Avenue
Area B: 0.25 acres located north of Petrol Road and east of Airport Drive
Area C: 0.50 acres located at the end of Ortiz Court.
Area D: 771.13 acres located north of Imperial Avenue and east of State Route 99

Area A overlaps with CSA 71. Upon notification to overlapping public agencies, CSA 71 has submitted a Resolution of Application for detachment of Area A.

The property owners have requested annexation into the NORSD for the purpose of receiving sewer service (see attached letters from owners). No development is planned as a part of this annexation. Parcels B and C are developed industrial parcels that are currently connected to the District's sewer system. Parcel A is an agricultural parcel that has proposed residential development. Parcel D is an agricultural parcel that has proposed industrial development in the future. Prior to connecting to the District's wastewater system, any future development proposal would be subject to review and approval by the appropriate permitting agency (Kern County).

Area's A, B, and C are within NORSD's current sphere of influence. Area D will require a Sphere of Influence amendment (Proceed No. 1849) and a Municipal Service Report update (Proceed No. 1850), both proceedings will be presented to the Commission prior to this request.

This proposal has 100% landowner consent, and the applicant has requested that notice, hearing, and protest hearing be waived pursuant to Gov. Code §56662.

STANDARD INDEMNITY AGREEMENT CONDITION:

The Applicant has signed an agreement to actively defend or indemnify and hold harmless the Kern County Local Agency Formation Commission or its agents, officers, and employees, from any liability or loss connected with the approval of the proposal.

ENVIRONMENTAL IMPACT STATEMENT:

The North of the River Sanitary District, as lead agency, has filed a Notice of Exemption for this proceeding.

TAXATION:

Property tax will not increase due to this annexation.

RECOMMENDATION:

It is recommended that the Commission review and consider the Notice of Exemption filed by the applicant.

It is further recommended that the Commission approve annexation No. 115 to North of the River Sanitary District No. 1, and detachment "W" from County Service Area 71, waiving notice hearing and protest hearing and subject to conditions recommended by the Executive Officer. (Resolution)

Respectfully Submitted

Blair Knox, Executive Officer

The following are the considerations required by Gov. Code §56668:

a) POPULATION AND POPULATION DENSITY; LAND AREA AND LAND USE; PER CAPITA ASSESSED VALUATION; TOPOGRAPHY, NATURAL BOUNDARIES, AND DRAINAGE BASINS; PROXIMITY TO OTHER POPULATED AREAS; THE LIKELIHOOD OF SIGNIFICANT GROWTH IN THE AREA, AND IN ADJACENT INCORPORATED AND UNINCORPORATED AREAS, DURING THE NEXT 10 YEARS.

The four areas proposed for annexation are developed. The surrounding areas are:

Area A: Agriculture, Residential
Area B: Industrial
Area C: Industrial
Area D: Industrial, Agriculture

There is no unusual topography or natural boundaries in this area. This area is served by the Tulare Lake drainage basin.

ASSESSED VALUATION: Secured: $ 15,847,475 Unsecured: $ 1,244,003

b) THE NEED FOR ORGANIZED COMMUNITY SERVICES

Essential governmental services and controls now provided, or which may be provided in the future by local governmental agencies within subject territory include the following:

Type	Now provided by:	After proposed action future needs provided by:
Planning	County of Kern	Same
Police Protection	County of Kern	Same
Fire Protection	County of Kern	Same
Streets	County of Kern	Same
Flood Control	County of Kern	Same
Sewerage	CSA 71 (Planning)	NORSD

c) THE EFFECT OF THE PROPOSED ACTION AND OF ALTERNATIVE ACTIONS ON ADJACENT AREAS, ON MUTUAL SOCIAL AND ECONOMIC INTERESTS AND ON THE LOCAL GOVERNMENTAL STRUCTURE OF THE COUNTY.

No negative impacts on the area associated with the proposed annexation have been identified. The alternative action would be to not annex leaving several properties outside the current district boundary or without sewer service.

d) THE CONFORMITY OF BOTH THE PROPOSAL AND ITS ANTICIPATED EFFECTS WITH BOTH THE ADOPTED COMMISSION POLICIES ON PROVIDING PLANNED, ORDERLY EFFICIENT PATTERNS OF URBAN DEVELOPMENT AND THE POLICIES AND PRIORITIES SET FORTH IN SECTION 56377.

The proposal is consistent with local adopted Commission policies and Government Code §56377

e) THE EFFECT OF THE PROPOSAL ON MAINTAINING THE PHYSICAL AND ECONOMIC INTEGRITY OF AGRICULTURAL LANDS AS DEFINED BY SECTION 56016

"AGRICULTURAL LANDS" MEANS LANDS CURRENTLY USED FOR THE PURPOSE OF PRODUCING AN AGRICULTURAL COMMODITY FOR COMMERCIAL PURPOSES, AND LEFT FALLOW UNDER A CROP ROTATIONAL PROGRAM OR LAND ENROLLED IN AN AGRICULTURAL SUBSIDY OR SET-ASIDE PROGRAM"

This proposal does not convert prime agricultural lands as defined by Gov. code § 56016.

f) THE DEFINITENESS AND CERTAINTY OF THE BOUNDARIES OF THE TERRITORY.

The boundary of the proposed annexation conforms to the assessor parcel and Tax Rate Area (TRA).

g) A REGIONAL TRANSPORTATION PLAN ADOPTED PURSUANT TO SECTION 65080 AND CONSISTENCY WITH CITY OR COUNTY GENERAL AND SPECIFIC PLANS

No conflicts have been identified with the County's General Plan, Regional Transportation Plan or any Specific Plans.

h) THE SPHERE OF INFLUENCE OF ANY LOCAL AGENCY WHICH MAY BE APPLICABLE TO THE PROPOSAL BEING REVIEWED

AREA NO. 12.07 (BEARDSLEY SCHOOL) COUNTY SERVICE
AREA NO. 12.08 (STANDARD SCHOOL) COUNTY SERVICE
AREA NO. 12.11 (ROSEDALE SCHOOL) COUNTY SERVICE
AREA NO. 71 (WEST BAKERSFIELD) COUNTY SERVICE
BAKERSFIELD CITY
BEARDSLEY ELEM. SCHOOL
CAWELO WATER DISTRICT
GREATER BAKERSFIELD SEPARAT.-GRADE
KERN COUNTY CITRUS PEST CONTROL DIST.
KERN COUNTY WATER AGENCY
KERN COUNTY, ZONE NO. 07 WATER AGENCY
KERN COUNTY, ZONE NO. 17 WATER AGENCY
KERN COUNTY, ZONE NO. 19 WATER AGENCY
KERN COUNTY-IMP. NO. 01 WATER AGENCY
KERN COUNTY-IMP. NO. 04 WATER AGENCY
KERN JT(14,15,26,36,54) COMM. COLLEGE
KERN JT-SFID (SAFETY,REPAIR,IMP), JT(15,36,54) COMM. COLLEGE
KERN MOSQ & VECTOR CONTRL
KERN ROAD-PERMANENT
KERN UNION HIGH SCHOOL
LERDO ELEM. SCHOOL
NO. 01 CEMETERY
NORTH BAKERSFIELD PARK & REC
NORTH OF THE RIVER MUNICIPAL WATER
NORTH OF THE RIVER NO. 01 SANITARY
ROSEDALE UNION ELEM. SCHOOL

ROSEDALE/RIO BRAVO *AC WATER STORAGE
SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DIST.
SHAFTER PARK & REC
STANDARD ELEM. SCHOOL

There will be no functional overlap with the detachment of service from CSA 71.

i) COMMENTS OF ANY AFFECTED LOCAL AGENCY OR OTHER PUBLIC AGENCY:

A notice was sent to affected local agencies. CSA 71 replied with a Resolution of Application to detach Area A. Copies of the proposal was sent to the Kern Council of Governments (Kern COG), County Assessor, County Planning and County Surveyor comments were received and used for this report.

j) THE ABILITY OF THE NEWLY FORMED OR RECEIVING ENTITY TO PROVIDE THE SERVICES WHICH ARE THE SUBJECT OF THE APPLICATION TO THE AREA, INCLUDING THE SUFFICIENCY OF REVENUES FOR THOSE SERVICES FOLLOWING THE PROPOSED BOUNDARY CHANGE.

The applicant has submitted a plan outlining the services to be provided and a will-serve letter. There is no indication that NORSD cannot provide the services as planned. (Plan for services provided in packet)

k) TIMELY AVAILABILITY OF WATER SUPPLIES ADEQUATE FOR PROJECTED NEEDS AS SPECIFIED IN GOV CODE SECTION 65352.5

The proposed annexation will not initially result in or facilitate an increase in water usage.

l) THE EXTENT TO WHICH THE PROPOSAL WILL AFFECT A CITY AND THE COUNTY IN ACHIEVING THEIR RESPECTIVE FAIR SHARE OF THE REGIONAL HOUSING NEEDS.

This proposal is expected to have no effect on the City or County in achieving their fair share of the regional housing needs.

m) ANY INFORMATION OR COMMENTS FROM THE LANDOWNER OR OWNERS, VOTERS OR RESIDENTS OF THE AFFECTED TERRITORY.

The district received letters of consent/request for annexation from the landowner(s). No other comments have been received by other landowners, residents, or voters. There are no residents on any of the four parcels.

n) ANY INFORMATION RELATING TO EXISTING LAND USE DESIGNATIONS.

This proposal is consistent with existing land use designations.

o) THE EXTENT TO WHICH THE PROPOSAL WILL PROMOTE ENVIRONMENTAL JUSTICE (FAIR TREATMENT OF PEOPLE OF ALL RACES CULTURES, AND INCOMES WITH RESPECT TO THE LOCATION OF PUBLIC FACILITIES AND THE PROVISION OF PUBLIC SERVICES).

The project does not result in unfair treatment with respect to the location of public facilities and provision of public services.

BEFORE THE LOCAL AGENCY FORMATION COMMISSION
COUNTY OF KERN, STATE OF CALIFORNIA

In the Matter of:	**Resolution No. 25-XX**
NORTH OF RIVER SANITARY DISTRICT NO. 1: ANNEXATION NO. 115 & COUNTY SERVICE AREA (CSA) 71: DETACHMENT "W"	**Proceeding No. 1851** **Minute Book 72**

I, Blair Knox, Executive Officer, of the LOCAL AGENCY FORMATION COMMISSION, COUNTY OF KERN, STATE OF CALIFORNIA, hereby certify that the following resolution, proposed by Commissioner **XXXX**, seconded by Commissioner **XXXX**, was duly adopted by the Commission at an official meeting thereof held on the **20th day of August 2025**, by the following vote:

AYE: XXXX

NAYE: XXXX

ABSTAIN: XXXX

ABSENT: XXXX

____
Blair Knox, Executive Officer

- -

RESOLUTION MAKING DETERMINATION

- - - - - - - - - - - - - - - -

Whereas, pursuant to the Government Code § 54963. et seq., meetings were held both at a physical location and by video conference to attend to any health and safety concerns of the panelist and/or participants;

Whereas, pursuant to Government code § 56658. a proposal for the annexation of territory to North of River Sanitary District No. 1 ("Applicant"), designated as Annexation No. 115 was

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initiated by Resolution of Application to the Local Agency Formation Commission of Kern County ("Commission");

Whereas, pursuant to Government code § 56662, the Applicant has requested waiver of hearing, notice and protest hearing;

Whereas, pursuant to Government code § 56079.5 the proposed territory is uninhabited;

Whereas, pursuant to Government code § 56662 (3)(b). the application for annexation has 100% land owner consent;

Whereas, pursuant to Government code § 56658. (b) all affected public agencies were notified;

Whereas, pursuant to Government code § 56665. the Executive Officer prepared a Report and Recommendation considering all the factors in conformance with Government code § 56668;

Whereas, on said 20th day of August 2025, this Commission reviewed the Notice of Exemption, adopted by the lead agency;

Whereas, the Commission is fully advised in the premises; now therefore, be it

Resolved that the Local Agency Formation Commission, County of Kern, State of California, on behalf of its members, finds and determines as follows:

1. specific reference is hereby made to all the papers, documents, files and proceedings heretofore and now taken, had and filed in this matter with particular reference to Minute Item 8/20/25-X, as appears upon the official minutes of the proceedings of this Commission;

2. all of the proceedings heretofore and now taken and had in this matter have been and now are in all respects as required by law;

3. the facts set forth in the Executive Officer Report and Recommendation presented to the Commission are true;

DRAFT

4. Notice, hearing and Protest Hearing have been waived;

5. the territory proposed to be annexed is uninhabited;

6. the application has 100% landowner consent;

7. the annexation will be in the best public interest;

8. the Notice of Exemption was considered;

9. there is hereby assigned to the territory proposed to be annexed the following distinctive short form designation, to wit: North of River Sanitary District No. 1: Annexation No. 115 & County Service Area (CSA) 71: Detachment "W";

10. the territory proposed for annexation, as approved by the Commission is all within the County of Kern, State of California, is particularly described and delineated in Exhibit "A", attached hereto and by reference made apart hereof;

11. pursuant to the authority granted by the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, said territory set forth in the Application for Proceeding on Resolution, by Legislative body, filed herein on August 15, 2025, designated as "North of River Sanitary District No. 1: Annexation No. 115 & County Service Area (CSA) 71: Detachment "W"", is hereby approved subject to the following conditions:

a. The Applicant has signed an agreement to actively defend or indemnify and hold harmless the Commission or its agents, officers, and employees, from any liability or loss connected with the approval of this proceeding.

12. the Commission authorizes and directs the Executive Officer to file and record any and all documentation required by law in regard to this proceeding.

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AGENDA

1851

KERN LOCAL AGENCY FORMATION COMMISSION

Application for Annexations, Detachments and Reorganizations

(Attach additional sheets as necessary)

Application Type: check all that apply

(•) Annexation ( ) Consolidation ( ) Detachment ( ) Dissolution ( ) Formation

( ) Incorporation ( ) Merger ( ) Name Change ( ) Reorganization ( ) Subsidiary District

1. Type of Application:

(•) Local Agency *(resolution)* ( ) Land Owner *(petition)* ( ) Registered Voter *(petition)* ( ) Other

2. Name of Application: (The name should match the title on the map and legal description)

A. List the reference name that identifies the subject agency and type of reorganization: *e.g. Annexation No. XX.* If more than one agency involved, include all agencies with corresponding reorganization reference: *e.g. Agency Name 1: Annexation No. XX, Agency Name 2: detachment X, etc...*

NORSD Annexation No. 115

B. List all proposed service and boundary changes for this application:

A boundary change to the Sanitary District by annexation affecting only eligibility for sewer service for existing developed industrial properties already connected to the District's sewer system and vacant land which is part of future development proposals through the appropriate permitting agency (Kern County). A Sphere of Influence (SOI) amendment is proposed to cover the proposed annexation Parcel D.

3. Nature of proposal: (Why is this proposal being filed?)

Annexation has been requested by property owners as follows:
Parcels B and C: annexation of developed industrial parcels already connected to the District's sewer system.
Parcel A: annexation of an undeveloped parcel which is proposed for residential development through Kern County.
Parcel D: annexation of and SOI amendment for an undeveloped parcel proposed for industrial development through Kern County.

4. Describe the acreage and general location: (description will be used on notices and publications)

A. Number of proposed areas (acres of each area) & (total acreage):

Parcel A: 79.32 acres located south of Reina Road and east of Rudd Avenue
Parcel B: 0.25 acres located north of Petrol Road and east of Airport Drive
Parcel C: 0.50 acres located at the end of Ortiz Court.
Parcel D: 771.13 acres located north of Imperial Avenue and east of State Route 99
Total = 851.20 acres

B. Describe the general location; (include streets, direction, postal address if available, and Accessor Parcel Number/s)

Parcel A: APNs 463-052-05, 463-052-06
South of Reina Road & east of Rudd Road
Parcel B: APN 483-030-19
North of Petrol Road and east of Airport Drive
Parcel C: APN 483-030-22
Address: 4808 Ortiz Ct, Bakersfield CA
End of Ortiz Court to the east side
Parcel D: East of State Route 99 and North of Imperial Avenue
APNs 482-010-01, 02, 03, 11
482-040-01, 02, 03, 04, 05
091-150-03
091-160-01, 02, 03, 09, 13, 16

5. Land Use - Present and Future:

A. Describe the current physical land use of the proposed area? E.G. vacant, residential, agriculture, etc.

Parcel A: Agriculture, Parcel B: Industrial, Parcel C: Industrial, Parcel D: Agriculture

B. Describe any planned development that would result from or be facilitated by this proposed boundary change.

No development is planned as a part of this annexation. Parcels B and C are already developed industrial parcels that are connected to the District's sewer system. Parcel A is an agricultural parcel that has proposed residential development. Parcel D is an agricultural parcel that has proposed industrial development. Prior to connecting to the District's wastewater system, any future development proposal would be subject to review and approval by the appropriate permitting agency (Kern County). Sewer system improvement plans would be required to be prepared and approved by the District along with payment of the necessary fees and charges.

C. Describe the current physical land use of the area surrounding the proposal: E.G. vacant, residential, commercial, industrial, agriculture, etc.

Parcel A: Agriculture, Residential
Parcel B: Industrial
Parcel C: Industrial
Parcel D: Industrial, Agriculture

6. Zoning - Present and Future:

A. List the existing County/City zoning land use designation/s.

Parcel A: Agriculture zoning
Parcel B: Industrial
Parcel C: Industrial
Parcel D: Agriculture zoning

B. List and attach adopted pre-zoning. (CITIES ONLY - mark attachment 6B)

N/A

7. Conformity with County and City General Plans:

A. List the existing County General Plan designation/s for the proposal area.

Parcel A: Estate Residential
Parcel B: Suburban Residential
Parcel C: General Commercial

Parcel D: Intensive Agriculture
Designations are consistent with City of Bakersfield General Plan designations where

B. List the City general plan designation for the area (CITIES ONLY).

N/A

C. Do the proposed uses conform with the above listed plans? ○ YES ○ NO

If "NO"; please explain:

N/A Proposed developments will be reviewed by the appropriate permitting agency (Kern County) for conformance with the general plan designations.

8. Criteria for Determination without Notice and Hearing (Gov. Code § 56662)

A. Is the affected area uninhabited territory? ◉ YES ○ NO

"Uninhabited territory" means territory within which there reside fewer than 12 registered voters. Gov. Code §56079.5
Provide any notations indicating possible voters. (LAFCo will verify registered voters with most current election data)

B.- PETITION

Is the petition signed by all of the owners of land within the affected territory?

OR ○ YES ○ NO

C.- RESOLUTION Do all (100%) of the Land Owner/s consent to the reorganization?

◉ YES ○ NO

If "YES"; attach letter/s of consent for each land owner (include land owner name, Assessor Parcel Number/s) or any additional documents that would be satisfactory to the commission, that all the owners of land within the affected territory have given their written consent to the proposal. Label the attachment/s 8C-1, 8C-2, etc.

D. Is the affected area uninhabited territory? ◉ YES ○ NO

"Uninhabited territory" means territory within which there reside fewer than 12 registered voters. Gov. Code §56079.5
Provide any notations indicating possible voters. (LAFCo will verify registered voters with most current election data)

9. Conformity with Spheres of influence:

Is the proposal area within the sphere of influence of the annexing agency?

○ YES ◉ NO

If "NO"; include a proposal to amend the agency's sphere of influence.

Provide the following:
(1) agency resolution/petition
(2) sphere of influence amendment application
(3) sphere of influence amendment map.

10. Impact on Agriculture:

A. Is the affected property "Agricultural Lands" as defined in Gov. Code §56016?

1) Is the affected property currently producing a commercial agricultural com
◉ YES ○ NO

2) Is the affected property fallow under a crop rotational program?
○ YES ◉ NO

3) Is the affected property enrolled in an agricultural subsidy or set-aside program?
○ YES ◉ NO

B. Is the affected property "Prime Agricultural Lands" as defined in Gov. Code §56064?
◉ YES ○ NO

If "YES" to any of A or B above; provide an explanation as to the reasoning for possible removal of the property from agriculture status.

While Parcels A and D meet the definition of "Prime Agricultural Lands", this annexation does not change the land use of the properties. Kern County has a General Plan designation of Estate Residential for Parcel A. Parcel D is adjacent to existing industrial development in the vicinity of the airport. Changing the land use and zoning would require additional development applications to be processed through the appropriate permitting agency (Kern County). Property owners have requested annexation from the District.

C. Is any portion of the property within a Land Conservation Act contract? (Williamson Act)
○ YES ◉ NO

1) If "YES"; provide the contract number and the date the contract was executed.
Contract No. Contract Date:

2) If "YES"; has a notice of non-renewal been filed? ○ YES ○ NO
Non-renewal filing Date:

D. Will the city succeed to the contract pursuant to Section 51243? (CITIES ONLY).
○ YES ○ NO

If "YES"; has County Planning been notified and agree with the modification?
○ YES ○ NO

If "YES"; please provide documentation from County Planning regarding any modification agreement.

11. Impact on Open Space:

Is the affected property Open Space land as defined in Gov. Code §65560(h)(1-6)?
○ YES ◉ NO

If "YES"; please provide an explanation as to the reasoning for possible removal of the property from open space status.

12. Relationship to Regional Housing Goals and Policies: (CITIES ONLY)

Will this proposal result in or facilitate a credit/debit towards the City's most recent Regional Housing Need Allocation (RHNA) number provided by Kern Council of Governments?
○ YES ○ NO

If "YES"; has County Planning been notified and agree with the allocation modification?
○ YES ○ NO

If "YES"; please provide documentation from County Planning regarding any RHNA allocation modification agreement.

13. Population:

B. Provide the population of residents within the affected area: 0

C. List the number of existing dwelling units within the proposal area: 0

D. Describe the type of existing dwelling units within the proposal area i.e. house, apartment, etc:
None

14. Dependability of Water Supply for Projected Needs & Existing Water Plans:

A. Will the proposal result in or facilitate an increase in water usage?

○ YES ◉ NO

If "YES"; please provide the projected amount of increase and identify any resources that would be a factor in the support of the proposal i.e. Master Water Plans, Expansion Plans, etc.
The land is currently developed and using water for agricultural irrigation or industrial use.

* If necessitated: attach a statement from the retail water purveyor that describes the timely availability of potable water supplies that will be adequate for the projected needs.

B. Is the proposal area within the boundaries of an Adjudicated Basin as per California Department of Water Resources (DWR) Bulletin 118? ○ YES ◉ NO
If "YES"; please provide the name of the Adjudicated Basin?

C. Is the proposal area within the boundaries of an identified Critically Overdraft Basin as per California Department of Water Resources (DWR) Bulletin 118? ◉ YES ○ NO
If "YES"; please provide the name of the Basin? Kern Subbasin

D. Is the proposal area within the boundaries of a Groundwater Stainability Area (GSA)?

◉ YES ○ NO

If "YES"; please provide the name of the Groundwater Stainability Area (GSA)?
Parcel A: Rosedale-Rio Bravo Water Storage District GSA, Parcels B and C: Kern Groundwater Authority GSA, Parcel D: Cawelo Water District GSA and North Kern Water Storage District GSA

E. Is the proposal area within the boundaries of a Groundwater Stainability Plan (GSP)?

◉ YES ○ NO

If "YES"; please provide the name of the Groundwater Stainability Plan (GSP)?
Kern County Subbasin GSP

15. Environmental Impact of the Proposal

A. What type of environmental document has been prepared?

- ◉ Notice of Exemption (NOE)
- ○ Negative Declaration (ND) - Include all Studies and Reports
- ○ Mitigated Negative Declaration (MND) - Include all Studies and Reports
- ○ Environmental Impact Report (EIR) - Include Full Report

If necessitated: attach the lead agency's resolution listing significant impacts anticipated from the project, mitigation measures adopted to reduce or avoid significant impacts and, if adopted, a "Statement of Overriding Considerations."
Include a copy of receipt for Fish and Game payment.

B. Who is the "lead agency" for this proposal?

Agency: North of River Sanitary District No. 1
Contact Name: Monique Roberts, AECOM
Title: District Engineer
Address: 5001 E. Commercenter Drive, Suite 100
City: Bakersfield State: CA Zip Code: 93309
email: monique.roberts@aecom.com Phone Number: 6612832349

C. Was LAFCo notified/involved with the CEQA process prior to an environmental document as identified ?

(●) YES ( ) NO

The Lead Agency's decision whether to prepare an ND, MND, or an EIR is binding on all Responsible and Trustee Agencies, except in unusual circumstances (PRC Section 21080.1(a); State CEQA Guidelines Section 15050(c)). Therefore, a Lead Agency is required to consult with and involve all Responsible and Trustee Agencies throughout the CEQA process. First, the Lead Agency must consult with Responsible and Trustee Agencies prior to determining whether a negative declaration or an EIR is required for a project (PRC Section 21080.3(a); State CEQA Guidelines Section 15063(g)). If a Lead Agency determines an EIR is required for a project, the Lead Agency must send a Notice of Preparation to all Responsible and Trustee Agencies, who will then specify to the Lead Agency "the scope and content of the environmental information that is germane to the statutory responsibilities" of that agency in connection with the proposed project and which must be included in the EIR (PRC Section 21080.4; State CEQA Guidelines Section 15082(b)).

16. Property Tax/Bonded Indebtedness

A. (✘) There will be no exchange of property tax
( ) Master property tax exchange agreement should apply. (CITIES ONLY- Provide Letter)
( ) Other agreement is to be negotiated.

B. Will the proposal area assume any existing bonded indebtedness upon annexation?

( ) YES (●) NO

If "YES"; how will the indebtedness be repaid? (e.g. property taxes, special tax, assessments, service fees):

C. Are their plans to establish any new special taxes, fees, or assessment districts in order to pay for new or extended service(s) to the proposal area?

( ) YES (●) NO

If "YES"; describe which services and status of new funding source(s):

17. Plan for Services

A. Description of services to be extended to the affected area.
(Please use Plan for Services form provided in the application packet) List the services that are to be provided by your agency and provide in detail any services's that your agency is authorized to provide but will be provided by another agency.

B. Indicate any improvements or upgrading of infrastructure regarding roads, sewers, water, facilities or other conditions that will be a result of the proposal.

None. Any improvements would be constructed as a condition of future development proposals through the appropriate permitting agency (Kern County).

C. What effects, if any, would annexation of this territory have on the existing level o city/district services (i.e. need for additional emergency service personnel or construction of new facilities, etc.)?

None

D. How will these services be financed? Include both capital improvements, maintenance and operation?

Capacity fees and service charges

E. Are any services currently being provided in the affected area that the planned (proposed) services will now be providing i.e. overlapping services?

○ YES ◉ NO

If "YES"; has the current providing agency/s been contacted and an agreement been reached regarding service delivery between all agencies involved?

○ YES ○ NO

If "YES"; please provide a "letter of overlapping agreement" or a "resolution for detachment" of the affected area or a "resolution of dissolution" of a special district, from the current service provider/s board, commission or council.

F. If detachment, indicate any services which will no longer be available to the affected area and who will take over provision of these services.

N/A

18. Services Provided by other Public Agencies

A. Are there any Cities or Special Districts whose services will require that they be annexed, detached or dissolved due to your agency providing services? (include County Service Areas) ○ YES ◉ NO

If "YES"; list public agency/ies name, type of service/s in question and specify if annexation, detachment or dissolution is required for each public agency:

Parcel A is within CSA-71

B. If "YES" to 9-A; has the public agency/ies been informed of the proposal? ○ YES ○ NO

19. Boundaries

A. Why are these particular boundaries being used?

Property owners have requested to be annexed into the District.

B. Does the proposed boundary create an island, peninsula or curricula? please provide letter of justification?

◉ YES ○ NO

If "YES"; please provide a letter of justification.

C. Is the affected area adjacent to a Disadvantaged Unincorporated Community?

○ YES ◉ NO

If "YES" and a annexation greater than ten (10) acres is proposed, please answer the following questions:

1) Has an application to annex the DUC been filed in the past five (5) years?

○ YES ○ NO

If "YES"; provide date of application:

2) Is there written evidence that a majority of registered voters within the affe territory are opposed to annexation?

◯ YES ◯ NO

If "YES"; attach documentation.

20. Final Comments

A. Describe any conditions that should be included in LAFCo's resolution of approval.

B. Provide any other comments or justifications regarding the proposal.

21. Notices and Staff Reports

List up to three persons to receive copies of the LAFCo notice of hearing and staff report.

A.	Name: Patrick Ostly	email: postly@norsd.com
	Title: General Manager	Phone:(661) 399-6411
B.	Name: Monique Roberts, AECOM	email: monique.roberts@aecom.com
	Title: District Engineer	Phone:(661) 283-2349
C.	Name:	email:
	Title:	Phone:

22. Contact Person

Who should be contacted if there are questions about this application?

A.	Name: Monique Roberts, AECOM	email: monique.roberts@aecom.com
	Title: District Engineer	Phone:(661) 283-2349

Signature Field: Roberts, Monique

Digitally signed by Roberts, Monique
DN: cn=Roberts, Monique, ou=USBKF1, email=Monique.Roberts@aecom.com
Date: 2025.01.09 12:29:08 -08'00'

SAVE FORM AS PDF OR PRINT TO PDF AND EMAIL TO:
deo@kernlafco.org or eo@kernlafco.org

LAFCo Internal Use Only

◯ Municipal Service Review on File
◯ Municipal Service Review is Current
◯ Municipal Service Review Requires Updating
◯ Master Tax Agreement on File
◯ Master Tax Agreement is Current
◯ Sphere of Influence Requires Amendment

AGENDA

PLAN FOR PROVIDING SERVICES

1851

SERVICE Only provide information on services authorized for applying district.	CURRENT PROVIDER Agency Which Presently Provides Services	BEGIN DATE City/District Will Provide Services		FINANCED Indicate How Services Provided by City/District will be Financed (i.e., general tax rate or special assessment)
		Upon Annexation	Future Date (Specify)	
Sewage	None	Parcels B and C	Parcels A and D: Upon approval of developer constructed improvements	The District utilizes service charges and connection fees to finance its operations.

AGENDA

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Please provide the following information, when applicable, only for services which will be provided by the applicant City/District.

SERVICE	**LOCATION** Indicate location from which service will be provided (i.e., nearest fire station, library, etc.)	**SERVICE LEVEL CAPACITY** Indicate frequency and availability of service (i.e. street sweeping, emergency services response time, recreation programs, etc.)
Sewage	Parcel A - Existing sewer line on Wegis Road Parcel B - Existing sewer line on Coffee Road Parcel C - Existing sewer line on N. Chester Ave	Sufficient capacity exists to service annexed areas.

RESOLUTION NO. 25-01

A RESOLUTION OF APPLICATION PROPOSING PROCEEDINGS FOR ANNEXATION OF TERRITORY TO THE NORTH OF RIVER SANITARY DISTRICT NO. 1 AS ANNEXATION NO. 115

WHEREAS, The North of River Sanitary District No. 1 desires to propose a change of organization, to wit, the annexation to the North of River Sanitary District of the hereinafter described territory, pursuant to Section 56654 of the Government Code of the State of California; and

WHEREAS, the Parcels A, B, and C of the proposed annexation territory is within and consistent with the North of River Sanitary District No. 1's Sphere of Influence Boundary; and

WHERAS, the North of River Sanitary District desires to amend its Sphere of Influence Boundary to include Parcel D of the proposed annexation and adjacent land; and

WHEREAS, the property owner(s) have agreed to annex; and

WHEREAS, The North of River Sanitary District No. 1 has agreed to serve the property upon annexation; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the North of River Sanitary District No. 1 that it finds and determines as follows;

1. That the North of River Sanitary District No. 1 hereby proposes the annexation to the North of River Sanitary District No. 1 of the territory described in EXHIBIT A and shown on map marked EXHIBIT B attached hereto and made a part of this resolution as though fully set forth herein.

2. That a plan for providing services within the affected territory of the proposed annexation in accordance with the provisions of Section 56653 of the Government Code, is Marked as EXHIBIT C, attached hereto and made a part hereof as though fully set forth herein.

3. That this proposal for change of organization, to wit, annexation, is made pursuant to the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, and it is requested that proceedings be authorized for annexation in accordance therewith.

4. That the reasons for the proposed change of organization that the owners desire service and the North of River Sanitary District No. 1 desires to provide service.

5. That the laws and regulations relating to the preparation and adoption of the environmental documents as set forth In the California Environmental Quality Act will be followed and all documents related its completion shall be submitted to Local Agency Formation Commission (LAFCO) by the District's representative.

6. That the District requests that conducting authority proceedings be waived entirely pursuant to Government Code Section 56663 for the annexation of land described in EXHIBIT A.

7. That the territory proposed for annexation as described herein has been determined to have one hundred percent (100%) consent to annexation.

8. Parcels A, B, and C proposed for annexation as described herein is within the North of River Sanitary District No. 1's Sphere of Influence Boundary.

9. The District's Sphere of Influence Boundary is requested to be amended to incorporate Parcel D proposed for annexation and adjacent land as described in the Municipal Service Review, Sphere of Influence Questionnaire, and Sphere of Influence Update Map completed by the District.

10. That the person to be furnished with copies of the Executive Officer's report and who is to be given mailed Notice of Hearing, if any, is;

    Patrick Ostly
    District Manager
    North of River Sanitary District No. 1
    204 Universe Ave.
    Bakersfield, CA 93308

11. That the appropriate North of River Sanitary District No. 1 official shall file this resolution, with exhibits, with the Executive Officer of the Local Agency Formation Commission of Kern County at 5300 Lennox Avenue, Suite 303, Bakersfield, California 93309.

I HEREBY CERTIFY, that the foregoing Resolution was passed and adopted by the Board of Directors of the North of River Sanitary District No. 1 at a regular meeting thereof held January 21 2025, by the following;

Ayes: McKibbin, Ruettgers, Murphy, Hooker, Hudson

Noes: -none-

Absent: -none-

Patrick Ostly, District Manager
North of River Sanitary District No. 1

BEFORE THE BOARD OF SUPERVISORS
COUNTY OF KERN, STATE OF CALIFORNIA

In the matter of

Resolution No 2025-135

REQUESTING THE KERN COUNTY LOCAL AGENCY FORMATION COMMISSION DETACH PROPERTY FROM COUNTY SERVICE AREA NO 71 AS PROPOSED BY THE NORTH OF RIVER SANITARY DISTRICT NO 1, ANNEXATION NO 115, REORGANIZATION

I, NANCY ANDERSON, Clerk of the Board of Supervisors of the County of Kern, State of California, certify that the following resolution, on motion of Supervisor Peters, seconded by Supervisor Couch, was duly passed and adopted by the Board of Supervisors of the County of Kern at a regular meeting on the 24th day of June, 2025, by the following vote

AYES Peters, Parlier, Flores, Couch, Perez

NOES None

ABSENT None

BOARD OF SUPERVISORS KERN COUNTY, CA

NANCY ANDERSON
County Administrative Officer
Clerk of the Board

Deputy Clerk

RESOLUTION

Section 1 WHEREAS

(a) The Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, section 56000 et seq provides, in part, that a proposal for detachment may be made by the adoption of a Resolution of application by the legislative body of any affected local agency, and

(b) The Kern County Public Works Department is in receipt of a notice from the Kern County Local Agency Formation Commission (LAFCO) of the North of River Sanitary District No 1's proposed Annexation No 115, and

(c) Some properties located within the boundary of North of River Sanitary District No 1's proposed Annexation No 115 are currently located within the boundary of County Service Area No 71, hereinafter referred to as CSA 71, for sewer planning, as identified on Exhibits "A" and "B" attached to this resolution, and

(d) Said properties, subject to proposed Annexation No 115, located within the boundary of CSA 71, should be detached from CSA 71 effective at the time and date annexation of said properties to the North of the River Sanitary District No 1 becomes effective, and

(e) Those properties identified on Exhibits "A" and "B" which currently receive sewer planning from CSA 71, should receive sewer planning and sewer service from the North of River Sanitary District No 1 upon completion of Annexation No 115

Section 2 IT IS RESOLVED by the Board of Supervisors of the County of Kern, State of California, as follows

1 This Board finds and determines that each of the matters set forth above is true and correct

2 This Resolution is made pursuant to Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, section 56000 et seq

3 LAFCO is hereby requested to detach properties from CSA 71 identified on Exhibits "A" and "B" hereto which are proposed to be annexed to the North of the River Sanitary District No 1 under Annexation No 115 and to reorganize the boundaries of CSA 71 effective at the same time and date as the annexation of the properties to the North of River Sanitary District No 1 becomes effective

4 This Board finds and determines that there are no special terms or conditions associated with this proposed detachment

5 The Clerk of the Board of Supervisors shall transmit copies of this to the following

County Administrative Office
County Counsel
Public Works, Building & Development Division

and send a certified copy of the Resolution to
Local Agency Formation Commission
Attn Executive Officer
5300 Lennox Avenue, Suite 303
Bakersfield, CA 93309

COPIES FURNISHED
SEE ABOVE
10-27-25 MK

#2830737-PWH

AGENDA

1851

RECEIVED WITH FEE
RECEIPT # 1755206

FILED
KERN COUNTY CLERK

Notice of Exemption

Appendix E

JAN 24 2025

AIMEE X. ESPINOZA
AUDITOR-CONTROLLER-COUNTY CLERK
BY M.H DEPUTY

To: Office of Planning and Research
P.O. Box 3044, Room 113
Sacramento, CA 95812-3044

County Clerk
County of: Kern
1115 Truxtun Avenue
Bakersfield, CA 93301

From: (Public Agency): North of River Sanitary District
204 Universe Avenue
Bakersfield, CA 93308
(Address)

Project Title: Annexation No. 115, Sphere of Influence Amendment

Project Applicant: North of River Sanitary District No. 1

Project Location - Specific:

Project Location - City: Bakersfield Project Location - County: Kern

Description of Nature, Purpose and Beneficiaries of Project:

The project consists of an Annexation and Sphere of Influence (SOI) Amendment. The annexation consists of two agricultural zoned parcels and two currently developed industrial parcels. The total area to be annexed is approximately 851 acres. The SOI Amendment includes approximately 1,890 acres .

Name of Public Agency Approving Project: North of River Sanitary District No. 1

Name of Person or Agency Carrying Out Project: North of River Sanitary District No. 1

Exempt Status: **(check one):**

- ☐ Ministerial (Sec. 21080(b)(1); 15268);
- ☐ Declared Emergency (Sec. 21080(b)(3); 15269(a));
- ☐ Emergency Project (Sec. 21080(b)(4); 15269(b)(c));
- ☐ Categorical Exemption. State type and section number: _____
- ☐ Statutory Exemptions. State code number: _____
- ☒ General Rule [(CCR, Sec. 15061 (b)(3)] With certainty, no possibility of a significant effect

Reasons why project is exempt:

The project is an Annexation and SOI Amendment only and does not involve ground disturbance of any kind. No change in land use is proposed as a part of the Annexation and SOI Amendment. Two parcels proposed for annexation are currently in agricultural production and two parcels are currently developed in industrial use and already connected to the District's sewer system. Land within the proposed SOI Amendment is in agricultural production. Future urban or industrial development of the agricultural properties will require a change in zoning and preparation of the appropriate CEQA documentation.

Lead Agency Contact Person: Patrick Ostly, General Manager Area Code/Telephone/Extension: 661-399-6411

If filed by applicant:

1. Attach certified document of exemption finding.
2. Has a Notice of Exemption been filed by the public agency approving the project? ▪ Yes No

Signature: _____ Date: 1-21-2025 Title: General Manager

▪ Signed by Lead Agency Signed by Applicant

Authority cited: Sections 21083 and 21110, Public Resources Code.
Reference: Sections 21108, 21152, and 21152.1, Public Resources Code.

Date Received for filing at OPR: _____

Notice of Environmental Document
Posted by County Clerk on 01-24-2025
and for 30 days thereafter, Pursuant to
Section 21152(C), Public Resources Code

25431

Revised 2011

☐

EXHIBIT "A"

NORTH OF RIVER SANITARY DISTRICT NO. 1
ANNEXATION NO. 115

BEING A DESCRIPTION OF ANNEXATION NO. 115 TO THE NORTH OF RIVER SANITARY DISTRICT NO. 1, AND BEING PORTIONS OF SECTION 15, TOWNSHIP 29 SOUTH, RANGE 26 EAST, AND SECTION 35, TOWNSHIP 28 SOUTH, RANGE 27 EAST, M.D.B.&M., IN THE UNINCORPORATED AREA OF THE COUNTY OF KERN, STATE OF CALIFORNIA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

PARCEL A:

BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 15, TOWNSHIP 29 SOUTH, RANGE 26 EAST, M.D.B.&M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 15 AS SHOWN ON TRACT NO. 6197, PHASE 1, FILED JUNE 26, 2007, IN BOOK 58 OF MAPS, AT PAGE 30 IN THE OFFICE OF THE KERN COUNTY RECORDER, SAID POINT ALSO BEING ON THE CENTERLINE OF REINA ROAD (COUNTY ROAD NO. 715); THENCE SOUTH 00°45′18″ WEST COINCIDENT WITH THE EAST LINE OF SAID SECTION 15, A DISTANCE OF 30.00 FEET TO A POINT ON THE EXISTING BOUNDARY OF SAID NORTH OF RIVER SANITARY DISTRICT NO. 1 AND THE **POINT OF BEGINNING**;

THENCE (1) CONTINUING SOUTH 00°45′18″ WEST, COINCIDENT WITH THE EAST LINE OF SAID SECTION 15, A DISTANCE OF 523.99 FEET TO A POINT ON THE CENTERLINE OF LEONARD L. ALVARADO ROAD (COUNTY ROAD NO. 513);

THENCE (2) SOUTH 89°14′42″ EAST, A DISTANCE OF 30.00 FEET TO THE EASTERLY RIGHT OF WAY LINE OF SAID LEONARD L. ALVARADO ROAD;

THENCE (3) SOUTH 00°45′18″ WEST COINCIDENT WITH THE EASTERLY RIGHT OF WAY LINE OF SAID LEONARD L. ALVARADO ROAD, A DISTANCE OF 759.28 FEET TO A POINT ON THE EASTERLY EXTENSION OF THE NORTH LINE OF SAID TRACT NO. 6197 PHASE 1;

THENCE (4) NORTH 89°18′25″ WEST COINCIDENT WITH THE NORTH LINE OF SAID TRACT NO. 6197 PHASE 1 AND EASTERLY AND WESTERLY EXTENSIONS, A DISTANCE OF 2,702.49 FEET TO THE A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF RUDD AVENUE (COUNTY ROAD NO. 835);

THENCE (5) NORTH 00°45′38″ EAST COINCIDENT WITH THE WESTERLY RIGHT-OF-WAY LINE OF SAID RUDD AVENUE, A DISTANCE OF 1,285.40 FEET TO A POINT ON THE SOUTHERLY RIGHT OF WAY OF SAID REINA ROAD, SAID POINT BEING ON THE EXISTING DISTRICT BOUNDARY;

THENCE (6) SOUTH 89°15′43″ EAST COINCIDENT WITH THE SOUTHERLY RIGHT OF WAY LINE OF SAID REINA ROAD AND EXISTING DISTRICT BOUNDARY A DISTANCE OF 2,672.36 FEET, MORE OR LESS, TO THE **POINT OF BEGINNING**;

CONTAINING 79.32 ACRES, MORE OR LESS.

PARCEL B:

BEING A PORTION OF THE NORTHEAST QUARTER OF SECTION 35, TOWNSHIP 28 SOUTH, RANGE 27 EAST, M.D.B.&M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT CENTER OF SAID SECTION 35, SAID POINT ALSO BEING THE CENTERLINE INTERSECTION OF AIRPORT DRIVE (COUNTY ROAD NO. 2390) AND PETROL ROAD (COUNTY ROAD NO. 320); THENCE COINCIDENT WITH THE CENTERLINE OF SAID PETROL ROAD, SOUTH 89°14′49″ EAST, A DISTANCE OF 991.44 FEET TO THE SOUTHEAST CORNER OF PARCEL MAP NO. 8186, FILED ON JUNE 30, 1987, IN BOOK 34 OF PARCEL MAPS, AT PAGE 139 IN THE OFFICE OF THE KERN COUNTY RECORDER, SAID POINT BEING ON THE EXISTING BOUNDARY OF SAID NORTH OF RIVER SANITARY DISTRICT NO. 1; THENCE NORTH 01°21’45″ EAST COINCIDENT WITH THE EAST LINE OF SAID PARCEL MAP NO. 8186 AND SAID EXISTING DISTRICT BOUNDARY, A DISTANCE OF 661.16 FEET TO THE NORTHEAST CORNER OF PARCEL B OF PARCEL MAP NO. 8814, FILED ON FEBRUARY 28, 1989, IN BOOK 38 OF PARCEL MAPS, AT PAGE 26 IN THE OFFICE OF THE KERN COUNTY RECORDER**,** THENCE NORTH 89°15′09″ WEST COINCIDENT WITH THE NORTH LINE OF SAID PARCEL MAP NO. 8814 AND SAID EXISTING BOUNDARY, A DISTANCE OF 50.00 FEET TO THE **POINT OF BEGINNING;**

THENCE (1) DEPARTING SAID EXISTING BOUNDARY, CONTINUING NORTH 89°15′09″ WEST COINCIDENT WITH THE NORTH LINE OF SAID PARCEL MAP NO. 8814, A DISTANCE OF 147.60 FEET TO A POINT ON SAID EXISTING BOUNDARY;

THENCE (2) NORTH 01°21′45″ EAST, A DISTANCE OF 73.79 FEET;

THENCE (3) SOUTH 89°15′09″ EAST, A DISTANCE OF 147.60 FEET;

THENCE (4) SOUTH 01°21′45″ WEST, A DISTANCE OF 73.79 FEET, MORE OR LESS, TO THE **POINT OF BEGINNING**;

CONTAINING 0.25 ACRES, MORE OR LESS.

PARCEL C:

BEING A PORTION OF THE NORTHEAST QUARTER OF SECTION 35, TOWNSHIP 28 SOUTH, RANGE 27 EAST, M.D.B.&M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT CENTER OF SAID SECTION 35, SAID POINT ALSO BEING THE CENTERLINE INTERSECTION OF AIRPORT DRIVE (COUNTY ROAD NO. 2390) AND PETROL ROAD (COUNTY ROAD NO. 320); THENCE COINCIDENT WITH THE CENTERLINE OF SAID PETROL ROAD, SOUTH 89°14′49″ EAST, A DISTANCE OF 991.44 FEET TO THE SOUTHEAST CORNER OF PARCEL MAP NO. 8186, FILED ON JUNE 30, 1987, IN BOOK 34 OF PARCEL MAPS, AT PAGE 139 IN THE OFFICE OF THE KERN COUNTY RECORDER, SAID POINT BEING ON THE EXISTING BOUNDARY OF SAID NORTH OF RIVER SANITARY DISTRICT NO. 1; THENCE NORTH 01°21’45″ EAST COINCIDENT WITH THE EAST LINE OF SAID PARCEL MAP NO. 8186 AND SAID EXISTING DISTRICT BOUNDARY, A DISTANCE OF 451.16 FEET TO THE **POINT OF BEGINNING,** SAID POINT ALSO BEING THE NORTHEAST CORNER OF PARCEL C OF PARCEL MAP NO. 8814 FILED ON FEBRUARY 28, 1989, IN BOOK 38 OF PARCEL MAPS, AT PAGE 26 IN THE OFFICE OF THE KERN COUNTY RECORDER**;**

THENCE (1) COINCIDENT WITH THE EAST LINE OF SAID PARCEL C AND SAID EXISTING DISTRICT BOUNDARY, SOUTH 01°21′45″ WEST, A DISTANCE OF 166.15 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL C;

THENCE (2) DEPARTING SAID EXISTING DISTRICT BOUNDARY, NORTH 89°14′48″ WEST, COINCIDENT WITH THE SOUTH LINE OF SAID PARCEL C, A DISTANCE OF 145.04 FEET TO THE SOUTHWEST CORNER THEREOF;

THENCE (3) COINCIDENT WITH THE WEST LINE OF SAID PARCEL C, NORTH 01°21′04″ EAST, A DISTANCE OF 67.38 FEET;

THENCE (4) NORTH 46°00′43″ EAST, A DISTANCE OF 42.68 FEET;

THENCE (5) NORTH 01°21′04″ EAST, A DISTANCE OF 68.72 FEET TO THE NORTHWEST CORNER OF SAID PARCEL C;

THENCE (6) SOUTH 89°15′09″ EAST, A DISTANCE OF 115.07 FEET, MORE OR LESS, TO THE **POINT OF BEGINNING**;

CONTAINING 0.50 ACRES, MORE OR LESS.

PARCEL D:

BEING A PORTION OF SECTIONS 24 AND 25, TOWNSHIP 28 SOUTH, RANGE 26 EAST AND SECTIONS 29 AND 30, TOWNSHIP 28 SOUTH, RANGE 27 EAST, M.D.B.&M., MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 30, SAID POINT ALSO BEING ON THE CENTERLINE OF IMPERIAL AVENUE (COUNTY ROAD NO. 1007); THENCE SOUTH 00°35′38″ WEST, A DISTANCE OF 30.00 FEET TO A POINT ON THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID IMPERIAL AVENUE, SAID POINT BEING THE **POINT OF BEGINNING;**

THENCE (1) COINCIDENT WITH THE SOUTHERLY RIGHT-OF-WAY LINE OF SAID IMPERIAL AVENUE, SOUTH 90°00′00″ WEST, A DISTANCE OF 1,597.12 FEET TO THE NORTHEASTERLY RIGHT-OF-WAY LINE OF STATE ROUTE VI-KER-99;

THENCE (2) COINCIDENT WITH THE NORTHEASTERLY RIGHT-OF-WAY LINE OF STATE ROUTE VI-KER-99, NORTH 46°33′40″ WEST, A DISTANCE OF 11,727.06 FEET TO A POINT ON THE CENTERLINE OF SAID SECTION 24;

THENCE (3) COINCIDENT WITH THE EAST-WEST CENTER SECTION LINE OF SAID SECTION 24, SOUTH 89°06′14″ EAST, A DISTANCE OF 1,814.80 FEET TO THE WEST LINE OF LOT 25 OF LERDO SUBDIVISION “A”, FILED ON DECEMBER 9, 1912, IN BOOK 2 OF MAPS, AT PAGE 54 IN THE OFFICE OF THE KERN COUNTY RECORDER;

THENCE (4) COINCIDENT WITH THE WEST LINE OF SAID LOT 25, NORTH 01°40′04″ EAST, A DISTANCE OF 698.46 FEET;

THENCE (5) SOUTH 88°39′26″ EAST, A DISTANCE OF 384.23 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY LINE OF THE LERDO CANAL;

THENCE (6) COINCIDENT WITH THE WESTERLY RIGHT-OF-WAY LINE OF SAID LERDO CANAL SOUTH 20°36′27″ EAST, A DISTANCE OF 453.15 FEET;

THENCE (7) CONTINUING COINCIDENT WITH THE WESTERLY RIGHT-OF-WAY LINE OF THE LERDO CANAL, SOUTH 34°04′39″ EAST, A DISTANCE OF 418.27 FEET;

THENCE (8) SOUTH 62°33′08″ EAST, A DISTANCE OF 608.04 FEET;

THENCE (9) SOUTH 37°47′18″ EAST, A DISTANCE OF 1,122.24 FEET;

THENCE (10) SOUTH 06°07′12″ EAST, A DISTANCE OF 403.42 FEET;

THENCE (11) SOUTH 32°11′55″ EAST, A DISTANCE OF 1,246.90 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 24;

THENCE (12) COINCIDENT WITH THE SOUTH LINE OF SAID SECTION 24 AND CONTINUING COINCIDENT WITH THE NORTH LINES OF SAID SECTION 30 AND SECTION 29, SOUTH 89°15′48″ EAST, A DISTANCE OF 6,979.61 FEET TO THE NORTHEAST CORNER OF THE WEST HALF OF THE NORTHWEST QUARTER OF SAID SECTION 29;

THENCE (13) COINCIDENT WITH THE EAST LINE OF THE WEST HALF OF SAID NORTHWEST QUARTER, SOUTH 01°02′21″ WEST, A DISTANCE OF 2,635.64 FEET TO THE SOUTHEAST CORNER THEREOF;

THENCE (14) COINCIDENT WITH THE SOUTH LINE OF SAID NORTHWEST QUARTER, NORTH 89°33′13″ WEST, A DISTANCE OF 1,339.48 FEET TO THE SOUTHWEST THEROF;

THENCE (15) COINCIDENT WITH THE EAST LINE OF SAID SECTION 30 AND EXTENSION, SOUTH 00°35′38″ WEST, A DISTANCE OF 2,615.70 FEET, MORE OR LESS, TO THE POINT OF BEGINNING;

CONTAINING 771.13 ACRES, MORE OR LESS.

ANNEXATION NO. 115 CONTAINS 851.20 TOTAL ACRES, MORE OR LESS.



11/21/2024

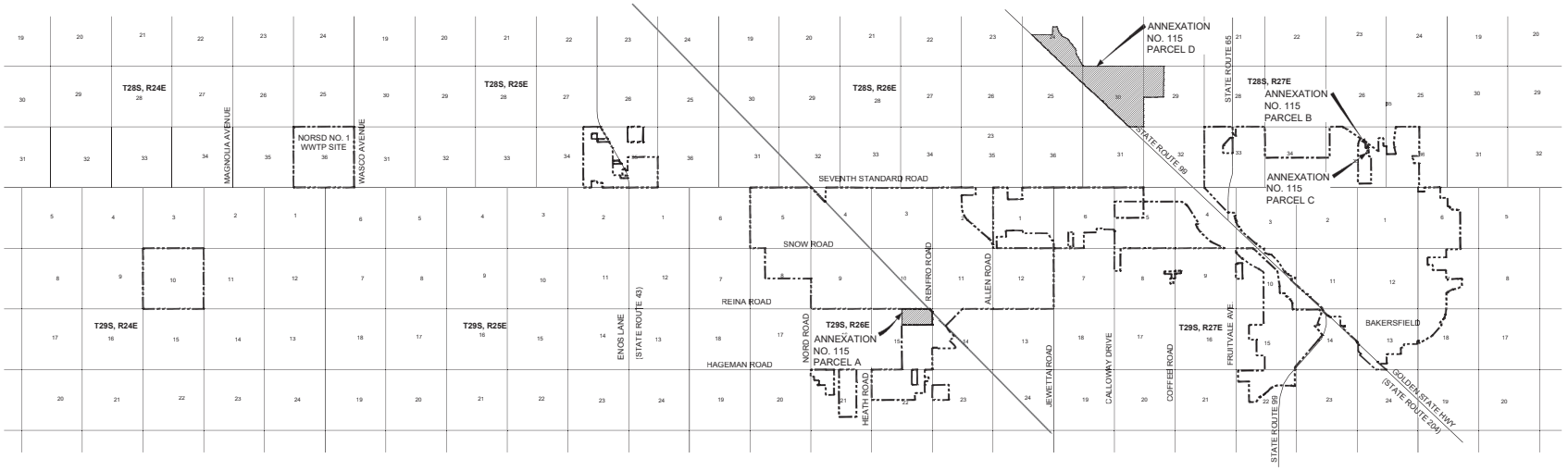
DANIEL S. CRONQUIST, PLS DATE

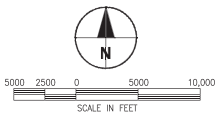
CHECKED BY
KERN COUNTY SURVEYOR'S OFFICE

2024-12-12

Approved by:

AGENDA





LEGEND

NORTH OF RIVER SANITARY DISTRICT NO. 1 BOUNDARY

ANNEXATION NO. 115 BOUNDARY

CHECKED BY
KERN COUNTY SURVEYOR'S OFFICE
2024-12-12
Approved by:

LICENSED LAND SURVEYOR
Mark S. Growney
No. 8867
SURVEYOR
STATE OF CALIFORNIA

11-11-2024
DATE

NORTH OF RIVER SANITARY DISTRICT NO. 1

ANNEXATION NO. 115
VICINITY MAP
EXHIBIT "B"

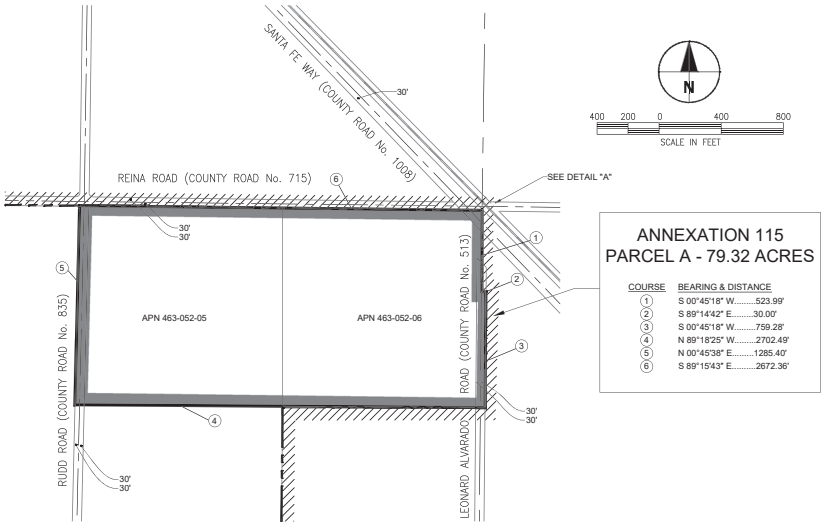
AECOM

NOVEMBER 2024

SHEET 1 OF 3

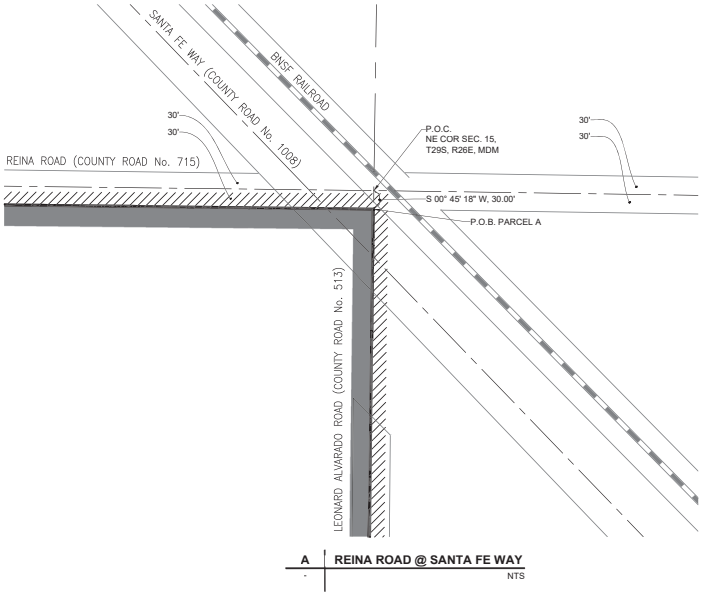
DWG: S:\NOR\60710053 - NORSD General Services 2023-24\900 CAD-GIS\910 CAD\ANNEX 115\ANNEX 115.dwg USER: GWardaszcD
DATE: Nov 11, 2024 - 9:20am WPCS

AGENDA



ANNEXATION 115
PARCEL A - 79.32 ACRES

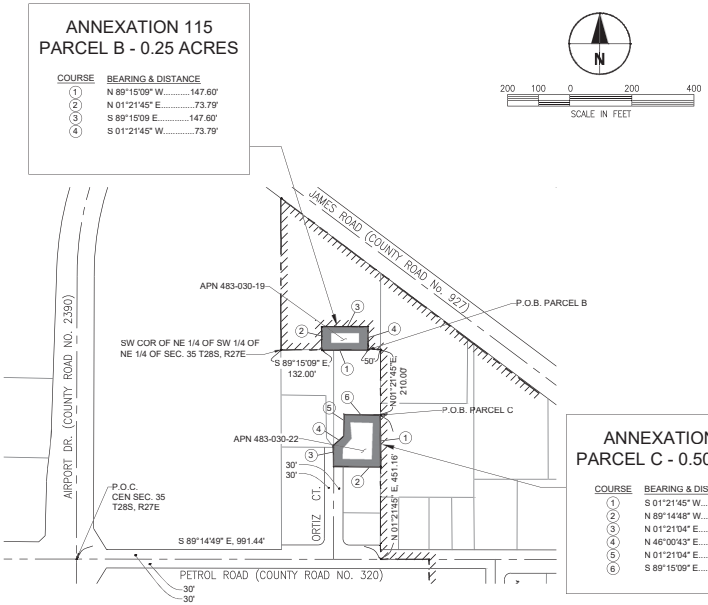
COURSE	BEARING & DISTANCE
1	S 00°45'18" W.....523.99'
2	S 89°14'42" E.....30.00'
3	S 00°45'18" W.....759.28'
4	N 89°18'25" W.....2702.49'
5	N 00°45'38" E.....1285.40'
6	S 89°15'43" E.....2672.36'



A REINA ROAD @ SANTA FE WAY
NTS

ANNEXATION 115
PARCEL B - 0.25 ACRES

COURSE	BEARING & DISTANCE
1	N 89°15'09" W.....147.60'
2	N 01°21'45" E.....73.79'
3	S 89°15'09 E.....147.60'
4	S 01°21'45" W.....73.79'



ANNEXATION 115
PARCEL C - 0.50 ACRES

COURSE	BEARING & DISTANCE
1	S 01°21'45" W.....166.15'
2	N 89°14'48" W.....145.04'
3	N 01°21'04" E.....67.38'
4	N 46°00'43" E.....42.68'
5	N 01°21'04" E.....68.72'
6	S 89°15'09" E.....115.07'

CHECKED BY
KERN COUNTY SURVEYOR'S OFFICE
2024-12-12
Approved by:

LEGEND:
- PROPOSED ANNEXATION 115 BOUNDARY
- EXISTING NORSD BOUNDARY
- P.O.B. POINT OF BEGINNING
- P.O.C. POINT OF COMMENCEMENT

LICENSED LAND SURVEYOR
JAMES S. GRONWALL
No. 8967
SURVEYOR
STATE OF CALIFORNIA

11-11-2024
DATE

NORTH OF RIVER SANITARY DISTRICT NO. 1

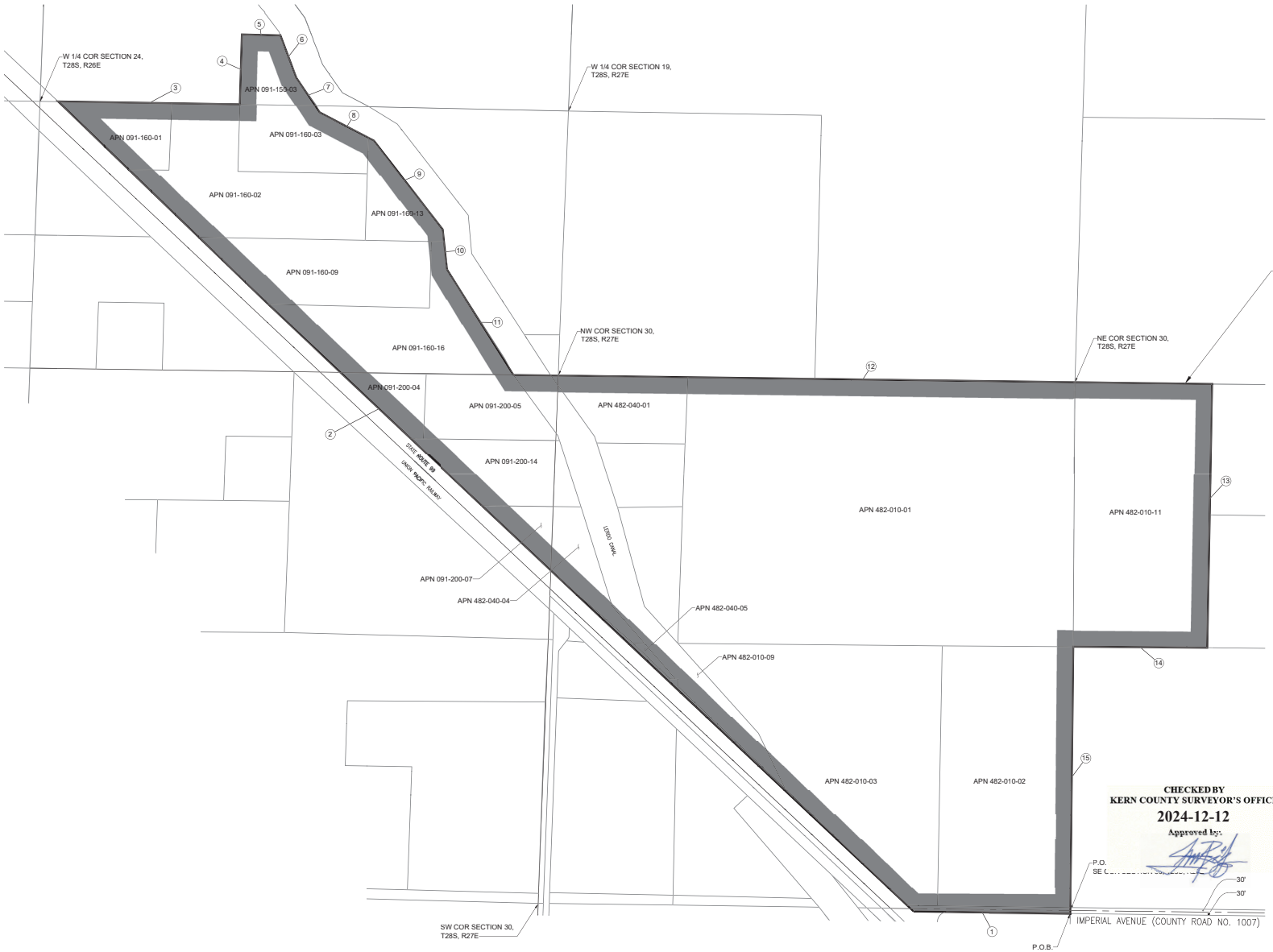
ANNEXATION NO. 115
EXHIBIT "B"

AECOM

NOVEMBER 2024
SHEET 2 OF 3

DWG: S:\M01\60710053 - NORSD General Services 2023-24\900 CAD\915\910 CAD\ANNEX 115\ANNEX 115.dwg USER: GAlvarado2D
DATE: Nov 21, 2024 - 2:04pm NORSD

AGENDA



N

500 250 0 500 1000

SCALE IN FEET

ANNEXATION 115
PARCEL D - 771.13 ACRES

COURSE	BEARING & DISTANCE
1	S 90°00'00" W.....1597.12'
2	N 46°33'40" W.....11727.06'
3	S 89°06'14" E.....1814.80'
4	N 01°40'04" E.....698.46'
5	S 88°39'26" E.....384.23'
6	S 20°36'27" E.....453.15'
7	S 34°04'39" E.....418.27'
8	S 62°33'08" E.....608.04'
9	S 37°47'18" E.....1122.24'
10	S 06°07'12" E.....403.42'
11	S 32°11'55" E.....1246.90'
12	S 89°15'48" E.....6979.61'
13	S 01°02'21" W.....2635.64'
14	N 89°33'13" W.....1339.48'
15	S 00°35'38" W.....2615.70'

LICENSED LAND SURVEYOR
JAMES S. CROMPTON
No. 6977
SURVEYOR
STATE OF CALIFORNIA

11-11-2024
DATE

CHECKED BY
KERN COUNTY SURVEYOR'S OFFICE
2024-12-12
Approved by:

LEGEND:

PROPOSED ANNEXATION 115 BOUNDARY

EXISTING NORSD BOUNDARY

P.O.B. POINT OF BEGINNING

P.O.C. POINT OF COMMENCEMENT

NORTH OF RIVER SANITARY DISTRICT NO. 1

ANNEXATION NO. 115
EXHIBIT "B"

AECOM

NOVEMBER 2024

SHEET 3 OF 3

DWG: S:\NOT\60710053 - NORSD General Services 2023-24\900 CAD-GIS\910 CAD\ANNEX 115\ANNEX 115.dwg USER: GHolmlund
DATE: Nov 11, 2024 - 9:20am NORSD

Summit Capital Ventures, Inc.

September 29, 2023
Patrick Ostly
North of River Sanitary District
204 Universe Avenue
Bakersfield, CA 93308

Re: Request for Annexation of property to North of River Sanitary District for APN: 463-052-05/Reina Rd./Rudd Road.

Dear Mr. Ostly:

This letter shall constitute the formal request to have the identified property noted below annexed to North of River Sanitary District. We understand that with written consent to annex to North of River Sanitary District; services are available to the property, at the expense of the property owner. We also request the improvement plans be reviewed at risk to the property owner and if the property in not annexed, the property owner will still be required to pay the appropriate plan check fees.

The subject property requesting to be annexed is formally identified as the Assessor's Parcel Number(s):

APN: 463-052-05 & 06

Owner of Record:

Summit Capital Ventures, Inc.

A California Coperation

By: _____
Greg Balfanz

Title: CFO

Date: 10/3/2023

Phone Number: (661) 589-0717

AGENDA



1301 James Road
Bakersfield, Ca 93308-9753
Phone: 661-399-5697, Fax: 661-399-5699
Contractor's License No. 663739

SPECIALIZING IN:

NITROGEL CAVITY SHOTS	LINER CLEANING STRING SHOTS
LINER JAR SHOTS	PAD & MAT BLASTING
CHEMICAL CUTS	SUMP SHOTS
FREEPOINT	COLLAR LOCATORS
JET CUTS	LINE CUTS
TUBING BACKOFF SHOTS	PRODUCTION LOGGING
PERFORATING	DEMOLITION

North of the River Sanitary District
204 Universe Avenue
Bakersfield, CA 93308

Re: Request for annexation

Norman Wireline requests that our property be annexed into the North of River Sanitary District.

The Property is located at 1301 James Rd, Bakersfield CA and the assessor parcel number is 483-030-19.

Thank you. James C Norman

James Charles Norman
Norman Wireline Servies, Inc.
President

AGENDA

1851

PPL Investments LLC

PPL Investment LLC
6122 Potenza Lane
Bakersfield CA 93308
661-588-7187

North of the River Sanitary District
204 Universe Ave Bakersfield CA 93308

Re: Request for Annexation

PPL Investments LLC request that our property be annexed into the North of the River Sanitary District.

The property is located at 4808 Ortiz Court Unit A, Bakersfield CA 93308 and the assessor parcel number is 483-030-22-00-4.

To document ownership of said property, attached is copy of Grant Deed.

Thank you,

Patrick Lentz

Owner

AGENDA

1851

Jon Lifquist, Assessor-Recorder
Kern County Official Records

LB
10/28/2019
08:45 AM

Recorded Electronically by:
608 Ticor Title Company

RECORDING REQUESTED BY:
Ticor Title Company

When Recorded Mail Document and Tax Statement To:
Patrick Lentz and Patricia Lentz
4808 Ortiz Court
Bakersfield, CA 93308

DOC #: 219142852

219142852

Stat Types: 1	Pages: 3
FEES	19.00
TAXES	935.00
OTHER	.00
PAID	954.00

SPACE ABOVE THIS LINE FOR RECORDER'S USE

Escrow Order No.: FTKE-3011902062

APN/Parcel ID(s): 483-030-41-00
483-030-22-00

Exempt from fee per GC 27388.1 (a) (2); recorded in connection with a transfer subject to the imposition of documentary transfer tax.

GRANT DEED

The undersigned grantor(s) declare(s)

☐ This transfer is exempt from the documentary transfer tax.
☑ **The documentary transfer tax is $935.00** and is computed on:
  ☐ the full value of the interest or property conveyed.
  ☐ the full value less the liens or encumbrances remaining thereon at the time of sale.
The property is located in ☑ an Unincorporated area.

FOR A VALUABLE CONSIDERATION, receipt of which is hereby acknowledged, Wesley Hawks and Sherry Hawks, Husand and Wife as Joint Tenants

hereby GRANT(S) to PPL Investments, LLC, a California limited liability company

the following described real property in the Unincorporated Area of the County of Kern, State of California:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF

MAIL TAX STATEMENTS AS DIRECTED ABOVE

GRANT DEED
(continued)

APN/Parcel ID(s): 483-030-41-00
483-030-22-00

Dated: July 25, 2019

IN WITNESS WHEREOF, the undersigned have executed this document on the date(s) set forth below.

Wesley D. Hawks

Sherry K. Hawks

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of Texas

County of Taylor

On September 13, 2019 before me, Tammie Blankenship Admin Assistant, Notary Public,
(here insert name and title of the officer)

personally appeared Wesley D. Hawks and Sherry K. Hawks,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Tammie Blankenship
Signature

(Seal)

TAMMIE BLANKENSHIP
Notary Public, State of Texas
Notary ID # 12490567-4
My Commission Expires
April 26, 2020

EXHIBIT "A"

Legal Description

For APN/Parcel ID(s): 483-030-41-00 and 483-030-22-00

THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE UNINCORPORATED AREA IN COUNTY OF KERN, STATE OF CALIFORNIA AND IS DESCRIBED AS FOLLOWS:

PARCEL A OF LOT LINE ADJUSTMENT NO. 152-03 AS PER THAT CERTAIN CERTIFICATE OF COMPLIANCE RECORDED MARCH 31, 2004 AS DOCUMENT NO. 0204070351 OF OFFICIAL RECORDS, BEING AN ADJUSTMENT BETWEEN PARCEL 2 OF PARCEL MAP 7121 AS PER MAP RECORDED MAY 2, 1985 IN BOOK 32, PAGE 5 OF PARCEL MAPS AND PARCEL C OF PARCEL MAP 8814 AS PER MAP RECORDED FEBRUARY 28, 1989 IN BOOK 38, PAGES 26 AND 27 OF PARCEL MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING THEREFROM ALL OIL, GAS, OTHER HYDROCARBON SUBSTANCES AND MINERALS IN OR UNDER SAID LAND, AS RESERVED IN THE DEED FROM BANKLINE OIL COMPANY, A CORPORATION RECORDED DECEMBER 19, 1945 IN BOOK 1287, PAGE 274 OF OFFICIAL RECORDS.

March xx, 2024

North of River Sanitary District
Mr. Patrick Ostly, General Manager
204 Universe Avenue
Bakersfield, CA 93308

RE: Malibu Vineyards Industrial Parkway Project
East of SR 99, between Imperial Avenue and Burbank Street

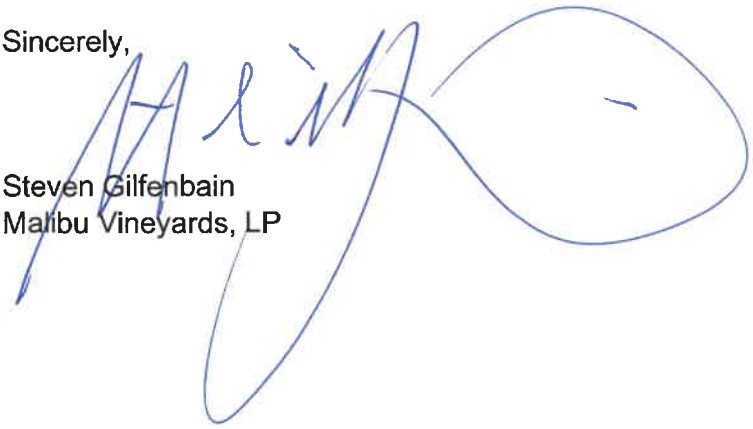
Dear Mr. Ostly,

We kindly request the North of River Sanitary District annex our project site into its service area. We ask the annexation into the District service area is processed in conjunction with the Sphere of Influence transfer through the Kern County Local Agency Formation Commission. The project site encompasses the following assessor's parcel numbers:

- 482-010-01, 02, 03, 11
- 482-040-01, 02, 03, 04, 05
- 091-150-03
- 091-160-01, 02, 03, 09, 13, 16
- 091-200-04, 05, 07, 13, 14

Also enclosed herewith is check for payment in the amount of $10,000 for processing the requested annexation. Please do not hesitate to contact me should you have any questions.

Sincerely,



Steven Gilfenbain
Malibu Vineyards, LP

June 19, 2025

Blair Knox
Executive Officer
Kern County Local Agency Formation Commission
5300 Lennox Ave, Suite 303
Bakersfield, CA 93309

JURISDICTIONAL CHANGE FOR NORTH OF THE RIVER SANITARY DISTRICT, ANNEXATION NO. 115, LAFCO PROCEEDING NO. 1851

A jurisdictional change for the North of the River Sanitary District has been filed with the Local Agency Formation Commission and is assigned LAFCo Proceeding No. 1851. It has been determined that there will be no transfer of service responsibilities with any other local agencies currently serving the area involved and accordingly that there should be no exchange of property tax revenues.

Therefore, please find attached Resolution No. 2011-119 adopted by the Kern County Board of Supervisors on May 10, 2011. If you have any questions, please feel free to contact me at (661) 868-3159.

Sincerely,

Thomas Brown
Chief Legislative & Intergovernmental Affairs Officer
Kern County Administrative Office

cc: Auditor-Controller-County Clerk

BEFORE THE BOARD OF SUPERVISORS
COUNTY OF KERN, STATE OF CALIFORNIA

In the matter of:

Resolution No. 2011-119

EXCHANGE OF PROPERTY TAX REVENUES
UPON LOCAL AGENCY JURISDICTIONAL CHANGE
FOR SPECIAL DISTRICTS WITHOUT TRANSFER OF
SERVICE RESPONSIBILITIES

I, KATHLEEN KRAUSE, Clerk of the Board of Supervisors of the County of Kern, State of California, do hereby certify that the following resolution, proposed by Supervisor Watson, seconded by Supervisor McQuiston, was duly passed and adopted by said Board of Supervisors at an official meeting hereof this 10th day of May, 2011, by the following vote, to wit

AYES: **McQuiston, Scrivner, Maggard, Watson, Goh**

NOES: **None**

ABSENT: **None**

BOARD OF SUPERVISORS KERN COUNTY, CA

KATHLEEN KRAUSE
Clerk of the Board of Supervisors
County of Kern, State of California
Karen L Wiens
Deputy Clerk

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Revenue and Taxation Code Section 99, the Kern County Local Agency Formation Commission is required to submit a Notice of Filing of LAFCO Proceeding for local agency jurisdictional changes for special districts and the Kern County Auditor-Controller-County Clerk, is required to notify the governing bodies of the local agencies involved in the area of the proposed annexation by letter, and

(b) The aforesaid Section 99 provides that in the event a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are located shall negotiate any exchange of property tax revenues on their behalf; and

(c) The County Administrative Officer, representing the Board of Supervisors, has examined the Notice of Filings and the Kern County Auditor-Controller's letter regarding the jurisdictional changes for the special districts and has found that there will be no transfer of service responsibilities with any other local agencies currently serving the area involved and accordingly that there should be no exchange of property tax revenues;

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Supervisors of the County of Kern, State of California, as follows:

1. When a determination is made by the County Administrative Officer on behalf of the Kern County Board of Supervisors that that there will be no transfer of service responsibilities with any other local agencies currently serving the area involved and accordingly that there should be no exchange of property tax revenues; then

2. The County Administrative Officer on behalf of the Board of Supervisors is directed to inform the Kern County Local Agency Formation Commission and the Kern County Auditor-Controller of the aforesaid determination by transmittal to them of a copy of this resolution.

POLANXSPECIALDISTRICT5res.docx

COPIES FURNISHED:
See above
5/12/2011 KW

AGENDA

T OF KERN COUNTY ASSESSOR

Jon Lifquist, Assessor-Recorder

Kern Local Ag
Formation Commission
5300 Lennox Ave. Suite 303
Bakersfield, CA 93309
661-716-1076
www.co.kern.ca.us/lafco/

1851

Proceeding No. 1851
In the Matter of: North of the River Sanitary District No. 01
Annexation No. 115

Date: 06-05-2025
By: Jim Isbell
GIS Programmer/Analyst

1. The number of assessment parcels within subject territory is: 27
2. Subject territory is within the following Tax Rate Area(s): See attached TRA sheet.
3. Assessed valuation: (**Attach Sheet** Breakdown) Secured: $ 15,847,475 Unsecured: $ 1,244,003
4. Do the subject territory boundaries correspond with lines of ownership in the last equalized assessment roll? ☑ YES ☐ NO
   a. List APN of non-corresponding parcels:
5. Do the subject territory boundaries correspond with lines of ownership in the current assessment roll being prepared? ☑ YES ☐ NO
   a. List APN of non-corresponding parcels:
6. Do the subject territory boundaries correspond with Tax Rate Area boundaries? ☑ YES ☐ NO
   a. List APN of non-corresponding TRA's:
7. Identify all incorporated cities who's city limit boundary is within three (3) miles of subject territory: (If none, please enter word "NONE") BAKERSFIELD, SHAFTER
8. Please **ATTACH SHEET** identifying all local *agencies* within, or partially within, the boundaries of the subject territory. (Including cities, special districts, school districts and county service areas)
9. Please **ATTACH SHEET** identifying the *parcels within* the subject territory:
   Include: Assessee name, billing name, APN, ATN, TRA, roll type, assessed values and exemptions
10. Please **ATTACH SHEET** identifying the surface *owners within* the subject territory:
    Include: Assessee name, billing name, and billing address
11. Please **ATTACH SHEET** identifying property *owners outside* the subject territory, within 300 feet:
    Include: Assessee name, billing name, and billing address
12. Additional requested information: NONE
13. Please provide comments or recommendations: NONE

TAX RATE AREAS (TRA)

001-897
057-066
085-002
085-003
085-004
085-005
085-020
116-002
116-006
121-025

ROLL	TOTAL_VALUE
1	15847475
3	0
4	1244003
6	0

SECD	15847475
UNSECD	1244003
TOTAL	17091478

AGENCY NAME

AREA NO. 12.07 (BEARDSLEY SCHOOL) COUNTY SERVICE
AREA NO. 12.08 (STANDARD SCHOOL) COUNTY SERVICE
AREA NO. 12.11 (ROSEDALE SCHOOL) COUNTY SERVICE
AREA NO. 71 (WEST BAKERSFIELD) COUNTY SERVICE
BAKERSFIELD CITY
BEARDSLEY ELEM. SCHOOL
CAWELO WATER
GREATER BAKERSFIELD SEPARAT.-GRADE
KERN COUNTY CITRUS PEST CONTROL DIST.
KERN COUNTY WATER AGENCY
KERN COUNTY, ZONE NO. 07 WATER AGENCY
KERN COUNTY, ZONE NO. 17 WATER AGENCY
KERN COUNTY, ZONE NO. 19 WATER AGENCY
KERN COUNTY-IMP. NO. 01 WATER AGENCY
KERN COUNTY-IMP. NO. 04 WATER AGENCY
KERN JT(14,15,26,36,54) COMM. COLLEGE
KERN JT-SFID (SAFETY,REPAIR,IMP), JT(15,36,54) COMM. COLLEGE
KERN MOSQ & VECTOR CONTRL
KERN ROAD-PERMANENT
KERN UNION HIGH SCHOOL
LERDO ELEM. SCHOOL
NO. 01 CEMETERY
NORTH BAKERSFIELD PARK & REC
NORTH OF THE RIVER MUNICIPAL WATER
NORTH OF THE RIVER NO. 01 SANITARY
ROSEDALE UNION ELEM. SCHOOL
ROSEDALE/RIO BRAVO *AC WATER STORAGE
SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DIST.
SHAFTER PARK & REC
STANDARD ELEM. SCHOOL

AGENDA

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TRA	ROLL	APN9	Atn	FILE_NO	USE_CODE	ASSE_NAME	IN_CARE_OF	LAND_VAL	MIN_VAL	IMP_VAL	OIFIX_VAL	PP_VAL	EX_TYPE	EX_VAL	NET_VAL
057066	1	482010113	48201011009		4300	MALIBU VINEYARDS L P		306967	0	81723	0	0		0	388690
085002	1	091150037	09115003007		4300	MALIBU VINEYARDS L P		36115	0	0	0	0		0	36115
085002	1	091160010	09116001004		4200	MALIBU VINEYARDS L P		42392	0	97367	0	0		0	139759
085002	1	091160028	09116002007		4200	MALIBU VINEYARDS L P		155403	0	351400	0	0		0	506803
085002	1	091160036	09116003000		4200	MALIBU VINEYARDS L P		69729	0	145320	0	0		0	215049
085002	1	091160093	09116009008		4210	MALIBU VINEYARDS L P		110961	0	372967	0	0		0	483928
085002	1	091160135	09116013009		4200	MALIBU VINEYARDS L P		40172	0	85463	0	0		0	125635
085002	1	091160168	09116016008		4200	MALIBU VINEYARDS L P		330851	0	570631	0	0		0	901482
085002	1	091200048	09120004013		4200	MALIBU VINEYARDS L P		28342	0	61184	0	0		0	89526
085002	1	091200055	09120005016		4200	MALIBU VINEYARDS L P		65098	0	163127	0	0		0	228225
085002	1	091200071	09120007012		4200	MALIBU VINEYARDS L P		21257	0	17765	0	0		0	39022
085002	1	091200147	09120014012		4200	MALIBU VINEYARDS L P		61344	0	133895	0	0		0	195239
085002	5	091190124	09119012005		6050	NORTH KERN WATER STORAGE DIST		0	0	0	0	0		0	0
085003	1	091200139	09120013019		4200	MALIBU VINEYARDS		9282	0	17765	0	0		0	27047
085003	1	482040045	48204004017		4200	MALIBU VINEYARDS L P		43926	0	97569	0	0		0	141495
085003	1	482040052	48204005010		0001	MALIBU VINEYARDS L P		836	0	0	0	0		0	836
085003	5	482010097	48201009004		6050	NORTH KERN WATER STORAGE DIST		0	0	0	0	0		0	0
085020	1	482010014	48201001000		4210	MALIBU VINEYARDS L P		1107430	0	1379958	0	0		0	2487388
085020	1	482010022	48201002003		4210	MALIBU VINEYARDS L P		302753	0	1252035	0	0		0	1554788
085020	1	482010030	48201003015		4210	MALIBU VINEYARDS L P		370367	0	1378920	0	0		0	1749287
085020	1	482040011	48204001018		4300	MALIBU VINEYARDS L P		60730	0	17369	0	0		0	78099
085020	1	482040029	48204002011		4300	MALIBU VINEYARDS L P		44249	0	7349	0	0		0	51598
085020	1	482040037	48204003014		4300	MALIBU VINEYARDS L P		52879	0	8683	0	0		0	61562
116002	1	463052050	46305205009		4300	SUMMIT CAPITAL VENTURES INC		2978808	0	0	0	0		0	2978808
116002	1	463052068	46305206002		4300	SUMMIT CAPITAL VENTURES INC		2988192	0	0	0	0		0	2988192
121025	1	483030193	48303019006		3010	NORMAN INVESTMENT PROPERTIES LLC		14357	0	0	0	0		0	14357
121025	1	483030227	48303022004		3100	PPL INVS LLC		136167	0	228378	0	0		0	364545
121025	4	483030227		0110165840013	1600	DWARD INC		0	0	0	6022	7260		0	13282
121025	4	483030227		0110186600014	3100	PRECISION AIR SYSTEMS INC		0	0	0	0	34480		0	34480
121025	4	483030227		0110547810012	3103	LENTZ CONSTRUCTION GEN ENG CONTRACTOR INC		0	0	0	0	1196241		0	1196241

AGENDA

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North of the River Sanitary District No. 01
Annexation No. 115

NAME & ADDRESS INSIDE SUBJECT TERRITORY

ASSE_NAME	IN_CARE_OF	ADDR_BILL1	ADDR_BILL2	ADDR_BILL3
MALIBU VINEYARDS L P		9777 WILSHIRE BL STE 900	BEVERLY HILLS CA 90212-1902	
NORMAN INVESTMENT PROPERTIES LLC		1301 JAMES RD	BAKERSFIELD CA 93308-9844	
NORTH KERN WATER STORAGE DIST		33380 CAWELO AV	BAKERSFIELD CA 93308-9575	
PPL INVS LLC		6122 POTENZA LN	BAKERSFIELD CA 93308	
SUMMIT CAPITAL VENTURES INC		8725 SWIGERT CT	BAKERSFIELD CA 93311	

AGENDA

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North of the River Sanitary District No. 01
Annexation No. 115

NAME & ADDRESS OUTSIDE OF SUBJECT TERRITORY (WITHIN 300 FEET)

ASSE_NAME	IN_CARE_OF	ADDR_BILL1	ADDR_BILL2
ALEMAN ARTURO & HERMILA		14514 PAMS WY	BAKERSFIELD CA 93314-9002
ALEXANDER TRENT & ALISON		15048 PAMS WY	BAKERSFIELD CA 93314
ANSOLABEHERE FAMILY TRUST 2022	ANSOLABEHERE BRIAN & NATALIE TTEE	PO BOX 82132	BAKERSFIELD CA 93380-2132
ARVIZU TONY		704 PETROL RD	BAKERSFIELD CA 93308-9756
BAILEY JACK D & LAURA K TR	BAILEY JACK D & LAURA K TR	7600 PETRIS AV	BAKERSFIELD CA 93308
BARTON BRYSON & LARSON ERIN A		14964 PAMS WY	BAKERSFIELD CA 93314
BELLARISSA LLC		9530 HAGEMAN RD STE B322	BAKERSFIELD CA 93312
BELLOSO EMERITA BERENICE		5400 LEONARD ALVARADO RD	BAKERSFIELD CA 93314
BROWN DEWEY J & KAREN L FAMILY TRUST	BROWN DEWEY J & KAREN L TRS	9242 CORTONA CT	BAKERSFIELD CA 93314-9805
BRYAN BRENT & CINDEE		14724 PAMS WY	BAKERSFIELD CA 93314-9033
BRYANT BRENT D & ELLEN R		14617 PAMS WY	BAKERSFIELD CA 93314-9008
BURNS LUSICH TRACY & MICHELLE		14640 PAMS WY	BAKERSFIELD CA 93314-9008
CALDASSO SMITH CHLOE & SMITH BRADLEI		15036 PAMS WY	BAKERSFIELD CA 93314
CARDENAS DALLAS & NOEMI		14928 PAMS WY	BAKERSFIELD CA 93314
CASTANEDA CARLOS SILLAS & SILLAS ANTOINETTE		15012 PAMS WY	BAKERSFIELD CA 93314
CASTRO ANTHONY LOUIS & LUCY		14903 PAMS WY	BAKERSFIELD CA 93314
CAWELO WATER DIST		17207 INDUSTRIAL FARM RD RR 1	BAKERSFIELD CA 93308
CINTORA JAIME ANTONIO JR & OLGA M		5218 LEONARD ALVARADO RD	BAKERSFIELD CA 93314
CLEVELAND BILLY J & KAREN S		14937 HENDERSON AV	BAKERSFIELD CA 93314
COLE JAMES LYNN & CATHERINE RACHEL		14803 PAMS WY	BAKERSFIELD CA 93314-9040
COUNTY OF KERN		1115 TRUXTUN AV	BAKERSFIELD CA 93301
CRYSTAL ORGANIC FARMS LLC		P O BOX 81498	BAKERSFIELD CA 93380
CUSHNYR JOSEPH A & TERESA M TRUST	CUSHNYR JOSEPH A & TERESA M TTEE	5318 LEONARD ALVARADO RD	BAKERSFIELD CA 93314
D R HORTON CA3 INC		419 W MURRAY AV	VISALIA CA 93291
DAVALOS CAROL ELYSE		14904 PAMS WY	BAKERSFIELD CA 93314
DAVIS CHRIS A & MELISSA		15060 PAMS WY	BAKERSFIELD CA 93314
DECKER JACOB WILLIAM		14915 PAMS WY	BAKERSFIELD CA 93314
DIAMOND FARMING CO	GREEN JEFF	P O BOX 81498	BAKERSFIELD CA 93380-1498
DUNCAN THOMAS & VICKI REVOCABLE TRUST	DUNCAN THOMAS & VICKI TTEES	14707 STARTHISTLE CT	BAKERSFIELD CA 93314-8132
DUNNAHOE FAMILY TRUST	DUNNAHOE JIMMY W & KELLIE G TTEE	14629 PAMS WY	BAKERSFIELD CA 93314
ELLIOTT WILLIAM & JENNIFER		14712 PAMS WY	BAKERSFIELD CA 93314-9033
ESCALANTE NICOLE		15035 PAMS WY	BAKERSFIELD CA 93314
ESLAMI SETARE		2921 MANDALAY PL	BAKERSFIELD CA 93311
FERNANDEZ LUIS GABRIEL A & MAGANA SAIRA N D		5313 EDGEFIELD ST	BAKERSFIELD CA 93314

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ASSE_NAME	IN_CARE_OF	ADDR_BILL1	ADDR_BILL2
FORRY THOMAS		5306 LEONARD ALVARADO RD	BAKERSFIELD CA 93314
FRONTIER LAND PARTNERS LLC		PO BOX 20247	BAKERSFIELD CA 93390
GARCIA DANIELLE REYES & SARAH JANE ABILON		11200 HARRIS RD APT 527	BAKERSFIELD CA 93311
GARDNER RUTHIE MICHELLE		15011 PAMS WY	BAKERSFIELD CA 93314
GATES BRANDON LEE & WOLF MELISSA ANN		5401 EDGEFIELD ST	BAKERSFIELD CA 93314
GIL MANUEL CORPAS & AMY CORPAS		15072 PAMS WY	BAKERSFIELD CA 93314
GINNELA LIVING TRUST	GINNELA YASWANTH & NAGA NANDINI TTEE	40872 CRESTON ST	FREMONT CA 94538
GORDON CARROLL & JUDITH RYAN		7008 SHAFTER RD	BAKERSFIELD CA 93313
GUIDO EDEL PURECO & PONCE LISANDRA		14713 PAMS WY	BAKERSFIELD CA 93314-9033
HANNAH ANTHONY & DEBORAH HUBER		14510 WAYNE LEE CT	BAKERSFIELD CA 93314-8398
HAWKINS CHASE & CLARISSA M		14822 PAMS WY	BAKERSFIELD CA 93314-9040
HERRMANN DAVID C & HYUN SOOK FAM TRUST	HERRMANN DAVID C & HYUN SOOK TTEE	14702 PAMS WY	BAKERSFIELD CA 93314
HOFFMAN ROBERT S & AMY L		760 PETROL RD	BAKERSFIELD CA 93308
HOFFMAN ROBERT S & AMY L		P O BOX 5541	BAKERSFIELD CA 93388
HOLDER REV LIVING TRUST	HOLDER ROGER L JR & ROBERTA TTEE	13900 ROUND MOUNTAIN RD	BAKERSFIELD CA 93308
HUDSON DANNY JR & ERIN HUDSON FAMILY TRUST	HUDSON DANNY JR & ERIN TTEES	14526 PAMS WY	BAKERSFIELD CA 93314-9002
HUERTA MIGUEL & ELIZABETH SANCHEZ		14628 PAMS WY	BAKERSFIELD CA 93314-9008
IRIBE HECTOR AMIN		5505 EDGEFIELD ST	BAKERSFIELD CA 93314
JK SMALL PROP LLC		6205 DISTRICT BL	BAKERSFIELD CA 93313-2141
JOSEPH NICOLE LEIGHANN		14940 PAMS WY	BAKERSFIELD CA 93314
KALDENBERG ASHLEY VAL A & PHILLIP GLEN		5300 LEONARD ALVARADO RD	BAKERSFIELD CA 93314
KEN SMALL CONSTRUCTION LTD	SMALL KEN	6205 DISTRICT BL	BAKERSFIELD CA 93313-2141
KUMAR FNU DINESH		5408 LEONARD ALVARADO RD	BAKERSFIELD CA 93314
LAWRENCE ROGER A		14725 PAMS WY	BAKERSFIELD CA 93314-9033
LEMUSAVILA GEOVANI & LEMUS IVONNE		15101 PAMS WY	BAKERSFIELD CA 93314
MADERA ALIA MARIE		5309 EDGEFIELD ST	BAKERSFIELD CA 93314
MADISON BLDRS INC		P O BOX 20247	BAKERSFIELD CA 93390
MAOKOSY SANYA & VICTORIA TERAN		5502 LEONARD ALVARADO RD	BAKERSFIELD CA 93314
MARTINEZ MELISSA		15059 PAMS WY	BAKERSFIELD CA 93314
MAYER CONSTANCE JEANETTE TRUST	MAYER CONSTANCE JEANETTE TRUSTEE	14811 PAMS WY	BAKERSFIELD CA 93314-9040
MAYER FREDRICK A REVOCABLE TRUST	MAYER FREDERICK A TRUSTEE	1528 DEARBORN DR	SPRINGFIELD IL 62711
MELANSON TIMOTHE & ANGELA		15100 PAMS WY	BAKERSFIELD CA 93314
MILLER RYAN J & MISTY C		15024 PAMS WY	BAKERSFIELD CA 93314
MILLS RONALD WAYNE & ADRIANNE MARIE		14810 PAMS WY	BAKERSFIELD CA 93314-9040
MING BOBBY G & KIMBERLY		14748 PAMS WY	BAKERSFIELD CA 93314-9033
MORENO AUGUSTIN B JR & COURTNEY C		14823 PAMS WY	BAKERSFIELD CA 93314-9040
MULLEN HOLLYE JUSTINE & DAVID ANTHONY		5506 LEONARD ALVARADO RD	BAKERSFIELD CA 93314
MUNOZ JACKLYNN		15000 PAMS WY	BAKERSFIELD CA 93314
MZIRP INC		1998 ROAD 152	DELANO CA 93215

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ASSE_NAME	IN_CARE_OF	ADDR_BILL1	ADDR_BILL2
MZIRP INC		31381 POND RD	MC FARLAND CA 93250
NEW STEVEN & KIMBERLY REV LIVING TRUST	NEW KIMBERLY TTEE	PO BOX 22167	BAKERSFIELD CA 93390-2167
NORMAN INVESTMENT PROPERTIES LLC		1301 JAMES RD	BAKERSFIELD CA 93308-9844
NORTH KERN WATER STORAGE DIST		33380 CAWELO AV	BAKERSFIELD CA 93308-9575
OFFILL CHRISTOPHER LEE		5409 EDGEFIELD ST	BAKERSFIELD CA 93314
ORTIZ RAYMOND JR		10009 TIMELESS ROSE CT	BAKERSFIELD CA 93311-3730
ORTIZOFTHEDALE LLC		1001 BOURNE ST	BAKERSFIELD CA 93311-3514
PARAMOUNT RANCH CO ET AL	SUN PACIFIC	33374 LERDO HW	BAKERSFIELD CA 93308
PEREZ RUDOLPHO & SARAH DIANE		14641 PAMS WY	BAKERSFIELD CA 93314-9008
PPL INVS LLC		6122 POTENZA LN	BAKERSFIELD CA 93308
QUICK JEFFREY PAUL & AMBERLYNN		15071 PAMS WY	BAKERSFIELD CA 93314
RF NUT RANCHES LLC	WONDERFUL NUT ORCHARDS LLC	6801 E LERDO HW	SHAFTER CA 93263
RICE AUSTIN		14963 PAMS WY	BAKERSFIELD CA 93314
RICE SALENA		14616 PAMS WY	BAKERSFIELD CA 93314-9008
RIVERA JUAN & TYREE KELLI L		14951 PAMS WY	BAKERSFIELD CA 93314
RODRIGUEZ ESPERANZA SANDOVAL		14703 PAMS WY	BAKERSFIELD CA 93314-9033
ROMO NOEMI		14952 PAMS WY	BAKERSFIELD CA 93314
RYAN FAMILY TRUST	RYAN GREGORY R & MARGARET TTEE	1712 W BEVERLY BL STE 201	MONTEBELLO CA 90640
SANCHEZ GABRIELA DE LA CUEVA		5301 EDGEFIELD ST	BAKERSFIELD CA 93314
SCRITCHFIELD COLEMAN WAYNE		5501 EDGEFIELD ST	BAKERSFIELD CA 93314
SIMPSON COBIE & ROLAND TRUST	SIMPSON ROLAND L & COBIE A TTEE	14927 PAMS WY	BAKERSFIELD CA 93314
SINGH MANBIR & KAUR MANPREET		14527 PAMS WY	BAKERSFIELD CA 93314-9002
SMALL GLENDA SUE		P O BOX 82286	BAKERSFIELD CA 93380
SOSA GUSTAVO ELVIN ANDY LARA		14603 PAMS WY	BAKERSFIELD CA 93314-9008
STANSBERRY CHANTEL FAITH		5405 EDGEFIELD ST	BAKERSFIELD CA 93314
STEEL JOHN & OLIVER CHARLENE		14502 PAMS WY	BAKERSFIELD CA 93314-9002
STOCKDALE PALM LP		12107 HURST PARK DR	BAKERSFIELD CA 93311
STONES RIVER TRUST	PRATT RICHARD A JR TTEE	P O BOX 20247	BAKERSFIELD CA 93390
SUMMIT CAPITAL VENTURES INC		8725 SWIGERT CT	BAKERSFIELD CA 93311-9658
TAFOYA ELISEO & MARY ELLEN MILLER		14835 PAMS WY	BAKERSFIELD CA 93314-9040
TERRILL MELISSA		14736 PAMS WY	BAKERSFIELD CA 93314-9033
TYACK JAMES IV & KAREN L TR		P O BOX 5656	BAKERSFIELD CA 93388
UNAMBA REGINALD O & UZOAMAKA CELESTINA		5312 LEONARD ALVARADO RD	BAKERSFIELD CA 93314
UNION PACIFIC R/R CO		1400 DOUGLAS ST # 1610	OMAHA NE 68179-1610
VALADEZ PRISCILLA GLORIA & ERIC		15023 PAMS WY	BAKERSFIELD CA 93314
VIGNOLO FAMILY L P		PO BOX 1270	SHAFTER CA 93263-1270
VIGNOLO FARM T I LLC		PO BOX 1270	SHAFTER CA 93263
WHITE ERIC & KAREN		14737 PAMS WY	BAKERSFIELD CA 93314-9033
WOOD SUSAN E REVOCABLE TRUST	WOOD SUSAN E TRUSTEE	5888 OHE ST	KAPAA HI 96746-9661

AGENDA

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ASSE_NAME	IN_CARE_OF	ADDR_BILL1	ADDR_BILL2
WOOLLY BILLY D & EARLYNNE F FAM TRUST	WOOLLY BILLY & EARLYNNE TRUSTEE	14602 PAMS WY	BAKERSFIELD CA 93314-9008
YOUNG KRISTINA NICOLE & AUGUST		14916 PAMS WY	BAKERSFIELD CA 93314
ZARAGOZA JUAN JR		13801 SAN LAZARO AV	BAKERSFIELD CA 93314

AGENDA

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PROCEEDING No. 1851 **Date:** 06-05-2025

In the matter of: North of the River Sanitary District No. 01
Annexation No. 115

Total Assessed Value for Annexation
Before Exemptions: $17,091,478

Breakdown of Value per TRA:

TRA	Secured AV	Unsecured AV	Subv Exmpt AV	NonSubv Exmpt AV
001-897	$0	$0	$0	$0
057-066	$388,690	$0	$0	$0
085-002	$2,960,783	$0	$0	$0
085-003	$169,378	$0	$0	$0
085-004	$0	$0	$0	$0
085-005	$0	$0	$0	$0
085-020	$5,982,722	$0	$0	$0
116-002	$5,967,000	$0	$0	$0
116-006	$0	$0	$0	$0
121-025	$378,902	$1,244,003	$0	$0

AGENDA

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KERN COUNTY / ASSESSOR RECORDER

Laura Avila
Kern County Assessor-Recorder

Memorandum

TO: Aimee X. Espinoza
Auditor-Controller-County Clerk
Attention: Janelle Austin

Date: 06-05-2025

FROM: Laura Avila, Kern County Assessor-Recorder
by: Jim Isbell, GIS Programmer/Analyst

SUBJECT: Jurisdictional Changes
RE: North of the River Sanitary District No. 01
Annexation No. 115

Here is a copy of our report to LAFCO RE: Proceeding No. 1851 together with a report to you showing the breakdown of both Secured & Unsecured AV per TRA . Also included & itemized, are any Exemption Values, if applicable.

Values are Gross, unless noted.

If you require any additional information, please let us know.

June 19, 2025

Blair Knox
Executive Officer
Kern County Local Agency Formation Commission
5300 Lennox Ave, Suite 303
Bakersfield, CA 93309

JURISDICTIONAL CHANGE FOR NORTH OF THE RIVER SANITARY DISTRICT, ANNEXATION NO. 115, LAFCO PROCEEDING NO. 1851

A jurisdictional change for the North of the River Sanitary District has been filed with the Local Agency Formation Commission and is assigned LAFCo Proceeding No. 1851. It has been determined that there will be no transfer of service responsibilities with any other local agencies currently serving the area involved and accordingly that there should be no exchange of property tax revenues.

Therefore, please find attached Resolution No. 2011-119 adopted by the Kern County Board of Supervisors on May 10, 2011. If you have any questions, please feel free to contact me at (661) 868-3159.

Sincerely,

Thomas Brown
Chief Legislative & Intergovernmental Affairs Officer
Kern County Administrative Office

cc: Auditor-Controller-County Clerk

BEFORE THE BOARD OF SUPERVISORS
COUNTY OF KERN, STATE OF CALIFORNIA

In the matter of:

Resolution No. 2011-119

EXCHANGE OF PROPERTY TAX REVENUES
UPON LOCAL AGENCY JURISDICTIONAL CHANGE
FOR SPECIAL DISTRICTS WITHOUT TRANSFER OF
SERVICE RESPONSIBILITIES

I, KATHLEEN KRAUSE, Clerk of the Board of Supervisors of the County of Kern, State of California, do hereby certify that the following resolution, proposed by Supervisor Watson, seconded by Supervisor McQuiston, was duly passed and adopted by said Board of Supervisors at an official meeting hereof this 10th day of May, 2011, by the following vote, to wit

AYES: **McQuiston, Scrivner, Maggard, Watson, Goh**

NOES: **None**

ABSENT: **None**

BOARD OF SUPERVISORS KERN COUNTY, CA

KATHLEEN KRAUSE
Clerk of the Board of Supervisors
County of Kern, State of California
Karen L Wiens
Deputy Clerk

RESOLUTION

Section 1. WHEREAS:

(a) Pursuant to Revenue and Taxation Code Section 99, the Kern County Local Agency Formation Commission is required to submit a Notice of Filing of LAFCO Proceeding for local agency jurisdictional changes for special districts and the Kern County Auditor-Controller-County Clerk, is required to notify the governing bodies of the local agencies involved in the area of the proposed annexation by letter, and

(b) The aforesaid Section 99 provides that in the event a jurisdictional change would affect the service area or service responsibility of one or more special districts, the board of supervisors of the county or counties in which the districts are located shall negotiate any exchange of property tax revenues on their behalf; and

(c) The County Administrative Officer, representing the Board of Supervisors, has examined the Notice of Filings and the Kern County Auditor-Controller's letter regarding the jurisdictional changes for the special districts and has found that there will be no transfer of service responsibilities with any other local agencies currently serving the area involved and accordingly that there should be no exchange of property tax revenues;

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Supervisors of the County of Kern, State of California, as follows:

1. When a determination is made by the County Administrative Officer on behalf of the Kern County Board of Supervisors that that there will be no transfer of service responsibilities with any other local agencies currently serving the area involved and accordingly that there should be no exchange of property tax revenues; then

2. The County Administrative Officer on behalf of the Board of Supervisors is directed to inform the Kern County Local Agency Formation Commission and the Kern County Auditor-Controller of the aforesaid determination by transmittal to them of a copy of this resolution.

POLANXSPECIALDISTRICT5res.docx

COPIES FURNISHED:
See above
5/12/2011 KW

AGENDA

1851

KERN

LOCAL AGENCY FORMATION COMMISSION

Certificate of Filing

In the Matter of:	Proceeding No. 1851
North of the River Sanitary District No. 1: Annexation No. 115 & Sphere of Influence: Amendment & County Service Area 71: Zone of Benefit Divestiture	

I, Blair Knox, Executive Officer of the Local Agency Formation Commission of the County of Kern, hereby certify that:

A proposal referenced and described above has been submitted to me and it has been found that:

- the proposal was initiated by a Resolution of Application; (G.C. §56650)
- the proposed territory has been found to be uninhabited; (G.C. §56046)
- all application contents as prescribed by law are presented; (G.C. §56652)
- all affected agencies have been notified; and (G.C. §56658)

It has been established that the application contains the information and data requested and required by this Commission and has been **accepted** for filing on 08 August, 2025 (G.C. §56651)

Date of Hearing: Wednesday, 20 August, 2025

Time of Hearing: 5:15 PM

Place of Hearing: Kern Council of Governments (KernCOG)
1401 19th Street Suite #300
Bakersfield, CA 93301

Affected/Noticed Public Agencies:

Beardsley School District, Bureau of Reclamation, Cawelo Water District, City of Bakersfield, City of Shafter, County Community on School District Organization, Farm Bureau, Golden Empire Transit District, Greater Bakersfield Separation of Grade District, Kern COG, Kern Community College District, Kern County, Kern County Citrus Pest Control District, Kern County Clerk of the Board, Kern Mosquito and Vector Control District, Kern Union High School District, Minter Field Airport District, North Kern Water Storage District, North of the River Municipal Water District, North of the River Recreation and Parks District, Public Cemetery District No. 1, Richland School District, Rosedale Union Elem. School, Rosedale-Rio Bravo Water Storage District, San Joaquin Valley Air Pollution Control District, Shafter Recreation and Parks District, Standard Elem. School, Superintendent of Schools

This Certificate of Filing is issued pursuant to California Government Code §56658 (f). All time requirements for processing and consideration of this application specified by state law and the rules and regulations of this Commission shall become effective on the date of issuance of this certificate.

Blair Knox Digitally signed by Blair Knox
Date: 2025.08.08 16:25:25 -07'00'

Blair Knox, Executive Officer

AGENDA

Kern County Local Agency Formation Commission
Monthly Expenses
Month: May Year: 2025
Submitted to Accounts Payable: June 12, 2025

25-05

Date Invoiced	Date Submitted to AP	Invoice #	Name	Address	Description/ Purpose	Amount Owed	Expense Code
5/28/2024	6/12/2025	LAFCo	Crown Point Investments, Inc. c/o M.D. Atkinson Company, Inc.	1401 19th. St., Suite 400 Bakersfield, CA 93301	Lease Payment/Operating Expense	$ 3,511.49	7650
5/20/2025	6/12/2025	LAFCo	Crown Point Investments, Inc. c/o M.D. Atkinson Company, Inc.	1401 19th. St., Suite 400 Bakersfield, CA 93301	Lease Payment/Operating Expense	$ 1,210.50	7650
6/2/2025	6/12/2025	7783	Rival Technology, Inc.	1508 18th St., Ste. 222, Bakersfield, CA 93301	IT Services	$ 856.05	7500
5/28/2025	6/12/2025	7760	Rival Technology, Inc.	1508 18th St., Ste. 222, Bakersfield, CA 93301	2 New Desktops & Bud's New Laptop	$ 10,779.70	7450
6/5/2025	6/12/2025	H47835	SDRMA	PO Box 15677 Sacramento CA 95852	Insurance Premium-Medical & Ancillary	$ 3,888.17	6510
5/31/2025	6/12/2025	6331804	Shinault Baker & Company	P. O. Box 580 Bakersfield CA 93302	Payroll/Accounts Payable Svcs & Audit Support Svcs	$ 945.33	7500
6/2/2025	6/12/2025	May	Thomas Schroeter	254 H St. Bakersfield, CA 93304	Legal Services	$ 1,764.00	7500
5/28/2025	6/12/2025	109898	Bakersfield Californian	4900 California Ave Ste. 100A, Bakersfield, CA 93309	Budget Publication	$ 348.72	7600
6/3/2025	6/12/2025	11 & 12	Rochelle Munoz	5200 Claire Street Bakersfield, CA 93307	HRA Accounting	$ 180.00	7500
5/28/2025	6/12/2025	3608	San Bernardino LAFCo	1601 East 3rd Street, Suite 102, San Bernardino, CA 92415-0490	Reimbursement of Services - Voter Certification EKHD-02	$ 101.26	7450
May			Kern County		Journal Vouchers	$377.51	
5/22/2025			Credit Card Statement			1,026.71	
May			May Payroll			29,471.69	
5/21/2025			Commission Stipend			$1,049.20	
MAY			Travel Reimbursement			1,430.92	
					MONTHLY TOTAL	**$ 56,941.25**	

AGENDA

U.S. Bank

P.O. BOX 6343
FARGO ND 58125-6343

ACCOUNT NUMBER	[redacted]
STATEMENT DATE	05-22-2025
AMOUNT DUE	$1,026.71
NEW BALANCE	$1,026.71

PAYMENT DUE ON RECEIPT

000000628 01 SP 106481357542738 P

LOCAL AGNCY FORMATION CO
BLAIR KNOX
LOCAL AGENCY FORMATION COMM
5300 LENNOX AVENUE SUITE 303
BAKERSFIELD CA 93309-1662

AMOUNT ENCLOSED
$

Please make check payable to"U.S. Bank"

U.S. BANK CORPORATE PAYMENT SYSTEMS
P.O. BOX 790428
ST. LOUIS, MO 63179-0428

[redacted]

Please tear payment coupon at perforation.

CORPORATE ACCOUNT SUMMARY

LOCAL AGNCY FORMATIO [redacted]	Previous Balance	Purchases And Other + Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
Company Total	$2,290.80	$1,450.07	$0.00	$.00	$0.00	$423.36	$2,290.80	$1,026.71

CORPORATE ACCOUNT ACTIVITY

LOCAL AGNCY FORMATION CO [redacted]

TOTAL CORPORATE ACTIVITY
$2,290.80 CR

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-25	04-25	74798265115000000000358	ELECTRONIC PYMT THANK YOU00000 A	2,290.80 PY

NEW ACTIVITY

PATTY MENCHACA [redacted]

CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
$423.36	$356.20	$0.00	$67.16 CR

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-28	04-25	24202985115030039745721	PORTERVILLE RECORDER 559-784-5000 CA	278.26
04-29	04-24	74755425118261150914099	TEMECULA CREEK INN FD 951-6941000 CA 126494 ARRIVAL: 04-24-25	211.68 CR
04-29	04-24	74755425118261150914362	TEMECULA CREEK INN FD 951-6941000 CA 126495 ARRIVAL: 04-24-25	211.68 CR

CUSTOMER SERVICE CALL

800-344-5696

ACCOUNT NUMBER

[redacted]

STATEMENT DATE	DISPUTED AMOUNT
05/22/25	.00

SEND BILLING INQUIRIES TO:

U.S. Bank National Association

C/O U.S. Bancorp Purchasing Card Program
P.O. Box 6335
Fargo, ND 58125-6335

AMOUNT DUE

1,026.71

ACCOUNT SUMMARY

PREVIOUS BALANCE	2,290.80
PURCHASES & OTHER CHARGES	1,450.07
CASH ADVANCES	.00
CASH ADVANCE FEES	.00
LATE PAYMENT CHARGES	.00
CREDITS	423.36
PAYMENTS	2,290.80
ACCOUNT BALANCE	**1,026.71**

AGENDA

Company Name: LOCAL AGNCY FORMATION CO
Corporate Account Number: [redacted]
Statement Date: 05-22-2025

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
05-20	05-19	24692165139105265906649	AMAZON MKTPL*NW18672S0 AMZN.COM/BILL WA	77.94
			Department: 00000 Total:	$67.16CR
			Division: 00000 Total:	$67.16CR

BLAIR KNOX [redacted]

CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
$0.00	$1,093.87	$0.00	$1,093.87

Post Date	Tran Date	Reference Number	Transaction Description	Amount
04-30	04-29	24692165119109702333874	PRIMO BRANDS/WATERSERV 800-274-5282 CA	11.48
05-02	05-01	24692165121101768136933	SPECTRUM 855-707-7328 MO	301.25
05-05	05-04	24692165124101339989494	SQ *CLEAN BRIGHT GOSQ.COM CA	155.85
05-05	05-04	24692165124101354350838	SQ *CLEAN BRIGHT GOSQ.COM CA	155.85
05-09	05-08	24692165128105051193504	VZWRLSS*APOCC VISW 800-922-0204 FL	114.59
05-13	05-12	24692165132108943492682	INTUIT *QBOOKS ONLINE CL.INTUIT.COM CA	139.00
05-19	05-17	24692165138103857633367	SQ *CLEAN BRIGHT GOSQ.COM CA	155.85
05-22	05-21	24493985142107638238467	ACE PARKING 3109 SACRAMENTO CA	60.00
			Department: 00000 Total:	$1,093.87
			Division: 09402 Total:	$1,093.87

AGENDA

Kern County Local Agency Formation Commission Monthly Expenses
Month: June Year: 2025
Submitted to Accounts Payable: July 12, 2025

25-06

Date Invoiced	Date Submitted to AP	Invoice #	Name	Address	Description/ Purpose	Amount Owed	Expense Code
6/20/2025	7/12/2025	LAFCo	Crown Point Investments, Inc. c/o M.D. Atkinson Company, Inc.	1401 19th. St., Suite 400 Bakersfield, CA 93301	Lease Payment/Operating Expense	$ 3,533.77	7650
6/2/2025	7/12/2025	575 & 590	1-Twenty One Security	3004 Boulder Lane, Bakersfield, CA 93309	Security Services	$ 195.00	7500
6/2/2025	7/12/2025	7783	Rival Technology, Inc.	1508 18th St., Ste. 222, Bakersfield, CA 93301	IT Services	$ 896.05	7500
6/5/2025	7/12/2025	H47992	SDRMA	PO Box 15677 Sacramento CA 95852	Insurance Premium-Medical & Ancillary	$ 5,698.29	6510
6/30/2025	7/12/2025	6331804	Shinault Baker & Company	P. O. Box 580 Bakersfield CA 93302	Payroll/Accounts Payable Svcs & Audit Support Svcs	$ 945.33	7500
6/30/2025	7/12/2025	June	Thomas Schroeter	254 H St. Bakersfield, CA 93304	Legal Services	$ 1,377.00	7500
7/1/2024	7/12/2025	100000017970173	CALPERS	PO Box 942715 Sacramento CA 94229	Unfunded Accrued Liability, Plan 851	$ 90,031.00	6430
7/1/2024	7/12/2025	100000017970183	CALPERS	PO Box 942715 Sacramento CA 94229	Unfunded Accrued Liability, PERPA 27384	$ 2,437.00	6430
7/3/2024	7/12/2025	100000017974158	CALPERS	PO Box 942715 Sacramento CA 94229	Lump Sum Payment for Unfunded Liability	$ 73,000.00	6430
7/1/2025	7/12/2025	1114	Five Pillars & Associtates, LLC	6216 Manchester Lane, Bakersfield, CA 93309	Strategic Plan Facilitator Service - DISC Assessment	$ 3,300.00	7500
6/16/2025	7/12/2025	13	Rochelle Munoz	5200 Claire Street Bakersfield, CA 93307	HRA Accounting	$ 90.00	7500
6/5/2024	7/12/2025	77983	SDRMA	PO Box 942703 Sacramento CA 94229-2703	Insurance Premium-Property/General Liability	$ 7,772.18	6900
6/5/2024	7/12/2025	78453	SDRMA	PO Box 942703 Sacramento CA 94229-2703	Insurance Premium-Workers Comp	$ 1,777.63	6600
June			Kern County		Journal Vouchers	$ 768.16	
6/23/2025			Credit Card Statement			$ 5,748.00	
6/1/2025			June Payroll			$ 28,289.42	
6/18/2025			Commission Meeting Stipends			$ 989.60	
June			Travel Reimbursement			$ 1,053.73	
June			HRA Reimbursement			$ 14,015.78	
					MONTHLY TOTAL	**$ 241,917.94**	

AGENDA

usbank

P.O. BOX 6343
FARGO ND 58125-6343

ACCOUNT NUMBER	[redacted]
STATEMENT DATE	06-23-2025
AMOUNT DUE	$5,748.00
NEW BALANCE	$5,748.00

PAYMENT DUE ON RECEIPT

000000644 01 SP 106481400656923 P
LOCAL AGNCY FORMATION CO
BLAIR KNOX
LOCAL AGENCY FORMATION COMM
5300 LENNOX AVENUE SUITE 303
BAKERSFIELD CA 93309-1662

AMOUNT ENCLOSED
$

Please make check payable to "U.S. Bank"

U.S. BANK CORPORATE PAYMENT SYSTEMS
P.O. BOX 790428
ST. LOUIS, MO 63179-0428

[redacted]

Please tear payment coupon at perforation.

CORPORATE ACCOUNT SUMMARY

LOCAL AGNCY FORMATIO [redacted]	Previous Balance	+ Purchases And Other Charges	+ Cash Advances	+ Cash Advance Fees	+ Late Payment Charges	- Credits	- Payments	= New Balance
Company Total	$1,026.71	$5,748.00	$0.00	$.00	$0.00	$0.00	$1,026.71	$5,748.00

CORPORATE ACCOUNT ACTIVITY

LOCAL AGNCY FORMATION CO [redacted]

TOTAL CORPORATE ACTIVITY
$1,026.71 CR

Post Date	Tran Date	Reference Number	Transaction Description	Amount
05-28	05-28	74798265148000000000342	ELECTRONIC PYMT THANK YOU00000 A	1,026.71 PY

NEW ACTIVITY

PATTY MENCHACA [redacted]

CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
$0.00	$4,231.62	$0.00	$4,231.62

Post Date	Tran Date	Reference Number	Transaction Description	Amount
06-05	06-03	24071055155330109929242	ESRI 888-3774675 CA	2,000.00
06-05	06-04	24071055155330118151549	ESRI 888-3774675 CA	1,030.00
06-06	06-04	24692165157100944979197	RESIDENCE INN DOWNTOWN SACRAMENTO CA 80 874 ARRIVAL: 06-01-25	1,008.77
06-20	06-19	24039645170378735311533	BLACK ICE SOFTWARE INC. 561-757-4107 FL	119.98

CUSTOMER SERVICE CALL

800-344-5696

ACCOUNT NUMBER

[redacted]

STATEMENT DATE	DISPUTED AMOUNT
06/23/25	.00

SEND BILLING INQUIRIES TO:

U.S. Bank National Association

C/O U.S. Bancorp Purchasing Card Program
P.O. Box 6335
Fargo, ND 58125-6335

AMOUNT DUE

5,748.00

ACCOUNT SUMMARY

PREVIOUS BALANCE	1,026.71
PURCHASES & OTHER CHARGES	5,748.00
CASH ADVANCES	.00
CASH ADVANCE FEES	.00
LATE PAYMENT CHARGES	.00
CREDITS	.00
PAYMENTS	1,026.71
ACCOUNT BALANCE	**5,748.00**

AGENDA

Company Name: LOCAL AGNCY FORMATION CO
Corporate Account Number: [redacted]
Statement Date: 06-23-2025

NEW ACTIVITY

Post Date	Tran Date	Reference Number	Transaction Description	Amount
06-23	06-20	24692165171100947447731	AMAZON MKTPL*NO9JC9TC1 AMZN.COM/BILL WA	35.50
06-23	06-22	24692165174103477833624	AMAZON.COM*NQ6FH0JB2 AMZN.COM/BILL WA	37.37
			Department: 00000 Total:	$4,231.62
			Division: 00000 Total:	$4,231.62

BLAIR KNOX [redacted]

CREDITS	PURCHASES	CASH ADV	TOTAL ACTIVITY
$0.00	$1,516.38	$0.00	$1,516.38

Post Date	Tran Date	Reference Number	Transaction Description	Amount
05-23	05-21	24692165142107993652136	SHERATON GRD SCRMNTO SACRAMENTO CA 282297 ARRIVAL: 05-19-25	518.38
05-29	05-28	24692165148103377131858	PRIMO BRANDS/WATERSERV 800-274-5282 CA	71.88
06-02	05-31	24692165151105747562336	SQ *CLEAN BRIGHT GOSQ.COM CA	155.85
06-02	05-31	24692165151106007597236	SPECTRUM 855-707-7328 MO	301.25
06-04	06-03	24204295154000212499093	MICROSOFT*365 800-6427676 WA	60.00
06-09	06-08	24692165159103349576327	VZWRLSS*APOCC VISW 800-922-0204 FL	114.17
06-13	06-12	24692165163107046200879	INTUIT *QBOOKS PAYROLL CL.INTUIT.COM CA	139.00
06-18	06-17	24692165168101207458603	SQ *CLEAN BRIGHT GOSQ.COM CA	155.85
			Department: 00000 Total:	$1,516.38
			Division: 09402 Total:	$1,516.38

AGENDA

Kern Local Agency Formation Commission
5300 Lennox Ave. Suite 303
Bakersfield, CA 93309
661-716-1076
www.kernlafco.org

DATE: August 20, 2025
TO: Kern LAFCo Commissioners
RE: DRAFT: Feasibility Study – McFarland Recreation and Park District

The City of McFarland (City) has submitted an application under Gov. Code § 56017.2 (a), for the purpose of reorganizing McFarland Recreation and Park District (District) into a dependent district of the City.

LAFCo staff has gathered information and created a Feasibility Study that looks at several options for how a working relationship between the City and the District could change.

RECOMMENDATION: Informational.

AGENDA

Feasibility Study

To analyze a request from the City of McFarland to reorganize the McFarland Recreation and Parks District to become a dependent district of the City of McFarland

McFarland Recreation & Park District

McFarland CALIFORNIA

Prepared by

KERN LAFCO



August 2025

AGENDA

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1. Objective

A. To assess the options and feasibility of the City of McFarland taking over the McFarland Recreation and Park District as a subsidiary district.

The City of McFarland (City) has submitted an application to Kern LAFCo seeking to assume control of the McFarland Recreation and Park District (MRPD) as a subsidiary/dependent district. Currently, both the City and MRPD provide recreation and park services within the McFarland area. Over time, tensions between the two agencies have resulted in a strained and often contentious relationship.

This study explores several governance options that could either enhance the City's control over recreation and park services or maintain the status quo. Each option is analyzed for its potential benefits and drawbacks, followed by a conclusion.

This study will cover financial, operational, legal, and community impact aspects.

2. Introduction

A. Background: Brief history of the McFarland Recreation and Park District and its current status.

The McFarland Recreation and Park District (MRPD) was established in 1975 to provide recreation and park services to the greater McFarland community. According to the District's website, MRPD currently manages four parks and offers nine youth programs and two adult programs.

Despite its longstanding presence, the District faces several operational and financial challenges:

- The community pool has been non-operational since 2020 and requires major repairs or replacement to become functional.
- Air conditioning and cooling systems in several facilities are in disrepair.
- The District carries a significant amount of debt.
- Revenues have been decreasing the last three years.
- Leadership is in transition, with the General Manager stepping down in August.

B. Purpose: Reasons for considering the City's application.
Both the City of McFarland and MRPD provide park and recreation services within the city limits, resulting in overlapping responsibilities. Over the years, disagreements

have arisen between the two entities regarding impact fees, park maintenance, and the adequacy of services provided.

The City contends that MRPD has not effectively secured resources to maintain infrastructure or deliver consistent recreational programming—particularly citing the prolonged closure of the community pool.

The State of California has acknowledged that in urban areas, a single multipurpose governmental agency may be best suited to deliver efficient and accountable public services. This principle is supported by:

- California Government Code § 56001: Emphasizes the benefits of a single agency managing community service needs and financial resources, especially in urban settings.
- California Government Code § 56301: Highlights the importance of efficient service provision, discouraging urban sprawl, and promoting orderly development of local agencies.

In a small geographic area like McFarland, having two separate agencies providing the same services is inefficient. Dual management structures—two boards, two budgets, and two administrative systems—create redundancy and increase costs. If this dual-agency model continues, both the Commission and the agencies must acknowledge the associated waste and missed opportunities for service improvement.

However, efficiency alone should not dictate the path forward. Local circumstances, community priorities, legal requirements and long-term goals must also be considered in determining the most appropriate governance structure.

3. Authority to study Cities and Special Districts

A. Kern LAFCo has the authority to study and provide documentation in relation to the duties of cities and special districts. The Executive Officer has the authority to demand and be provided with documentation as needed.

> Government Code § 56386 (a). The officers and employees of a city, county, or special district, including any local agency, school district, community college district, and any regional agency, or state agency or department, as may be necessary, or any other public agency shall furnish the executive officer with any records or information in their possession which may be necessary to assist the commission and the executive officer in their duties,

including, but not limited to, the preparation of reports pursuant to Sections 56665 and 56800.

(b) Upon request by the commission or the executive officer, the county surveyor, or any other county officer, county official, or employee as the board of supervisors may designate, shall examine and report to the commission or the executive officer upon any application or other document involving any of the matters specified in subdivision (l) of Section 56375.

Government Code § 56378. (a) In addition to its other powers, the commission shall initiate and make studies of existing governmental agencies. Those studies shall include, but shall not be limited to, inventorying those agencies and determining their maximum service area and service capacities. In conducting those studies, the commission may request land use information, studies, joint powers agreements, and plans of cities, counties, districts, including school districts, community college districts, joint powers agencies and joint powers authorities, regional agencies and state agencies and departments. Cities, counties, districts, including school districts, community college districts, joint powers agencies and joint powers authorities, regional agencies, and state agencies and departments, shall comply with the request of the commission for that information and the commission shall make its studies available to public agencies and any interested person. In making these studies, the commission may cooperate with the county planning commissions.

4. Current Situation Analysis

A. Organizational Structure: Current management and operational structure of the Park District and City.

The Recreation and Park District has a five-member elected Board of Directors which hires the General Manager. There are currently seven full-time employees and an undetermined number of part-time employees depending on the seasonal recreational services provided. Budgets and audits are required to be performed annually. The General Manager will be stepping down in August. The current Administrative Supervisor will step into the General Manager role on an interim basis.

The City of McFarland is a general law city with a 5-member council and a weak mayor (meaning the City Manager not the Mayor is the operational head of the city). Over the last decade, the City has had difficulty retaining city management, with multiple city

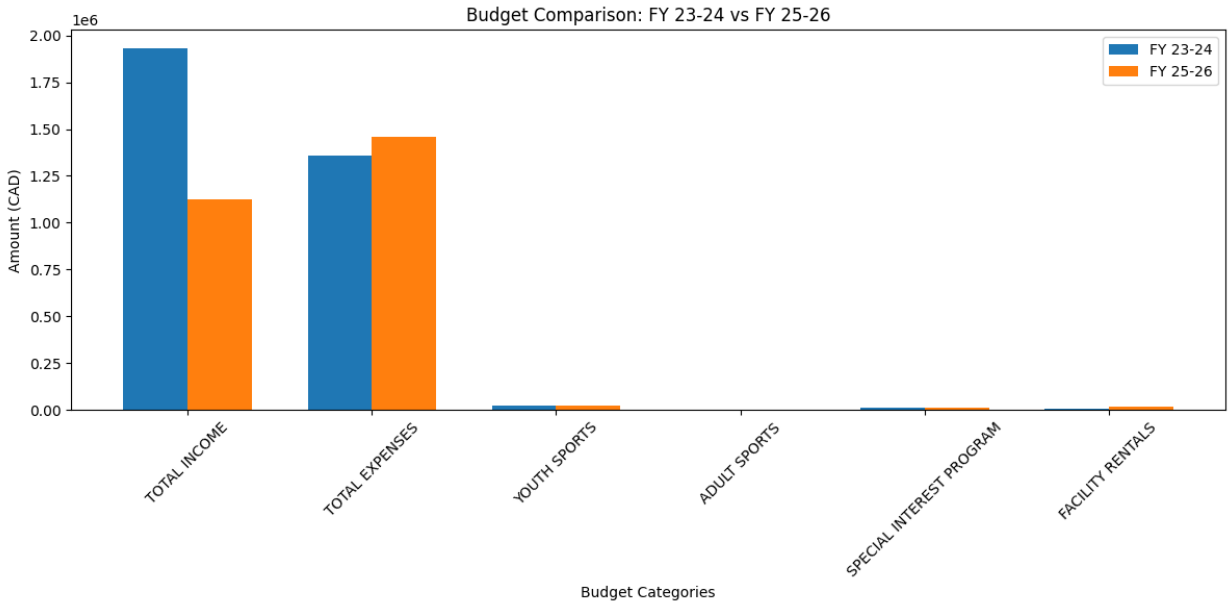
managers and a turnover in staff. In more recent years there appears to be more stability in leadership.

5. Financial Status: Current budget, revenue sources, and expenditures.

A. McFarland Recreation and Parks financial outlook: As of the date of this document, MRPD does has not listed their 2023-2024, 2024-2025 audit or their 2025-2026 budget on the website. The District has provided some information from which this report was written.

The MRPD budget was passed post June 30th, the deadline for all agencies in California. The overall budget is slightly more than $1million. That is not enough to effectively run a recreation and park district of the size of MRPD. It is not surprising that the district is struggling. The last three budgets show decreasing revenues available to provide services.

Here's a visual comparison of key budget categories between FY 23-24 and FY 25-26:



Source: McFarland Recreation and Parks Budgets

Budgetary Observations:

FY 23-24: Salaries & Benefits: 57.45%

Other Operating Costs: 42.55%

FY 25-26: Salaries & Benefits: 61.18%

Other Operating Costs: 38.82%

This comparison between the last three years of budgets indicates a 4% increase in the proportion of spending on personnel in FY 25-26 compared to FY 23-24, indicating a shift in budget priorities to staffing and benefits.

- Utilities remained relatively stable, with a slight increase in FY 25-26.
- Maintenance costs decreased significantly in FY 25-26.
- Supplies and Professional Services saw modest increases.
- Insurance costs were slightly lower in FY 25-26.
- Program Equipment spending dropped in FY 25-26.

B. City of McFarland financial outlook: The City of McFarland has struggled to provide quality services due to an inability to generate tax revenue. This has lead to a new emphasis on commercial and industrial development that has been slow to materialize.

General Fund

Fiscal Year	Revenues	Expenditures	Fund Balance (End)
2022–23	$10.13M	$12.88M	$2.52M
2023–24	$5.11M	$8.54M	$3.32M
2024–25	$5.74M	$23.67M	$677K

Source: City of McFarland Budgets

- Trend: Revenues declined post-ARPA; expenditures increased due to capital projects and public safety investments.
- Concern: Fund balance dropped significantly in 2024–25, indicating fiscal stress.

Enterprise Funds

- Sewer, Water, Refuse, Transit all face challenges aligning revenues with rising operating and capital costs.

- Water Fund: Notable for large capital investments (e.g., well replacements, treatment systems).
- Transit: Struggles with staffing and fuel costs.

Special Revenue Funds

- Include Measure M, Gas Tax, SB1, COPS Grant, and Development Impact Fees.
- Used for targeted infrastructure and public safety improvements.

C. Capital Improvement Program (CIP)

Major Projects

- New Police Station: $14M (2024–25)
- Road Reconstruction: $18.6M (2024–29)
- Water & Sewer System Upgrades: $63.6M (2024–29)
- Transit Facility: $1.35M

Funding Sources

- Grants (HSIP, RSTP, ARPA)
- Development Impact Fees
- Enterprise Fund Reserves
- State Revolving Fund Loans

Analysis

- CIP is ambitious and well-aligned with strategic goals.
- Heavy reliance on external funding and debt may strain future budgets.

D. Departmental Highlights

Public Safety

- Largest expenditure category.
- Investments in fleet, equipment, and staffing.
- New police station and emergency operations center prioritized.

Community Development

- Planning and Building departments expanded.
- Focus on zoning updates, annexations, and permit streamlining.

Public Works

- Street maintenance and asphalt rejuvenation emphasized.
- Equipment upgrades and staffing challenges noted.

Finance & Administration

- Improved audit compliance and budget processes.
- Staff development and technology upgrades (e.g., CIVICCLERK, DocuSign).

E. Fiscal Policies & Risks

Policies

- Balanced budget requirement.
- Minimum fund balance: 35% of operating and debt service costs.
- Debt only for capital projects, not recurring expenses.

Risks

- Declining Fund Balance: Especially in 2024–25.
- Debt Load: Increasing reliance on loans and bonds.
- Revenue Volatility: Sales tax and grant dependence.
- Staffing Turnover: Impacts service delivery and planning.

F. Economics and Education:

The City of McFarland has not always had stable management and operations of city services. The City has shown improvement over the last decade but is still far from being a model of a livable city. Financially, The City lacks commercial and industrial development, corresponding property and sales tax revenues and a well-educated workforce. According to the U.S Census, the City of McFarland has a median household income of approximately $52,744 as of 2023. This places it significantly below the California state median of $95,521. Additionally, McFarland ranks 20th in California for the percentage of its population living below the poverty line.
Educational attainment levels are relatively low compared to the state average. Here are some key statistics: High school graduates or higher: 57.8% of McFarland

residents aged 25 and older have at least a high school diploma. Bachelor's degree or higher: Only 4.1% of the population in the same age group hold a bachelor's degree or higher. These figures place McFarland significantly below the California state averages, where approximately 84.4% of residents have at least a high school diploma and 35.5% hold a bachelor's degree or higher.

6. Facilities and Services: Overview of existing parks, facilities, and services provided.

The McFarland Recreation and Park District (MRPD) website indicates that the district manages a substantial amount of parkland for a community the size of greater McFarland. Its facilities are all within the City limits of the City of McFarland and they include:

- Villa del Caribe Park
- Ritchey Park
- Sherwood Park
- Browning Road Park
- Recreation Center

While MRPD's facilities are more extensive than might be expected for a community of its size, a preliminary review suggests that the level of service does not match that of larger or better-funded districts such as North of the River RPD, Westside RPD, or the Lost Hills (Wonderful) Park. However, MRPD's parks and facilities are generally in better condition than many parks maintained by the County of Kern.

Factors such as the age of facilities, their intended purpose, and patterns of use all contribute to the current state of maintenance and upkeep.

Recreation programs across Kern County have faced ongoing challenges in recruiting volunteers and part-time staff to support sports and other activities. McFarland appears to be no exception, with a limited number of recreational opportunities currently available.

According to a presentation before the McFarland City Council, the City also maintains several parks and community spaces, including:

- Blanco Park
- Munoz Park
- Veterans Center

- Kaboom Play Area
- Community Garden

While the City's parks generally feature more modern and updated facilities, their condition is also influenced by factors such as age, location, usage patterns, and original design intent. The City has provided a limited number of recreational services with a few community events. Recreational programming would be a new area of focus for the City, and its capacity to expand services will depend on staffing, funding, and community engagement.

7. Options for Greater City Control

In conducting a feasibility study, the focus is not just on the initial request by the applicant, but also a look at multiple options that may be a better fit and eliminate options that are not feasible. Here is an analysis of six options with descriptions, analysis and conclusions.

A. Dissolve the Recreation and Parks District with the City taking over the assets.

1) Summary: Both the District and the City provide recreation and park services. As such there is redundancy in the management and operations of both. Dissolving the district and working out an agreement for the City to take over the assets and liabilities of the district would take time and considerable resources, but would likely reduce duplicative management and overhead cost in the long run.

2) Analysis: As there are two agencies providing park and recreation services (commonly called overlapping services), there is an argument that one of the two agencies should cease providing these services. LAFCo regulates the services provided by special districts but does not have the authority to regulate the services of cities. As a state agency that administers state law, LAFCo has no authority to demand the City stop providing parks and recreation. As stated earlier, the State favors multi-service agencies. These realities point towards the dissolution of the District.

3) Boundaries: With the dissolution of the district, there would no longer be boundaries that included a portion of the unincorporated areas around McFarland and the small portion of the District that overlaps with Delano. This means that substantial tax revenues once provided to the district from outlying areas would no longer be available. As the assessed value in the unincorporated portion of MRPD, is greater than within the City, the revenues would be cut by more than half.

If the District dissolves, there is no guarantee that the County would still be willing to share the same portion of the property tax collected in the area. Recent negotiations between the County and other agencies suggest that no additional taxes will be made available.

4) Vote: Citizens in unincorporated areas who use McFarland Rec and Park facilities and services would no longer have a vote for who runs the district as the boundaries of the district would shrink to be the same as the City boundaries.

As with all elected bodies, one bad election can effect an agency from well run and efficient to mismanagement and ineffective provision of services. Turning over recreation and park services is not guaranteed to provide better services than a district over the long run.

5) Taxes: Funding for recreation and park services typically comes from property tax and rarely has significant program funding from the State or County. Fees for recreational services will likely not generate significant amount of funds due to the low-income levels of the community.

If the City finds itself in difficult financial circumstances, recreation and parks are more likely to see cuts than departments like police, water, sewer and other health and safety programs. With a special district specifically authorized to provide a limited service, there is a guarantee that all funds collected will go to recreation and parks.

6) Staff: Full time staff of the district are in the CalPERS retirement program. What happens to current and retired staff and the unfunded liability if the District is dissolved? Under this scenario, the burden will likely be placed on the successor agency.

The successor agency is determined by the Government Code:

> Government Code § 57451. For the purpose of winding up the affairs of a dissolved district, the successor of the dissolved district shall be determined as follows:
>
> (a) If the territory of a dissolved district is located entirely within the incorporated territory of a single city, the city is the successor.
>
> (b) If the territory of a dissolved district is located entirely within the unincorporated territory of a single county, the county is the successor.
>
> (c) If the territory of a dissolved district is located within the incorporated territory of more than one city or the unincorporated territory of more than one county, or any combination of the incorporated or unincorporated

territory of two or more such cities and counties, the successor is that city whose incorporated territory or that county whose unincorporated territory shall, upon the effective date of dissolution, contain the greater assessed value of all taxable property within the territory of the dissolved district, as shown on the last equalized assessment roll or rolls of the county or counties.

An analysis of the assessed value indicates that the County holds 54% of the total, thereby positioned as the successor, not the City.

The District also has additional debt in the form of maintenance and upkeep that has not been resolved. The successor agency would take over the assets of the four parks, recreation center and all that comes with it, including additional maintenance and upkeep.

7) Process: An agency with standing can apply for and request the dissolution of a special district. Government Code contemplates what happens when a special district is dissolved, who becomes the successor agency. In this case it would be the County.

PARCELS SELECTION	NO. OF PARCELS	NET VALUE
McFarland RPD	4766	$1,431,717,784
City of Delano	3	$4,209,815
City of McFarland	3222	$647,729,064
County	1541	$779,778,905

Source: Assessor Tax Role, County of Kern

a. Advantages of Dissolution and City Takeover

1. Centralized Governance

- The City Council would have full oversight, allowing for more unified decision-making across all city services.

2. Administrative Efficiency

- Eliminates duplication of administrative roles (e.g., HR, finance, legal), potentially reducing costs.

3. Improved Service Integration

- Parks and recreation could be better integrated with other city services like public safety, planning, and public works.

4. Streamlined Budgeting and Funding

- City can allocate resources more flexibly and potentially access broader funding sources, including state and federal grants.

5. Enhanced Accountability

- Residents would have a single point of contact (the City) for all services, possibly improving transparency and responsiveness.

6. Potential Cost Savings

- Consolidation may reduce overhead and allow for bulk purchasing, shared staffing, and more efficient use of facilities.

b. Disadvantages of Dissolution and City Takeover

1. Loss of Dedicated Focus

- Parks and recreation may become a lower priority compared to other city responsibilities like public safety and utilities.

2. Reduced Community Voice

- Dissolving the district eliminates a board solely focused on recreation, possibly reducing community input and advocacy.

3. Transition Challenges

- Legal, financial, and operational transitions can be complex, time-consuming, and costly in the short term.

4. Staff Disruption

- MRPD employees may face job uncertainty, changes in roles, or layoffs during the transition.

5. Potential Service Disruptions

- During the transition, there may be interruptions in programming, maintenance, or facility access.

Conclusion: The County, not the City would not be the successor if the District was dissolved. As such, this option is not viable for the City to take over all recreation and park services.

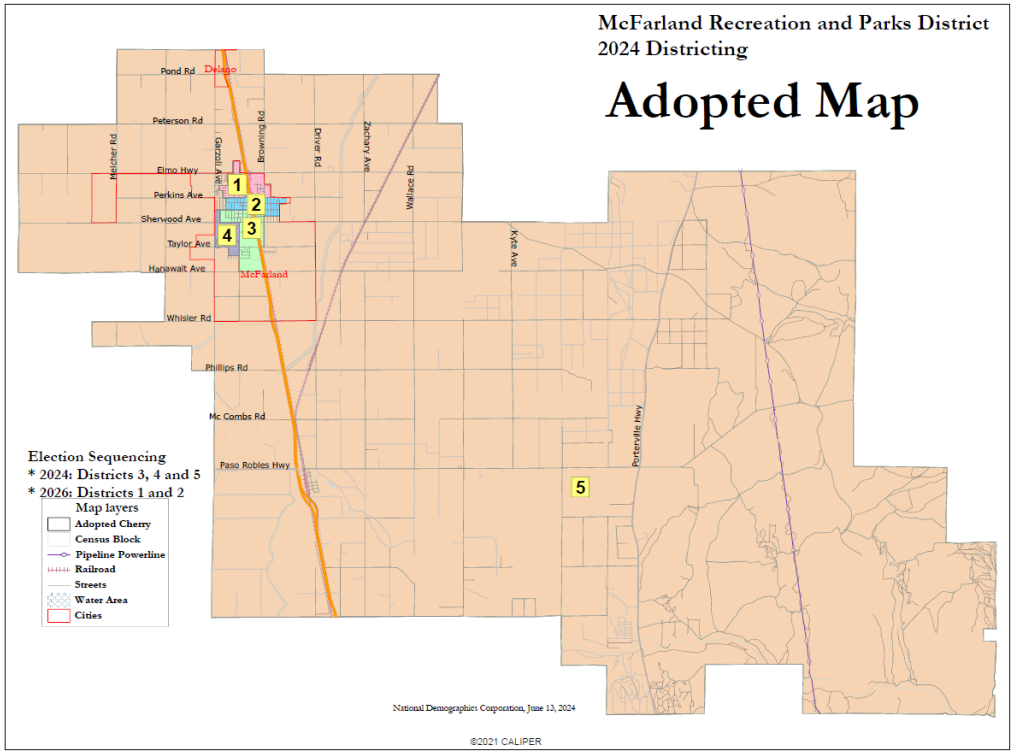
B. The Recreation and Parks District becomes a dependent district of the City.

For the Recreation and Parks District to become a dependent district of the City, several requirements are necessary.

1) Analysis: The City of McFarland does not meet the criteria for making the Recreation and Park District a dependent district of the City.

According to:

Government Code § 57105, the City must represent at least seventy percent (70%) of the population of the district and seventy percent (70%) area of land within MRPD. The City has over 70% of the population but does not have 70% of the district within city boundaries. Section 57106 further requires that this requirement be satisfied as of the date of adoption by LAFCo of a subsidiary district request and that any pending but uncompleted proceedings, such as annexation, for changes to the boundaries of the city shall be disregarded in making the determination.



Source: McFarland Recreation and Park District

2) Conclusion: As the City does not meet the criteria, this option will no longer be considered.

C. Board of Directors' elections are replaced by City and County appointments.

1) Summary: The McFarland Recreation and Parks District currently operates as an independent special district with a board elected by the public. Under this option, board members would instead be appointed by the McFarland City Council, the Kern County Board of Supervisors and possibly the City of Delano based on population.

The City of Delano is mentioned here because the boundaries of the district overlap with a small portion of the City of Delano's boundaries. While a specific population analysis was not performed for this study as the area is predominantly commercial and industrial there isn't likely a large enough population in the Delano portion of the District to warrant a city appointment.

The overlap in services between MRPD and the City of Delano should have been resolved when the City of Delano annexed the properties. There is a likelihood that the City of Delano will request a detachment of MRPD from properties included in the City of Delano's boundaries sometime in the future.

2) Analysis: This change is being considered to streamline operations, maintain the current boundaries of the District for tax purposes and shield the City from taking on the District's debt.

Appointment of a board of directors is not unusual in Kern County. Several Recreation and Parks Districts in Kern utilize appointments including, North of the River Recreation and Park District, Westside Recreation and Park District and Wasco Recreation and Park District. All have appointed boards.

While leadership would likely change with an appointment process (although any eligible citizen can apply), assets and liabilities would still be held under the umbrella of the District. This would protect the City from taking on incurred debt and liabilities.

This option allows the City and District to negotiate an operating agreement that could include the City providing staffing, facility operation and use, joint projects, etc.

Changing the MRPD board from elected to appointments can be accomplished by one of three methods: 1) Resolution of the MRPD Board, petition of registered voters or legislation. The following code sections provide more detail.

> Public Resources Code § 5785.3. Changing method of board membership appointment; voter approval; implementation of change.
> (a) If a majority of the voters voting on the question at a general district or special district election are in favor, a district that has an appointed board of directors shall have an elected board of directors, or a district that has an elected board of directors shall have an appointed board of directors.
> (b) The board of directors may adopt a resolution placing the question on the ballot. Alternatively, upon receipt of a petition signed by at least 25

percent of the registered voters of the district, the board of directors shall adopt a resolution placing the question on the ballot.

(c) If the question is submitted to the voters at a general district election, the notice required by Section 12112 of the Elections Code shall contain a statement of the question to appear on the ballot. If the question is submitted to the voters at a special election, the notice of election and ballot shall contain a statement of the question.

(d) If a majority of voters voting upon the question approves of changing from an appointed board of directors to an elected board of directors, the members of the board of directors shall be elected at the next general district election. If a majority of voters voting upon the question approves of changing from an elected board of directors to an appointed board of directors, members shall be appointed to the board of directors as vacancies occur.

Advantages of an Appointed Board

1. Expertise-Based Selection
   - Appointing authorities (e.g., city council or County Board of Supervisors) can choose individuals with specific skills or experience relevant to the district's mission (e.g., finance, recreation, law).
2. Improved Coordination
   - Appointed members may align more closely with the goals of the appointing body, improving coordination between the district and city/county government.
3. Faster Decision-Making
   - Appointed boards may be less influenced by political pressures or campaigning, allowing for more streamlined governance.
4. Cost Savings
   - Eliminates the need for elections, which can be costly and time-consuming.
5. Accountability to Appointing Body
   - Appointed members are directly accountable to the appointing authority, which may already be elected and subject to public oversight.

Disadvantages of an Appointed Board

1. Reduced Democratic Representation
   - Residents lose the ability to directly elect board members, which can reduce public trust and perceived legitimacy.

2. Potential for Political Influence
   - Appointments may be based on political loyalty or connections rather than qualifications or community interest.
3. Less Community Engagement
   - Elected boards often have stronger ties to the community and are more responsive to local concerns.
4. Transparency Concerns
   - The appointment process may lack transparency, leading to perceptions of favoritism or backroom deals.
5. Weaker Public Accountability
   - Appointed members may feel more accountable to the appointing body than to the public they serve.

D. District remains with an operating agreement with the City.

1) SUMMARY: The City has identified issues with the Recreation and District in regard to infrastructure, personnel and programs. Instead of modifying the current structure, utilize the strengths of both organizations to come to an agreement on what services the city should provide and what services the district should provide. The options can range from staffing to infrastructure to financial cooperation to name a few.

   An agreement can take many forms including but not limited to Memorandum of Understanding (MOU), standard contract, Joint Powers Agreement, lease agreement, etc.

2) ANALYSIS: It is unlikely with the current animosity between the City and MRPD that an agreement can be reached.

   <u>Advantages of a City–District Service Agreement</u>

   1. Clarity of Roles
      - Clearly defines responsibilities, reducing confusion or overlap in service delivery (e.g., who maintains parks, who runs youth programs).
      - Improved Efficiency
      - Prevents duplication of services and allows each entity to focus on its strengths or core competencies.
      - The negotiation between the two agencies can happen quickly.
   2. Better Resource Allocation
      - Helps both the city and district plan budgets and staffing more effectively by avoiding redundant expenditures.

3. Conflict Prevention
   - Reduces the likelihood of disputes by setting expectations in writing, including how to handle disagreements.
4. Enhanced Public Transparency
   - Residents can more easily understand which agency is responsible for which services, improving accountability.
5. Foundation for Collaboration
   - Encourages ongoing communication and cooperation between the city and district, potentially leading to joint projects or shared services.
6. Simplicity
   - An agreement does not likely need other agencies (including LAFCo) to be involved with the process.

Disadvantages of a City–District Service Agreement

1. Rigidity
   - Once formalized, agreements can be difficult to change quickly in response to evolving community needs or emergencies.
2. Negotiation Challenges
   - Reaching consensus on responsibilities, funding, and performance standards can be time-consuming and politically sensitive.
3. Potential for Gaps or Overlaps
   - If not carefully drafted, the agreement might leave out certain services or create unintended overlaps.
4. Legal and Administrative Costs
   - Drafting, reviewing, and maintaining the agreement may require legal and administrative resources.
5. Accountability Confusion
   - If the agreement is not well-communicated to the public, residents may still be unsure who to contact for specific services.
6. Unequal Leverage
   - One party (often the city) may have more power in negotiations, potentially leading to an imbalance in responsibilities or benefits.

E. No change in structure or operations of McFarland Recreation and Park District.

1) Summary: The MRPD is currently operational. Parks are being maintained to a level corresponding to the budgeted amount. Some facilities may not be usable in the summertime without repairs to the HVAC systems. Recreational programs are operational.

The City argues that the district spends too much on personnel and not enough on facilities and programs. This is a matter of opinion. It is up to the management and board of the District to determine what is the appropriate spending ratio between staffing expenditures and other expenses.

Advantages of continued operation of the District

1. Autonomy in Decision-Making
   - The district can set its own priorities, budgets, and policies without needing city approval, allowing for more focused governance on recreation and park services.
2. Dedicated Funding Stream
   - Independent districts often have their own tax base or revenue sources, which can provide more stable and predictable funding for parks and recreation.
3. Specialized Expertise
   - Board members and staff may be more specialized in parks and recreation, leading to more informed decisions and better service delivery.
4. Community Representation
   - Elected boards can reflect the specific interests of the community served by the district, which may differ from broader city priorities.
5. Flexibility in Partnerships
   - Independent districts can form partnerships with other agencies, nonprofits, or private entities without being constrained by city bureaucracy.

Disadvantage of remaining an independent district

1. Duplication of Services
   - When both the city and the district provide similar services, it can lead to inefficiencies, overlapping responsibilities, and confusion for residents.
2. Limited Coordination
   - Independent governance can hinder collaboration with city departments, leading to fragmented planning and service delivery.

3. Financial Vulnerability
    - Smaller districts may struggle with debt, limited revenue, or rising costs, especially if they lack the financial backing of a larger municipal government.
4. Governance Challenges
    - Elected boards may face low voter turnout, limited accountability, or political infighting, which can affect performance and transparency.
5. Reduced Oversight
    - Without city oversight, there may be less scrutiny of spending, operations, and long-term planning, especially if communication between agencies is poor.

7. Summary and Conclusions

SUMMARY

The central question guiding this effort is: What is the best use of available resources to provide recreation and park services for the residents of greater McFarland?

A. Several key factors have emerged:

- Redundancy and inefficiency: Operating two agencies that deliver similar services in a city the size of McFarland is duplicative and not cost-effective.
- Leadership challenges: The City has experienced frequent turnover in staff and management, resulting in inconsistent leadership. The Recreation and Park District's General Manager recently retired, and the District is currently being led by an interim General Manager.
- Lack of coordination: Communication between the City and the Recreation and Park District has been largely unproductive.
- Budgetary concerns: The District's and City's budget has been trending downward, with reduced funding over the past three years.

Given these factors, the current structure of the Recreation and Park District is not recommended to continue. Additionally, the City of McFarland is not in a strong financial position to absorb the District's debt. Doing so could negatively impact other municipal services, including recreation and parks.

Legally, the City cannot assume control of the District unless it encompasses at least 70% of the District's boundaries. With less than half of the assessed property value within

the District, the County would become the successor agency and inherit the District's assets if it were dissolved.

Furthermore, due to longstanding animosity between the two agencies, establishing a contractual agreement for shared services is unlikely.

CONCLUSIONS

A multi-step process is proposed:

- Governance reform: Transition the Recreation and Park District's Board of Directors from elected to appointed members. Appointments would be made by the City Council and the Kern County Board of Supervisors, based on population representation.
- Enhanced coordination: Use the new governance structure to foster inter-agency collaboration and explore service agreements.
- Financial stabilization: Prioritize resolving the District's debt and addressing deferred maintenance. Once financial stability is achieved, further structural changes may be considered.

As this recommendation involves actions outside the authority of Kern LAFCo, no action is required by the Commission at this time.

Regarding the application submitted by the City of McFarland, the City must determine whether to pursue an alternative path forward, which may require modifying or withdrawing the current application.

RECOMMENDATION: Informational. Option 3 Board of Directors' elections are replaced by City and County appointments.