



BOARD OF DIRECTORS MEETING AGENDA

**February 3, 2022 Regular Meeting
6:30 p.m.**

Meeting link:

<https://sweetwaterspringswaterdistrict.my.webex.com/sweetwaterspringswaterdistrict.my/j.php?MTID=ma00057df8db55afb8b21b206a5f4993c>

Meeting number: 2551 980 4220
Password: u36KpSGpxK8

OR

Join by phone: +1-415-655-0001 US Toll
Access code: 2551 980 4220
Password: 83657747

All guests that join the virtual meeting will be muted with their camera/ video turned off. Guest(s) will be unmuted and video turned on when they are speaking. Proper decorum including appearance is required.

NOTICE TO PERSONS WITH DISABILITIES: It is the policy of the Sweetwater Springs Water District to offer its public programs, services and meetings in a manner that is readily accessible to everyone, including those with disabilities. Upon request made at least 48 hours in advance of the need for assistance, this Agenda will be made available in appropriate alternative formats to persons with disabilities. This notice is in compliance with the Americans with Disabilities Act (28 CFR, 35.102-35.104 ADA Title II).

Any person who has any questions concerning any agenda item may call the General Manager or Assistant Clerk of the Board to make inquiry concerning the nature of the item described on the agenda; copies of staff reports or other written documentation for each item of business are on file in the District Office and available for public inspection. All items listed are for Board discussion and action except for public comment items. In accordance with Section 5020.40 et seq. of the District Policies & Procedures, each speaker should limit their comments on any Agenda item to five (5) minutes or less. A maximum of twenty (20) minutes of public comment is allowed for each subject matter on the Agenda unless the Board President allows additional time.

I. CALL TO ORDER ***(Est. time: 2 min.)***

- A. Board members Present
- B. Board members Absent
- C. Others in Attendance

II. CHANGES TO AGENDA and DECLARATIONS OF CONFLICT
(Est. time: 2 min.)

III. CONSENT CALENDAR **(Est. time: 5 min.)**

(Note: Items appearing on the Consent Calendar are deemed to be routine and non-controversial. A Board member may request that any item be removed from the Consent Calendar and added as an “Administrative” agenda item for the purposes of discussing the item(s)).

- A. Approval of the Minutes of the January 6, 2022 Board Meeting
- B. Approval of Operations Warrants/Online payments/EFT payments
- C. Receipt of Item(s) of Correspondence.
Note: Correspondence received regarding an item on the Administrative Agenda is not itemized here, but will be attached as back-up to that item in the Board packet and addressed with that item during the Board meeting.
- D. Action to Reconfirm findings of Resolution 21-18 re continuation of remote meetings

IV. PUBLIC COMMENT: The District invites public participation regarding the affairs of the District. This time is made available for members of the public to address the Board regarding matters which do not appear on the Agenda, but are related to business of the District. Pursuant to the Brown Act, however, the Board of Directors may not conduct discussions or take action on items presented under public comment. Board members may ask questions of a speaker for purposes of clarification.

V. ADMINISTRATIVE

- A. Discussion/Action re Actual vs. Budgeted Report – 2Q *(Est. time 15 min.)*
- B. Discussion/Action re Covid-related issues *(Est. time 10 min.)*
- C. Discussion/Action re F& 2022-23 Budget and Ad Hoc Committee Appointment *(Est. time 10 min.)*
- D. Discussion/Action re Resolution 22-04, Authorizing Award for FY 2020-2021 CIP: Old River Road and Woodland Drive Water Main Replacement Project *(Est. time 15 min.)*
- E. Discussion/Action re Resolution 22-05, Discussion/Action re Approval of the FY 2022-2027 Five Year Capital Improvement Program *(Est. time 15 min.)*
- F. Discussion/Action re Resolution 22-06, Authorizing the General Manager to Apply for State Department of Water Drought Grant *(Est. time 10 min.)*

VI. GENERAL MANAGER'S REPORT

VII. BOARD MEMBERS' ANNOUNCEMENTS

VIII. ITEMS FOR NEXT AGENDA

IX. CLOSED SESSION

- A. Pursuant to Gov. Code Section 54957(b)(1)-PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: District Counsel
- B. Pursuant to Gov. Code Section 54957(b)(1)-PUBLIC EMPLOYEE PERFORMANCE EVALUATION
Title: General Manager
- C. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: Two (2) cases

ADJOURN

Sweetwater Springs Water District Mission and Goals

The mission of the Sweetwater Springs Water District (SSWD) is to provide its customers with quality water and service in an open, accountable, and cost-effective manner and to manage District resources for the benefit of the community and environment. The District provides water distribution and maintenance services to five townships adjacent to the Russian River:

- Guerneville
- Rio Nido
- Guernewood Park
- Villa Grande
- Monte Rio

GOAL 1: IMPLEMENT SOUND FINANCIAL PRACTICES TO ENSURE EFFECTIVE UTILIZATION OF DISTRICT RESOURCES

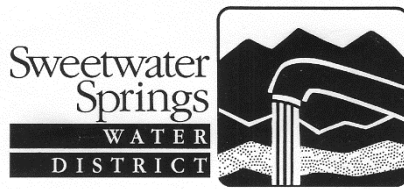
GOAL 2: PROVIDE RELIABLE AND HIGH QUALITY POTABLE WATER WITH FACILITIES THAT ARE PROPERLY CONSTRUCTED, MANAGED AND MAINTAINED TO ASSURE SYSTEM RELIABILITY

GOAL 3: HAVE UPDATED EMERGENCY PREPAREDNESS PLANS FOR ALL REASONABLE, FORESEEABLE SITUATIONS

GOAL 4: DEVELOP AND MAINTAIN A QUALITY WORKFORCE

GOAL 5: PROVIDE EXCELLENT PUBLIC OUTREACH, INFORMATION AND EDUCATION

GOAL 6: ENHANCE BOARD COMMUNICATIONS AND INFORMATION



BOARD MEETING MINUTES*

Meeting Date: January 6, 2022

(*In order discussed)

January 6, 2022
6:30 p.m.

Board Members Present:

Tim Lipinski
Gaylord Schaap
Larry Spillane

Board Members Absent:

Sukey Robb-Wilder
Rich Holmer

Staff in Attendance:

Ed Fortner, General Manager
Julie Kenny, Secretary to the Board

Others in Attendance:

Rachel Hundley, Legal Counsel
Victor Mendez
Keith McDonald
Bernard O'Brien

I. CALL TO ORDER (6:37 p.m.)

The properly agendized meeting was called to Order by President Schaap at 6:32 p.m.

II. CHANGES TO AGENDA and DECLARATION OF CONFLICT (6:37 p.m.)

(None.)

III. CONSENT CALENDAR (6:33 p.m.)

President Schaap reviewed the items on the Consent Calendar. Discussion ensued. Director Lipinski moved to approve the Consent Calendar. Director Spillane seconded the motion. Motion carried 3-0. The following items were approved:

- A. Approval of the Minutes of the December 2, 2021 Board Meeting, the November 17, 2021 Special Meeting, and the December 15, 2021 Special Meeting
- B. Approval of Operations Warrants/Online payments/EFT payments
- C. Receipt of items of Correspondence (None)
- D. Action to Reconfirm findings of Resolution 21-18 re continuation of remote meetings

IV. PUBLIC COMMENT (6:39 p.m.)

(None.)

V. ADMINISTRATIVE (6:40 p.m.) *

**in the order discussed*

- V-A. (6:40 p.m.) Discussion/Action re FY 2022-23 Budget process.** The GM provided an overview of this item. Discussion ensued. No action was taken.
- V-B. (6:48 p.m.) Discussion/Action re Covid-related issues; Resolution 22-01, Approval of Lab Services Agreement with Fulgent Therapeutics, LLC.** The GM provided an overview of this item. Public comment was made by unidentified caller, by Julie Kenny, and by Keith McDonald. Comments were made by Legal Counsel Rachel Hundley. Discussion ensued. Director Lipinski moved to approve Resolution 22-01, , Approving the Laboratory Service Agreement with Fulgent Therapeutics, LLC. Director Spillane seconded. Motion carried 3-0.
- V-C. (7:19 p.m.) Discussion/Action re Update on District construction projects; Resolution 22-02 Authorizing CDBG Application for FY 2022-2023 CIP (Wright Drive Water Main Replacement, Natoma Tank, and Edgehill Booster Replacement Project).** The GM provided an overview of this item. Director Lipinski moved to approve Resolution 22-01, Approving the General Manager to Apply for CDBG Funding for the FY 2022-23 Capital Project. Director Spillane seconded. Motion carried 3-0.
- V-D. (7:26 p.m.) Discussion/Action re Resolution 22-03, Amendments One and Two to Contract with Regional Government Services (RGS).** The GM provided an overview of this item. Legal Counsel Rachel Hundley provided additional overview. Discussion ensued. Director Spillane moved to approve Resolution 22-03, Ratifying First and Second Amendments to the Agreement for Human Resources Consulting Services with Regional Government Services. Director Lipinski seconded. Motion carried 3-0.

VI. GENERAL MANAGER'S REPORT (7:48 p.m.)

The GM provided a report on the following items:

1. Laboratory testing / Regulatory Compliance
2. Water production and sales
3. Leaks
4. Guerneville rainfall
5. In-House Construction Projects
6. 17448 River Lane Property Sale
7. Personnel
8. Monte Rio Bridge
9. Drought Grant
10. FY 2020-21 CIP Update
11. Gantt Chart
12. Economic Impact of No Disconnects for Non-payment

Discussion ensued on several of the items.

VII. BOARD MEMBERS' ANNOUNCEMENTS/COMMENTS
(8:10 p.m.)

Director Spillane announced attendance and summary of MAC meeting.

VIII. ITEMS FOR THE NEXT AGENDA (8:13 p.m.)

1. COVID update
2. CIP 2021 Bid Tabulation and Award
3. Plan for filling staff vacancies/contingency for outside help
4. 5-year Capital Improvement Program
5. Actual vs. Budgeted – 2Q
6. FY 2022-23 Budget – ad hoc budget committee

IX. CLOSED SESSION (8:16 p.m.)

At 8:16 p.m., President Schaap announced the Closed Session items. Comments were made by Victor Mendez. Discussion ensued. At 8:20 the Board went into Closed Session. At 9:50 p.m. the meeting reconvened and the following action was announced:

- A. Pursuant to Gov. Code Section 54957(b)(1) – Public Employee Performance Evaluation**
Title: All employees
No action was taken.
- B. Pursuant to Gov. Code Section 54957(b)(1) – Public Employee Performance Evaluation**
Title: District Counsel
No action was taken.
- C. Conference with Legal Counsel – Anticipated Litigation. Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9**
Number of cases: 2
No action was taken.

ADJOURN

Director Spillane moved to adjourn the meeting at 9:52 p.m. in honor of Ross Crawl and his heroism and Dale Dross for his service with best wishes. Director Lipinski seconded. Motion carried 3-0.

Respectfully submitted,

Julie Kenny
Clerk to the Board of Directors

APPROVED:

Gaylord Schaap: _____
 Sukey Robb-Wilder: _____
 Tim Lipinski: _____
 Rich Holmer: _____

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. III-D

FROM: Ed Fortner, General Manager

Meeting Date: February 3, 2022

SUBJECT: Reconfirming circumstances of COVID-19 state of emergency, Resolution 21-18 findings, and authorizing continued remote meetings

RECOMMENDED ACTION: Staff recommends the Board make a motion to reconfirm the findings made in Section 2 of Resolution 21-18 adopted September 30, 2021, and continue authorizing remote meetings pursuant to emergency procedures under the Brown Act.

FISCAL IMPACT: none

SUMMARY:

On September 30, 2021, the Board adopted Resolution 21-18 (attached to this report), which made certain findings related to the COVID-19 pandemic and its impact on the District's ability to meet safely in person. Specifically, by Section 2 of Resolution 21-18, the Board made the following findings: The Board of Directors has considered the circumstances of the state of emergency; and

The states of emergency, as declared by the Governor and County of Sonoma continue to impact directly the ability of the District's legislative bodies, as well as staff and members of the public, to meet in person safely; and Meeting in person would present imminent risks to the health and safety of members of the public, members of the District's legislative bodies, and District employees due to the continued presence and threat of COVID-19. Section 54953 of the Government Code, as amended by Assembly Bill 361 (2021), requires the Board to reconsider the circumstances of the state of emergency and make certain findings every thirty days in order to meet remotely under special teleconference rules. The Board may make these findings by motion, which would be recorded in the meeting minutes. If this item is approved as a part of the consent calendar, a "motion to approve" would, in effect, approve the staff recommendation described above.

Resolution No. 21-18

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT FINDING PROCLAIMED STATE OF EMERGENCY AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS OF LEGISLATIVE BODIES

WHEREAS, all meetings of the legislative bodies of the Sweetwater Springs Water District (“District”) are open and public, as required by the Ralph M. Brown Act, Government Code Section 54950, *et seq*, and any member of the public may observe, attend, and participate in the business of such legislative bodies; and

WHEREAS, on March 4, 2020, Governor Newsom declared a State of Emergency as a result of the rapid spread of the novel coronavirus disease 2019 (“COVID-19”); and

WHEREAS, on March 4, 2020, the Board of Supervisors of the County of Sonoma ratified a Proclamation of a Local Emergency and Declaration of Local Health Emergency due to COVID-19; and

WHEREAS, on March 17, 2020, in response to the COVID-19 pandemic, Governor Newsom issued Executive Order N-29-20 suspending certain provisions of the Ralph M. Brown Act (“Brown Act”) in order to allow local legislative bodies to conduct meetings telephonically or by other means, after which District staff implemented virtual meetings for all meetings of legislative bodies within the District; and

WHEREAS, on June 11, 2021, Governor Newsom issued Executive Order N-08-21, which terminated the provisions of Executive Order N-29-20 that allows local legislative bodies to conduct meetings telephonically or by other means effective September 30, 2021; and

WHEREAS, on September 16, 2021, Governor Newsom signed Assembly Bill 361 (2021) (“AB 361”), which amended the Brown Act to allow local legislative bodies to continue to conduct meetings by teleconference under specified conditions and pursuant to special rules on notice, attendance, and other matters; and

WHEREAS, AB 361, pursuant to Executive Order N-15-21, took full effect on October 1, 2021 and requires the Board of Directors to make specific findings to continue meeting under special teleconference rules; and

WHEREAS, such findings include that the Governor has declared a State of Emergency pursuant to Government Code section 8625 and that the legislative body determines meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, the Board of Director hereby finds a proclaimed state of emergency and that the presence of COVID-19 and the increase of cases due to the Delta variant would present imminent risks to the health or safety of attendees, including members of the public and District employees, should meetings of the District’s legislative bodies be held in person; and

WHEREAS, the Board of Directors and the General Manager shall ensure meetings of the District's legislative bodies comply with the special teleconference rules under the Brown Act, as amended by Assembly Bill 361.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sweetwater Springs Water District as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Findings. In compliance with the special teleconference rules of Section 54953 of the Government Code, as established by Assembly Bill 361 (2021), the Board of Directors hereby makes the following findings:

The Board of Directors has considered the circumstances of the state of emergency; and

The states of emergency, as declared by the Governor and County of Sonoma continue to impact directly the ability of the District's legislative bodies, as well as staff and members of the public, to safely meet in person; and

Meeting in person would present imminent risks to the health and safety of members of the public, members of the District's legislative bodies, and District employees due to the continued presence and threat of COVID-19.

Section 3. Remote Teleconference Meetings. The District's legislative bodies may continue to meet remotely in compliance with the special teleconference rules of Section 54953 of the Government Code, as amended by Assembly Bill 361 (2021), in order to protect the health and safety of the public. The General Manager is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution.

Section 4. Review After 30 Days. The Board of Directors will review these findings and the need to conduct meetings by teleconference within thirty (30) days of adoption of this resolution

Section 5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption.

[Continued on next page.]

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted and passed by the Board of Directors of the Sweetwater Springs Water District, Sonoma County, California, at a meeting held on September 30, 2021, by the following vote:

Director	Aye	No
Sukey Robb-Wilder	_____	_____
Tim Lipinski	_____	_____
Richard Holmer	_____	_____
Gaylord Schaap	_____	_____
Larry Spillane	_____	_____

Sukey Robb-Wilder
President of the Board of Directors

Attest: Julie A. Kenny
Clerk of the Board of Directors

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-A

FROM: Ed Fortner, General Manager

Meeting Date: February 3, 2022

**SUBJECT: ACTUAL VS. BUDGETED (OPERATIONS AND CAPITAL) REPORT THRU
DECEMBER 31, 2021 (50%)**

RECOMMENDED ACTION:
(Discussion item only.)

FISCAL IMPACT:
(None.)

DISCUSSION:

This report presents the 2nd quarter actual revenues and expenses. This comprises 50% of the year by time and so we compare the revenues and expenses to that standard.

Operating Budget:

2Q Revenue is less than 50% of budgeted amount.

Water Sales, the largest revenue line item, came in at 0.6% less than the 50% schedule. Last quarter we discussed how Water Sales were unusually low compared to budgeted amounts. Much of this shortfall has been eliminated in the 2Q, which suggests that staff's observation that water sales received and deposited at the bank tracks more closely to water sales billings as the year progresses is proving true. That said, water sales are still lagging. Whether due to water conservation and drought or the end of pandemic-related "shelter-in-place", we sold 13.5% less water this year than last year during the same period, up from 10.5% less last quarter.

Overall revenues are also below budgeted amounts due to the less-than-budgeted Water Sales line item.

2Q Expenditures are higher than 50% of budgeted amount.

2Q expenditures are 3.94% higher than budgeted. This is typical because certain District bills -- such as insurance -- are paid in full at the beginning of the fiscal year.

Expenses of note this quarter are as follows:

Consultant Fees – we spent an unbudgeted \$6,849 this quarter on human resources consultant RGS; and

Legal Fees. This line item was budgeted at \$30,000 for the year, but as of the end of the 2Q actual legal fees are already \$33,984.

For more detail on all the budget line items, please refer to the attached Actual vs. Budgeted breakdown provided with your packet.

Capital Budget:

The 2Q Capital Budget (Table 2) is typical for the Second Quarter - most revenues will not come in until later in the year.

Revenue from the annual assessment, Capital Debt Reduction Charge (CDRC) and transfers to in-house construction will not occur until later in the fiscal year.

Major Second Quarter expenses are for initial payments for the Capital One Revenue Bond, the USDA GO bond, and the Private Placement Loan.

FUNDS AT THE COUNTY

Attached is the County Fund Balances for the second Quarter. Fund and Loan Balances show a comparison of the budgeted and 2nd Quarter balances. Also attached is the County Fund Balances for the 2nd Quarter. County Fund Balances include the funds at PARS and CERBT. At the end of the quarter, Total District Reserves were \$3,221,573.08 and Reserves Above Policy were \$2,318,912.08.

Funds at the County show typical activity for the second quarter of the year.

Sweetwater Springs Water District
FY 2021-22 Operating Budget Variances as of December 31, 2021 (50%)

Note: Document is cumulative. Changes to text made from previous reports are "d in the "Changed" column and underlined.

	FY 2021-22 Actual	2021-22 Budget	\$ Over Budget for the Year	% of Budget	Notes (Underlined notes reflect changes since last report)	*=Ch ged
Ordinary Income/Expense						
Income						
OPERATING REVENUE						
4031 - Water Sales						
4031.10- Base Rate	889,422	1,814,787	-925,365	49.01%		
4031.11- Current Charges	370,325	735,568	-365,243	50.35%		
4031.12- Capital Debt Reduction Charge	164,313	332,402	-168,089	49.43%		
Total 4031 - Water Sales	1,424,060	2,882,757	-1,458,697	49.4%	<u>In the 1Q this item is underbudget, which is unusual during the summer season. In the 2Q, this item still underbudget, but much less so.</u>	*
Total OPERATING REVENUE	1,424,060	2,882,757	-1,458,697	49.4%		
NON-OPERATING REVENUE						
1700 - Interest	719	10,000	-9,281	7.19%		
3600 - Construction New Services	13,820	7,000	6,820	197.43%		
3601 - Construction - Service Upgrades	0	5,000	-5,000	0.0%		
4032 - Rent	58,811	112,970	-54,159	52.06%		
4040 - Miscellaneous Income	514	1,500	-986	34.28%		
Total NON-OPERATING REVENUE	73,865	136,470	-62,605	54.13%		
Total Income	1,497,925	3,019,227	-1,521,302	49.61%		
Expense						
OPERATING EXPENSES						
SALARY & BENEFITS						
Salary						
5910 - Wages	430,625	885,000	-454,375	48.66%		
5912 - Overtime	19,509	34,000	-14,491	57.38%		
5916 - On-Call Pay	19,155	36,000	-16,845	53.21%		
5918 - Extra help - Contract	15,926	37,000	-21,075	43.04%	<u>Field crew took over meter reading from Independent Contractor Dale Dross in Dec.</u>	*
Total Salary	485,215	992,000	-506,785	48.91%		
Benefits						
5500 - Flex Spending (Flex spending monies)	4,527	0	4,527	100.0%		
5920 - Retirement net employee share	32,564	78,000	-45,436	41.75%		
5920.4 - Retirement - UL Mandatory	1,385	1,385	0	100.0%		
5922 - Payroll Taxes - Employer Paid	7,177	16,761	-9,584	42.82%		
5930 - Health/Dental/Vision/AFLAC Ins.	126,113	237,000	-110,887	53.21%		
5931 - Retiree Health	7,290	11,700	-4,410	62.31%	<u>In the 1Q, annual contribution to CERBT (\$3,000) made.</u>	
5941 - Life insurance - GM	1,000	1,000	0	100.0%		
5940 - Workers Comp Insurance	22,842	25,000	-2,158	91.37%	<u>In the 1Q, workers' compensation insurance was paid for the year.</u>	
Total Benefits	202,898	370,846	-167,948	54.71%		
Total SALARY & BENEFITS	688,113	1,362,846	-674,733	50.49%		
SERVICES & SUPPLIES						
Communications						
6040-I - Internet service	1,624	3,500	-1,876	46.41%		
6040-C - Cell Phones	3,404	5,200	-1,796	65.46%		
6040-P - Pagers & Radios	495	0	495	100.0%		
6040-T - Telephones	14,993	24,820	-9,827	60.41%		

Sweetwater Springs Water District

FY 2021-22 Operating Budget Variances as of December 31, 2021 (50%)

Note: Document is cumulative. Changes to text made from previous reports are "d in the "Changed" column and underlined.

	FY 2021-22 Actual	2021-22 Budget	\$ Over Budget for the Year	% of Budget	Notes (Underlined notes reflect changes since last report)	* = Ch ged
Total Communications	20,516	33,520	-13,004	61.21%		
Insurances						
6101 · Gen. Liability	38,532	65,000	-26,468	59.28%	In the 1Q, paid for the year. Annual costs came in underbudget this year..	
Total Insurances	38,532	65,000	-26,468	59.28%		
Maint/Rep - Office & Vehicles						
6140 · Vehicle Maintenance	3,415	18,000	-14,585	18.97%	-	
6151 · Office Maintenance	3,395	5,000	-1,605	67.9%		
Total Maint/Rep - Office & Vehicles	6,810	23,000	-16,190	29.61%		
Maint/Repair - Facilities						
6085 · Janitorial Services	3,407	9,600	-6,193	35.49%		
6100 · SCADA system	2,050	6,500	-4,450	31.55%		
6180 · Distribution System Repairs	15,402	50,000	-34,598	30.8%	In the 1Q, this line item received a large reimbursement from In-House Construction that exceeded 1Q expenditures.	
6235 · Treatment Sys/Well Repairs	18,546	75,000	-56,454	24.73%		
6143 · Generator Maintenance	614	5,000	-4,386	12.28%		
Total Maint/Repair - Facilities	40,020	146,100	-106,080	27.39%		
Miscellaneous Expenses						
6280 · Memberships	8,872	10,100	-1,228	87.85%		
6303 · Claims	0	1,500	-1,500	0.0%		
6593 · Governmental Fees	18,096	18,500	-404	97.82%		
Total Miscellaneous Expenses	26,969	30,100	-3,131	89.6%		
Office Expense						
6410 · Postage	9,228	19,000	-9,772	48.57%		
6430 · Printing Expense	4,083	7,000	-2,917	58.33%	-	
6461 · Office Supplies	3,511	6,000	-2,489	58.51%		
6800 · Subscriptions/Legal Notices	2,658	1,250	1,408	212.62%	This item underbudgeted this year due to job opening advertisements.	*
6890 · Computers/Software	441	3,500	-3,059	12.59%		
Total Office Expense	19,920	36,750	-16,830	54.2%		
Operating Supplies						
6300 · Chemicals	2,331	18,000	-15,669	12.95%	-	
6880 · Tools and Equipment	3,301	7,500	-4,199	44.02%		
6881 · Safety Equipment	367	2,500	-2,133	14.68%		
Total Operating Supplies	5,999	28,000	-22,001	21.43%		
Professional Services						
6514 · Lab/Testing Fees	5,360	12,500	-7,141	42.88%		
6570 · Consultant Fees	23,887	35,000	-11,113	68.25%	In the 2Q, \$6,849 was spent on an unbudgeted HR consultant (RGS)	*
6590 · Engineering	4,595	10,000	-5,405	45.95%		
6610 · Legal	33,984	30,000	3,984	113.28%	This line item underbudgeted this year.	*
6630 · Audit/Accounting	21,940	36,000	-14,060	60.95%		
Total Professional Services	89,765	123,500	-33,735	72.69%		
Rents & Leases						
7913 · Policy Reserve Loan	135,000	135,000	0	100.0%		
6820 · Equipment	818	3,300	-2,482	24.8%		

Sweetwater Springs Water District

FY 2021-22 Operating Budget Variances as of December 31, 2021 (50%)

Note: Document is cumulative. Changes to text made from previous reports are "d in the "Changed" column and underlined.

	FY 2021-22 Actual	2021-22 Budget	\$ Over Budget for the Year	% of Budget	Notes (Underlined notes reflect changes since last report)	*= Ch ged
6840 · Building & Warehouse	18,244	32,000	-13,756	57.01%	1Q Bldg. rent paid thru October.	
Total Rents & Leases	154,063	170,300	-16,238	90.47%		
Transportation & Travel						
7120 · Seminars & related travel	207	5,000	-4,793	4.14%		
7201 · Vehicle Gas	17,472	24,000	-6,528	72.8%		
7300 · Travel Reimbursements	2,121	6,480	-4,359	32.73%		
Total Transportation & Travel	19,800	35,480	-15,680	55.81%		
Uniforms						
6021.1 · Boots	1,426	1,500	-74	95.04%		
6021.3 · T-shirts	1,138	1,800	-662	63.22%	In the 1Q, t-shirts were purchased for the year.	
6021.4 · Jackets	0	240	-240	0.0%		
Total Uniforms	2,564	3,540	-976	72.42%		
Utilities						
7320 · Electricity	65,496	125,000	-59,504	52.4%	-	
7321 · Propane	532	3,000	-2,468	17.74%		
Total Utilities	66,028	128,000	-61,972	51.58%		
Total SERVICES & SUPPLIES	490,984	823,290	-332,306	59.64%		
Total OPERATING EXPENSES	1,179,097	2,186,136	-1,007,039	53.94%		
FIXED ASSET EXPENDITURES						
8511.1 · Tank/Facilities Sites	1,025	24,000	-22,975	4.27%		
8511.2 - Leasehold Improvements	0	0	0	0.0%	-	
8517 · Field/office equipment	0	5,000	-5,000	0.0%	-	
8573 · Vehicles	0	0	0	0.0%	-	
Total FIXED ASSET EXPENDITURES	1,025	29,000	-27,975	3.53%		
Total Expense	1,180,122	2,215,136	-1,035,014	53.28%		
Net Ordinary Income	317,803	804,091	-486,288	39.52%		
Other Income/Expense						
Other Expense						
TRANSFERS TO OTHER FUNDS						
8620.7 · Tfers to CIRF for CDR Revenue	332,402	332,402	0	100.0%		
8620.3 · Tfers to CIRF	0	430,000	-430,000	0.0%		
8620.5 · Tfers to Building Fund	0	15,000	-15,000	0.0%		
8620.2 · Tfers to In-House Constr	0	25,000	-25,000	0.0%		
Total TRANSFERS TO OTHER FUNDS	332,402	802,402	-470,000	41.43%	-	

Sweetwater Springs Water District
FY 2021-22 Capital Budget Variances as of December 31, 2021 (50%)

	<u>Jul 21 - Dec 21</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Notes</u>
Income					
New Construction flat charges revenue	52,429.65	27,000.00	25,429.65	194.18%	
CY Direct Charges	413,219.09	710,000.00	-296,780.91	58.2%	
PY Direct Charges	8,702.40	40,000.00	-31,297.60	21.76%	
Interest Revenue	2,093.57	25,000.00	-22,906.43	8.37%	
Grant Proceeds	23,636.65	0.00	23,636.65	100.0%	
Tfer from Operations - CDR	332,402.00	332,402.00	0.00	100.0%	
Tfer from Operations - In House Constr.	0.00	25,000.00	-25,000.00	0.0%	
Tfer from Operations - Surplus Income	0.00	430,000.00	-430,000.00	0.0%	
Total Income	832,483.36	1,589,402.00	-756,918.64	52.38%	
Expense					
In-House Construction	11,007.84	25,000.00	-13,992.16	44.03%	
CIP 2021 (Main repl: Old River Rd; Woodland)	18,615.04	1,326,000.00	-1,307,384.96	1.4%	
Moscow Rd. Project	4,545.00	0.00	4,545.00	100.0%	
Principal Pymt -USDA Bonds	54,950.00	54,278.00	672.00	101.24%	
Principal - Priv. Placemnt Loan	85,212.50	167,650.00	-82,437.50	50.83%	
Principal-2013 Cap One Rev Bond	296,500.00	368,000.00	-71,500.00	80.57%	
Capital Interest	147,638.12	319,908.00	-172,269.88	46.15%	
Total Expense	618,468.50	2,260,836.00	-1,642,367.50	27.36%	
Net Capital Income	214,014.86	-671,434.00	885,448.86	-31.87%	

Non-Operating Balances FY 2021-22 and Reserves Above Policy

Beginning balances: (Note: Warrants requested in FP 12 for last fiscal year are not subtracted from Cash until FP 1 of the next year. They are instead recorded as "Vendors Payable")											TOTAL at COUNTY ↓	GRAND TOTAL: COUNTY + USDA + PARS/CERBT	FY 2021-22 Policy Reserves: \$1,319,089 <small>Reserve Loans Outstanding: \$230,000 (Oct. 2019 loan) \$500,000 (Nov 2020 loan)</small>
NAME	CERBT <small>(Contributions are part of Reserves)</small>	PARS <small>(Contributions are part of Reserves)</small>	Operations	Bldg Fund <small>(part of Policy Reserves)</small>	FY 2020-21 POLICY RESERVES: \$1,319,089	In-house Construction	Capital Improvements	Guernewood Project Escrow Funds	Cap One Bonds and Citizens Bank Loan Debt	USDA Bond Debt <small>(at WestAmerica)</small>			POLICY RESERVES NET RESERVE LOANS: \$589,089
Fund	CONTRIBUTIONS: \$42,518	CONTRIBUTIONS: \$200,000	76751	76752	76753	76755	76756	76757	76762				Reserves Above Policy:
Dep't			7106 0100	7106 0200	7106 0300	7106 0500	7106 0600	7106 0700	7106 1200				
FP1-Jul	\$63,883.98	\$273,549.20	\$135,143.78	\$55,850.00	\$257,991.00	\$27,765.22	\$1,257,993.84	\$3,920.00	\$547,949.12	\$149,782.46	\$2,286,612.96	\$2,775,603.64	\$1,872,942.64
FP2-Aug	\$63,883.98	\$279,403.45	\$260,143.78	\$55,850.00	\$257,991.00	\$22,151.92	\$1,279,408.16	\$3,920.00	\$178,392.22	\$149,785.09	\$2,057,857.08	\$2,550,929.60	\$1,648,268.60
FP3-Sept	\$66,521.00	\$271,276.70	\$125,143.78	\$55,850.00	\$392,991.00	\$22,151.92	\$1,264,662.95	\$3,920.00	\$178,392.22	\$85,502.49	\$2,043,111.87	\$2,466,412.06	\$1,563,751.06
FP4-Oct	\$66,521.00	\$280,371.22	\$275,836.34	\$55,850.00	\$392,991.00	\$22,151.92	\$1,262,613.75	\$3,920.00	\$178,392.22	\$85,503.85	\$2,191,755.23	\$2,624,151.30	\$1,721,490.30
FP5-Nov	\$66,521.00	\$276,345.31	\$275,836.34	\$55,850.00	\$392,991.00	\$22,151.92	\$1,287,459.60	\$3,920.00	\$178,392.22	\$85,505.35	\$2,216,601.08	\$2,644,972.74	\$1,742,311.74
FP6-Dec	\$69,746.10	\$283,202.04	\$103,434.34	\$55,850.00	\$392,991.00	\$22,151.92	\$2,069,366.89	\$3,920.00	\$178,392.22	\$42,518.57	\$2,826,106.37	\$3,221,573.08	\$2,318,912.08
FP7-Jan											\$0.00	\$0.00	
FP8-Feb											\$0.00	\$0.00	
FP9-Mar											\$0.00	\$0.00	
FP10-Apr											\$0.00	\$0.00	
FP11-May											\$0.00	\$0.00	
FP12-Jun											\$0.00	\$0.00	
FP 13 (FINAL)											\$0.00	\$0.00	

** Available Funds: 76758 and 76759 (State Loan reserve funds); 76754 (Fed Loan); 76757 (Guernewood Park); 76761 (Cap and Debt policy reserve) (These columns are hidden)
 *** Starting FY 2017-18, Bldg Fund and PARS considered part of Reserves; Starting FY 2019-20, CERBT is also part of reserves, but only the contributions (not earnings) to PARS and CERBT are included

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-B

FROM: Ed Fortner, General Manager

Meeting Date: February 3, 2022

SUBJECT: DISCUSSION/ACTION RE DIRECTION FOR COVID RELATED GUIDELINES

RECOMMENDED ACTION: Discussion and direction from the Board.

FISCAL IMPACT: none

DISCUSSION:

The District has followed Public Health direction from Federal, State, and Local Health Agencies. These guidelines are referenced in our Emergency Response Plan and Resolution 21-06. California relaxed many guidelines on June 15, including relaxing mask requirements. The California Cal OSHA met on June 17 and approved similar relaxed requirements for the workplace. Vaccinated employees could then choose not to wear masks outside or inside. Non-vaccinated employees must continue to wear masks outside when near others and wear masks in the office. The District has documented vaccination status through self-attestation. The District continues to navigate these new guidelines and apply them to the District workplace and workforce.

Among these issues is virtual vs. in-person Board meetings. The Governor issued an Executive Order that ends the waiver of Brown Act Public Meeting requirements on September 30. In consideration of Board meetings being held at the District offices, space is quite limited for social distancing. AB 361 allows the District to continue virtual Board meetings while the State is under a declared Covid disaster.

Staff feedback on reopening the office space has ranged from deferring to office staff to open support of full reopening with no masking.

On July 27, the CDC made recommendations for everyone to wear masks inside. The County and State made indoor masking for everyone mandatory due to the spread of the Delta variant.

Also, our Emergency Response Plan Covid section 15 allowed a one-time use of 14 days administrative leave if someone is positive for Covid or has been in contact with someone positive. *Previously the Board considered ending the 14 days leave policy.*

Reopening Plan: Due to the constantly changing circumstances of the virus, lack of vaccinations of staff and a significant percentage of the public, multiple Covid cases and close contacts to Covid positive individuals, and the risk due to the highly transmittable Delta variant and even more transmissible Omicron variant, *I recommend at this time to stay the course with no foot traffic and continued masking requirements as they evolve.*

The California Department of Public Health issued guidance on July 26, 2021, requiring State employees and all medical personnel to be vaccinated or be tested weekly if they are not vaccinated. The Governor also asked private businesses to follow suit on this new mandate. These orders were due to the many-fold increases in cases, hospitalizations, and deaths due to the Delta variant. On December 28, 2021, the Sonoma Health Officer recommended mandatory vaccinations including boosters with twice-weekly testing as an alternative for all workplaces.

The District has closely followed the County policies on COVID. On August 18, 2021, Paul Gullickson, the County Spokesperson, stated that the Board of Supervisors approved a policy that all County employees, including Sonoma County Water Agency, must show proof of vaccination or be tested for COVID weekly. *The Pfizer Covid vaccine was given full Federal FDA approval on August 23, 2021. Both the Pfizer and Moderna vaccines are fully approved now. The Omicron variant is now the prevalent strain. This variant is more resistant to the vaccine and is much more contagious. OSHA issued an Emergency Order September 9 requiring all employers with over 100 employees, show vaccination proof or be tested weekly. The latest Federal The Supreme Court ruled against this OSHA mandate. Adherence to Federal, State, and County guidelines are referenced in our Emergency Response Plan and Resolution 21-06. The board may consider following the County policy on vaccination proof with an option for employees to submit weekly negative Covid testing results. This County policy is likely to change to bi-weekly testing.*

On December 16, 2021, CalOSHA issued an Emergency Temporary Standard (ETS) that requires the employer to provide paid time for Covid testing and provide testing opportunities. It also defines acceptable face covering. (8) *"Face covering" means a surgical mask, a medical procedure mask, a respirator worn voluntarily, or a tightly woven fabric or non-woven material of at least two layers. A face covering has no visible holes or openings and must cover the nose and mouth. A face covering does not include a scarf, ski mask, balaclava, bandana, turtleneck, collar, or single layer of fabric.* The fact sheet describing the ETS Title 8 sections 3205, 3205.1, 3205.2, 3205.3, 3205.4 is attached.

DIRECTION FOR COVID RELATED GUIDELINES

February 3, 2022

2

All these measures taken and under consideration has the goal of maintaining a safe workplace and not exposing anyone in the course of our work. We have a Fulgent contract to consider facilitating Covid testing during outbreaks, voluntarily, or when vaccines become mandatory. I have an approved FEMA/ CalOES grant to cover the costs of this program. The Fulgent contract is executed, and the first tests have arrived. The 50 antigen quick tests I ordered have also arrived.

Staffing issues related to Covid and due to attrition have become more severe. I have reached out to emergency staffing services and meter reading services. We have pricing on these services. We have received a few applications for the vacancies. Jack and I are looking through these to set up interviews. At this time, Jack recommends we not use outside agencies.

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-C

FROM: Ed Fortner, General Manager

Meeting Date: February 3, 2022

SUBJECT: FY 2022-2023 BUDGET PROCESS AND APPOINTMENT OF AD HOC BUDGET COMMITTEE

RECOMMENDED ACTION: Receive a report on the District FY 2022-2023 Budget process, appoint an ad hoc Budget Committee, and provide direction to staff.

FISCAL IMPACT: None

DISCUSSION:

The Board typically approves its annual Fiscal Year Operating and Capital Budget at the May Board meeting. We intend to continue this practice this year. The Cost of Service Study (COSS) was accepted at the March 2020 Board meeting. The COSS recommended 5% rate increases each of the next five years. Table 1 below identifies a calendar for the budget approval process. Milestones include the Proposition 218 process, which has a 45-day notice and a public hearing for increases in rates and fees, if necessary, and a public hearing on the Budget itself. A Proposition 218 Notice would be required for any rate increase or other fee increase for the Fiscal Year 2022-2023 or beyond.

At the January Board meeting, President Schapp tabled the appointment of the ad hoc Budget Committee until tonight's meeting. The first Budget Committee meeting will occur in late February or March. Staff is in process of building a draft budget spreadsheet for review of the Budget committee.

The District's financial planning has assumed annual 5% increases to the base, water usage rates, and the Capital Debt Reduction Charge. Over the last 12 months, the Consumer Price Index, San Francisco Area - October 2020 (CPI-U), rose 3.8 percent. Energy prices increased 25 percent. Food prices rose 5.6 percent. The index for all items less food and energy rose 2.4 percent over the year. The overall increase is higher than a year ago (1.1%). A 1% increase in water rates returns annual revenue of \$30,000 to \$40,000 (when compounded annually). As described in the COSS, rate increases have been driven by the need to fund capital projects.

If the District decides to increase water rates, staff will also review fees and charges to be adjusted simultaneously (and noticed in the same Prop 218 notice).

Table 1. FY 2022-2023 Budget Preparation	
Reviewed/Approved Capital Improvement Program	February 2022
Introduce Budget Process	January 6, 2022
Budget Committee meetings	February-March 2022
Draft Budget to Board for Discussion/Action, Including Direction on Water Rates	March 3, 2022
Prop 218 Mailing for Water Rate Increase, if necessary	March 21, 2022
Draft Budget to Board for Discussion/Action	April 7, 2022
Approve Budget <ul style="list-style-type: none">• Prop 218 Public Hearing on Rates, if necessary	May 5, 2022

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-D

FROM: Ed Fortner, General Manager

Meeting Date : February 3, 2022

Subject: AWARD OF FY 2020-2021 CIP CONSTRUCTION CONTRACT

RECOMMENDED ACTION: Approve Resolution 22-04 which conditionally awards the 2020-2021 CIP construction contract to Piazza Construction for a not to exceed amount of \$1,353,421.00, waives any and all non-conformance in the bid of Piazza Construction, and authorizes the General Manager to approve change orders for a total amount not to exceed \$135,000.

FISCAL IMPACT: \$1,353,421.00 plus up to \$135,000 in possible change orders for a total amount of \$1,488,421.00.

DISCUSSION:

Replacement of aging water main infrastructure is an important activity of the Sweetwater Springs Water District. Toward that end the District has developed a multiyear capital improvement program that has prioritized the capital infrastructure that needs to be replaced or improved. The District is currently working on the FY 2021-2022 CIP, which replaces approximately 5,400 ft of existing main and 58 services on Old River Rd and Woodland Drive including 16 lead goosenecks. The new HDPE water main will replace old galvanized, steel, and cast iron pipe.

This construction project was advertised in December of 2021, and five bids were received and opened on January 18, 2022, at 2:30 pm, in accordance with bid instructions. The project had an Engineer's Estimate of Probable Cost of \$1,601,944. The bidder and bid amounts are shown in Table 1 below. After careful review and analysis of the bid by Piazza Construction (Piazza), staff is recommending awarding the bid to Piazza. Piazza has done good work for the District in the past and the bid amount is below the Engineer's Estimate of Probably Cost.

Bidder Name	Bid Amount
Piazza Construction	\$1,353,421.00
Devaney Engineering, Inc.	\$1,662,070.00
Team Ghilotti	\$1,887,141.00
Ecast Engineering	\$1,699,772.75
W.R. Forde Associates, Inc.	\$1,640,587.00

The work authorized under this contract is scheduled to start in March, 2022, according to the contract, will be completed within 70 working days of the notice to proceed. The work involves repair, replacement and/or reconstruction of existing water main distribution lines, and the installation of water "services" and fire hydrants. The work is in the same general location as existing facilities and will result in no expansion of system capacity. The work is part of the District's Capital Improvement Program and will provide important and necessary improvements to the District's distribution system.

In summary, the total award amount for the construction contract is \$1,488,421.00 which is approximately \$248,523 below the Engineer's Estimate of probable cost of \$1,601,944. The staff recommendation includes the bid amount of \$1,353,421.00 by Piazza Construction, and authorization for the General Manager to approve up to \$135,000 in total change order authority for work not anticipated by the contract. Construction management and inspection costs for the project are estimated at \$161,880.00. This puts the entire project cost at \$1,650,301.00 including the total change order amount.

This project will be self-funded by the District and with CDBG funds of \$705,000. As such, the Project Award must be approved by CDC staff. District staff have been in communication with CDC and the District has received approval from CDC to award the contract.

Staff recommends approval of Resolution 22-04 which conditionally awards the 2018 CIP construction contract to Piazza Construction for a not to exceed amount of \$1,488,421.00 and authorizes the General Manager to approve change orders for an amount not to exceed \$135,000. The conditions of the bid award include Piazza Construction's timely delivering the duly executed Project contract and submitting all required documents, including properly executed bonds, certificates of insurance and endorsements, pursuant to the Project bid documents.

Resolution No. 22-04

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT AWARDING CONTRACTS FOR THE 2021 CAPITAL IMPROVEMENT PROJECT TO PIAZZA CONSTRUCTION AND COASTLAND CIVIL ENGINEERING AND APPROVING AN OVERALL PROJECT BUDGET OF \$1,650,301.00

WHEREAS, District staff prepared construction bid document and advertised for construction of the 2021 Capital Improvement Project ("Project"); and

WHEREAS, District staff solicited bids for the Project on December 9, 2021; and

WHEREAS, on January 18, 2022, five bids were received and opened in accordance with the bid instructions and

WHEREAS, the bid for the Project from Piazza Construction was in the amount of \$1,353,421.00; and

WHEREAS, Piazza Construction has the certifications required for potable water line installation and meets the requirements stated in the bidding instructions for experience and certification of employees with HDPE pipe and fitting installations; and

WHEREAS, the District and Coastland Civil Engineering are parties to an On-Call Professional Services Agreement dated October 5, 2020 for engineering matters, including construction management and inspection services, and Coastland Civil Engineering submitted a proposal for construction management and inspection services for the Project in a task order amount not to exceed \$161,880; and

WHEREAS, the Project will be funded, in part, with Community Development Block Grant Program monies; and

WHEREAS, the Project involves the replacement or reconstruction of existing facilities and will result in negligible or no expansion of capacity, this the Project is exempt from environmental review, pursuant to the California Environmental Quality Act ("CEQA") and Title 14, the California Code of Regulations ("CEQA Guidelines"), section 15301(b) and 15302(C); and

WHEREAS, notwithstanding the above-referenced bid amount, it is anticipated that the Project will have a certain amount of unanticipated construction issues during construction necessitating change orders in an amount not to exceed \$135,000.00.

NOW, THEREFORE BE IT RESOLVED, that the District Board of Directors of the Sweetwater Springs Water District hereby:

1. Finds the bid in the amount of one million three hundred fifty three thousand four hundred twenty one dollars and not cents (\$1,353,421.00) by Piazza Construction to be the lowest responsive bid and further finds that Piazza Construction is a responsible bidder; and
2. Approves the Project construction contract in the amount of one million three hundred fifty three thousand four hundred twenty one dollars and not cents (\$1,353,421.00); and

Resolution 22-04, 2021 CIP Award
 February 4, 2022

3. Awards the contract for the 2021 Capital Improvement Project to Piazza Construction in the amount of one million three hundred fifty three thousand four hundred twenty one dollars and not cents (\$1,353,421.00), the amount of the lowest responsive bid, conditioned on Piazza Construction timely executing the Project contract and submitting all required documents, including, but not limited to, executed bonds, certificates of insurance, and endorsements, in accordance with the Project bid documents; and
4. Directs staff to issue a Notice of Award to Piazza Construction; and
5. Authorizes and directs the General Manager to execute the Project contract, attached hereto as Exhibit A, on behalf of the District upon timely submission of by Piazza Construction of the signed Project contract and all other required contract documents, in accordance with the contract bid instructions; and
6. Authorizes and directs the General Manager to approve change orders on the Project with total change order approval not to exceed one hundred thirty five thousand dollar and no cents (\$135,000.00); and
7. Approves construction management and inspection services to Coastland Civil Engineering in an amount not to exceed one hundred sixty one thousand eight hundred eighty dollars and no cents (\$161,880.00) and authorizes and directs the General Manager to issue a task order for such work pursuant to the On-Call Professional Services Agreement dated October 5, 2020 .
8. Establishes the overall construction budget for the Project be at an amount not to exceed one million six hundred fifty thousand three hundred hone dollars and no cents (\$1,650,301.00).

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted and passed by the Board of Directors of the SWEETWATER SPRINGS WATER DISTRICT, Sonoma County, California, at a meeting held on February 4, 2022, by the following vote.

Director	Aye	No
Sukey Robb-Wilder	_____	_____
Tim Lipinski	_____	_____
Richard Holmer	_____	_____
Gaylord Schaap	_____	_____
Larry Spillane	_____	_____

 Gaylord Schapp
 President of the Board of Directors

 Attest: Julie A. Kenny
 Clerk of the Board of Directors

[END OF RESOLUTION]

EXHIBIT A

AGREEMENT BETWEEN SWEETWATER SPRINGS WATER DISTRICT AND PIAZZA CONSTRUCTION FOR THE 2021 CAPITAL IMPROVEMENT PROJECT

The Sweetwater Springs Water District, a California (“District”) enters into this agreement, dated for reference purposes only, with Piazza Construction (“Contractor”).

RECITALS

- A. NOTICE INVITING BIDS. The District gave notice inviting bids to be submitted by January 18, 2022 for the **2021 Capital Improvement Project** by published notice and/or posting in accordance with California Public Contract Code Section 20164 and other applicable law.
- B. BID OPENING. On January 18, 2022, at 2:30 p.m. District representatives opened the bids for the **2021 Capital Improvement Project** and read the bids aloud.
- C. PROJECT AWARD. On February 4, 2022, the District awarded the **2021 Capital Improvement Project** to the Contractor and directed District staff to send the Contractor written notice of award of the project. The District conditioned award of the project on the Contractor’s providing executed copies of all documents specified in the contract check list included in the bid package within ten (10) working days of receiving written notice of award of the project.
- D. REQUIRED DOCUMENTS. The Contractor has provided the District executed copies of all documents specified in the contract check list included in the bid package within ten (10) working days of receiving written notice of award.

AGREEMENT TERMS

The District and the Contractor agree as follows:

1. THE WORK. The Contractor shall furnish all equipment, tools, apparatus, facilities, material labor, and skill necessary to perform and complete in a good and workmanlike manner the **2021 Capital Improvement Project** (“Work”) as shown in the Technical Specifications and Project Plans in accordance with the Contract Documents and applicable law.
2. LOCATION OF WORK. The Work will be performed at the following locations:
Old River Road from River Road to Morningside Drive, Bonita Avenue,
Woodland Drive from Armstrong Woods Road to 14210 Woodland Drive and
Palo Alto Drive from Woodland Drive to Morningside Drive.
3. TIME FOR COMPLETION. The Contractor must complete the Work in accordance with the Contract Documents within 70 working days from the date specified in the District’s Notice to Proceed (“Time for Completion”).

4. REMEDIES FOR FAILURE TO TIMELY COMPLETE THE WORK. If the Contractor fails to fully perform the Work in accordance with the Contract Documents by the Time for Completion, as such time may be amended by change order or other modification to this agreement in accordance with its terms, and/or if the Contractor fails, by the Time for Completion, to fully perform all of the Contractor's obligations under this agreement that have accrued by the Time for Completion, the Contractor will become liable to the District for all resulting loss and damage in accordance with the Contract Documents and applicable law. The District's remedies for the Contractor's failure to perform include, but are not limited to, assessment of liquidated damages of **\$1,380 per day** in accordance with California Government Code Section 53069.85 and Section 7-1.02 of the General Provisions, and/or obtaining or providing for substitute performance in accordance with the Contract Documents.
5. CONTRACT PRICE AND PAYMENT. As full compensation in consideration of completion of the Work in accordance with the Contract Documents and in consideration of the fulfillment of all of the Contractor's obligations under the Contract Documents, the District will pay the Contractor in lawful money of the United States the total price of \$1,353,421.00 (the "Contract Price") as specified in the Contractor's completed Bid Schedule dated January 18, 2022, and attached to and incorporated in this agreement. Payment to the Contractor under this agreement will be for Work actually performed in accordance with the Contract Documents and will be made in accordance with the requirements of the Contract Documents and applicable law. The District will have no obligation to pay the Contractor any amount in excess of the Contract Price unless this agreement is first modified in accordance with its terms. The District's obligation to pay the Contractor under this agreement is subject to and may be offset by charges that may apply to the Contractor under this agreement. Such charges include but are not limited to, charges for liquidated damages and/or substitute performance in accordance with the Contract Documents.
6. PREVAILING WAGES. In accordance with California Labor Code Section 1771, not less than the general prevailing rate of per diem wages for work of a similar character in the locality in which the Work is to be performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed as provided in the California Labor Code must be paid to all workers engaged in performing the Work. In accordance with California Labor Code Section 1770 and following, the Director of Industrial Relations has determined the general prevailing wage per diem rates for the locality in which the Work is to be performed. In accordance with California Labor Code Section 1773, the District has obtained the general prevailing rate of per diem wages and the general rate for holiday and overtime work in the locality in which the Work is to be performed for each craft, classification or type of worker needed to perform the project. In accordance with California Labor Code Section 1773.2, copies of the prevailing rate of per diem wages are on file at the office of Coastland Civil Engineering and will be made available on request. Throughout the performance of the Work the Contractor must comply with all provisions of the Contract Documents and all applicable laws and regulations that apply to wages earned in performance of the Work. Bidders are notified that financing for this project is provided pursuant to the Consolidated Farm and Rural Development Act (7 U.S.C. Section 1921 et seq.) and that as allowed in Public Contract Code Section 22300, this contract does not

provide for substitution of securities for any monies withheld by the District to ensure performance under this contract. Bidders are further notified that this contract does not permit retainage to be placed in escrow nor to be invested for the benefit of the contractor.

7. THE CONTRACT DOCUMENTS. This agreement consists of the following documents (“Contract Documents”), all of which are incorporated into and made a part of this agreement as if set forth in full. In the event of a conflict between or among the Contract Documents, precedence will be in the following order:
 - 7.1 This agreement and change orders and other amendments to this agreement signed by authorized representatives of the District and the Contractor.
 - 7.2 The General Provisions and change orders and other amendments to the General Conditions signed by authorized representatives of the District and the Contractor.
 - 7.3 The Special Provisions, addenda to the Special Provisions signed by authorized representatives of the District and issued prior to bid opening, Equal Product Proposals accepted by the District and signed by authorized District representatives prior to bid opening, and change orders and other amendments to the Technical Specifications signed by authorized representatives of the District and the Contractor.
 - 7.4 The Project Plans, addenda to the Project Plans signed by authorized representatives of the District and issued prior to bid opening, Equal Product Proposals accepted by the District and signed by authorized District representatives prior to bid opening, and change orders and other amendments to the Project Plans signed by authorized representatives of the District and the Contractor.
 - 7.5 Notice Inviting Bids.
 - 7.6 Instructions to Bidders.
 - 7.7 The successful bidder’s completed Proposal Form and Bidder’s Sheet.
 - 7.8 The successful bidder’s completed Contractor License Information.
 - 7.9 The successful bidder’s completed List of Proposed Subcontractors.
 - 7.10 The successful bidder’s Workers Compensation Insurance Certification.
 - 7.11 The successful bidder’s completed Non-Collusion Declaration.
 - 7.12 The successful bidder’s Debarment Certification.
 - 7.13 The successful bidder’s completed Certificates of Insurance and Endorsements.
 - 7.14 The successful bidder’s executed Performance Bond.

- 7.15 The successful bidder's executed Payment Bond.
 - 7.16 Executed Escrow for Deposit Agreement, if applicable.
 - 7.17 Change Order Form.
 - 7.18 The Maintenance Bond form included in the bid package that the Contractor must execute prior to release of final payment under the Contract.
 - 7.19 The successful bidder's Qualification Statement, if any.
 - 7.20 The successful bidder's signed Signature Form.
 - 7.21 Federal Prevailing Wage Decision
8. PROVISIONS INCORPORATED BY REFERENCE. Provisions or parts of provisions that are incorporated by reference and not set forth at length in any of the Contract Documents will only form a part of this Agreement to the extent the Contract Documents expressly make such provisions or parts of provisions a part of this Agreement. For example, published public works agreement provisions, such as those of the State of California Department of Transportation 2018 Standard Specifications (known as the Standard Specifications) are only a part of this Agreement to the extent expressly incorporated in this Agreement by section number, and references in the Standard Specifications incorporated by reference to other Standard Specifications do not make such other Standard Specifications a part of this Agreement. When such published provisions are made a part of this Agreement, references in the published provisions to other entities, such as the State, the Agency, or similar references, will be deemed references to the District as the context of this Agreement may require.
- All of the provisions of the Funding Agreement for the Use of FY 2021-2022 CDBG Funds are included and made a part of this contract (or subcontract).
9. INTERPRETATION OF CONTRACT DOCUMENTS. Any question concerning the intent or meaning of any provision of the Contract Documents, including, but not limited to, the Technical Specifications or Project Plans, must be submitted to the District, for issuance of an interpretation and/or decision by an authorized District representative in accordance with the requirements of the Contract Documents. Interpretations or decisions by any other person concerning the Contract Documents will not be binding on the District. The decision of an authorized District representative shall be final.
10. ASSIGNMENT PROHIBITED. The Contractor may not assign part or all of this agreement, or any moneys due or to become under this agreement, or any other right or interest of the Contractor under this agreement, or delegate any obligation or duty of the Contractor under this agreement without the prior written approval of an official authorized to bind the District and an authorized representative of Contractor's surety or sureties. Any such purported assignment or delegation without such written approval on behalf of the District and the Contractor's sureties

will be void and a material breach of this agreement subject to all available remedies under this agreement and at law and equity.

11. CERTIFICATION RE CONTRACTOR'S LICENSE. By signing this Agreement the Contractor certifies that the Contractor holds a valid Type A license issued by the California State Contractors Licensing Board, and that the Contractor understands that failure to maintain its license in good standing throughout the performance of the Work may result in discipline and/or other penalties pursuant to the California Business and Professions Code, and may constitute a material breach of this agreement subject to all available remedies under this agreement and at law and equity.
12. SEVERABILITY. If any term or provision or portion of a term or provision of this Agreement is declared invalid or unenforceable by any court of lawful jurisdiction, then the remaining terms and provisions or portions of terms or provisions will not be affected thereby and will remain in full force and effect.

Executed on _____, _____, by

CONTRACTOR

SWEETWATER SPRINGS WATER
DISTRICT

By: _____

By: _____

Title: _____

Title: President, Board of Directors

[Attach Notary Page]

Attest:

By: _____

Title: Clerk of the Board



COASTLAND

CIVIL ENGINEERING - CONSTRUCTION MANAGEMENT - BUILDING DEPARTMENT SERVICES

January 21, 2022

Mr. Ed Fortner
General Manager
Sweetwater Springs Water District
PO Box 48
17081 Hwy 116, Suite B
Guerneville, CA 95446

VIA EMAIL

RE: Results of the 2021 Capital Improvement Project (CIP) Bid and Recommendation of Award

Dear Ed,

Coastland has reviewed the bids submitted on January 18, 2022 for the 2021 CIP. Five (5) bids were received ranging from a low bid of \$1,353,421.00 to a high of \$1,887,141.00. The low bid was received from Piazza Construction. Based on the bids received, Coastland has completed a check of Piazza Construction's bid and found that their contractor's license is active and valid, that they possess a Class A license as required by the bid documents, and that Piazza Construction and their proposed subcontractor is licensed contractors and registered with the Department of Industrial Relations. Piazza Construction bid contained the required information per the bid documents.

Based on our review of the above information, Coastland recommends awarding the project to Piazza Construction in the amount of \$1,353,421.00. Please let me know if you have any questions.

Regards,

Steven R. Van Saun, PE
Supervising Engineer

CC: John Wanger, District Engineer
Valerie Johnson, Sonoma County CDC

Santa Rosa
1400 Neotomas Avenue
Santa Rosa, CA 95405
Tel: 707.571.8005

Auburn
11641 Blocker Drive, Ste. 170
Auburn, CA 95603
Tel: 530.888.9929

Pleasant Hill
3478 Buskirk Avenue, Ste. 1000
Pleasant Hill, CA 94523
Tel: 925.233.5333

Fairfield
324 Campus Lane, Ste. A
Fairfield, CA 94534
Tel: 707.702.1961

Item No.	Item Description	Estimated Quantity	Unit of Measure	Engineer's Estimate		Piazza Construction		W.R. Forde Associates, Inc.		Devaney Engineering, Inc		Ecast Engineering		Team Ghilotti, Inc.	
				Unit Cost	Item Total	Unit Cost	Item Total	Unit Cost	Item Total	Unit Cost	Item Total	Unit Cost	Item Total	Unit Cost	Item Total
1	Mobilization	1	LS	\$ 89,200.00	\$89,200.00	\$ 15,000.00	15,000.00	\$ 80,000.00	80,000.00	\$ 75,000.00	75,000.00	\$ 74,000.00	74,000.00	\$ 90,016.10	90,016.10
2	Traffic Control System	1	LS	\$ 35,000.00	\$35,000.00	\$ 10,000.00	10,000.00	\$ 100,000.00	100,000.00	\$ 40,000.00	40,000.00	\$ 34,250.00	34,250.00	\$ 12,600.00	12,600.00
3	Cold Plane Asphalt Concrete	3,125	SY	\$ 10.00	\$31,250.00	\$ 15.80	49,375.00	\$ 10.00	31,250.00	\$ 8.00	25,000.00	\$ 14.75	46,093.75	\$ 16.00	50,000.00
4	Asphalt Concrete Trench Paving (Permanent)	527	TON	\$ 275.00	\$144,925.00	\$ 268.00	141,236.00	\$ 350.00	184,450.00	\$ 260.00	137,020.00	\$ 210.00	110,670.00	\$ 204.00	107,508.00
5	Traffic Stripe, Thermoplastic 12" White Limit Line	48	LF	\$ 15.00	\$720.00	\$ 19.00	912.00	\$ 10.00	480.00	\$ 25.00	1,200.00	\$ 9.00	432.00	\$ 8.50	408.00
6	Traffic Stripe, Thermoplastic Detail 23	56	LF	\$ 25.00	\$1,400.00	\$ 19.00	1,064.00	\$ 10.00	560.00	\$ 25.00	1,400.00	\$ 7.00	392.00	\$ 6.40	358.40
7	Thermoplastic Traffic Markings, White	66	SF	\$ 20.00	\$1,320.00	\$ 21.25	1,402.50	\$ 10.00	660.00	\$ 50.00	3,300.00	\$ 15.00	990.00	\$ 15.00	990.00
8	Blue Raised Pavement Marker (Fire Hydrant)	11	EA	\$ 50.00	\$550.00	\$ 28.00	308.00	\$ 30.00	330.00	\$ 25.00	275.00	\$ 21.00	231.00	\$ 21.00	231.00
9	2" HDPE Water Main (Open Trench)	37	LF	\$ 95.00	\$3,515.00	\$ 86.00	3,182.00	\$ 150.00	5,550.00	\$ 175.00	6,475.00	\$ 150.00	5,550.00	\$ 155.00	5,735.00
10	2" HDPE Water Main (Directional Bored)	168	LF	\$ 75.00	\$12,600.00	\$ 53.00	8,904.00	\$ 150.00	25,200.00	\$ 100.00	16,800.00	\$ 95.00	15,960.00	\$ 134.00	22,512.00
11	4" HDPE Water Main (Open Trench)	18	LF	\$ 120.00	\$2,160.00	\$ 100.00	1,800.00	\$ 150.00	2,700.00	\$ 250.00	4,500.00	\$ 280.00	5,040.00	\$ 441.00	7,938.00
12	6" HDPE Water Main (Open Trench)	485	LF	\$ 140.00	\$67,900.00	\$ 127.50	61,837.50	\$ 150.00	72,750.00	\$ 250.00	121,250.00	\$ 188.00	91,180.00	\$ 214.50	104,032.50
13	6" HDPE Water Main (Directional Bored)	3,698	LF	\$ 110.00	\$406,780.00	\$ 89.00	329,122.00	\$ 124.00	458,552.00	\$ 125.00	462,250.00	\$ 109.00	403,082.00	\$ 130.00	480,740.00
14	8" HDPE Water Main (Open Trench)	766	LF	\$ 160.00	\$122,560.00	\$ 145.00	111,070.00	\$ 150.00	114,900.00	\$ 230.00	176,180.00	\$ 200.00	153,200.00	\$ 227.50	174,265.00
15	8" HDPE Water Main (Directional Bored)	269	LF	\$ 130.00	\$34,970.00	\$ 106.00	28,514.00	\$ 175.00	47,075.00	\$ 130.00	34,970.00	\$ 243.00	65,367.00	\$ 150.00	40,350.00
16	Temporary 2" HDPE Water Main	627	LF	\$ 75.00	\$47,025.00	\$ 47.00	29,469.00	\$ 90.00	56,430.00	\$ 50.00	31,350.00	\$ 75.00	47,025.00	\$ 107.00	67,089.00
17	2" Gate Valve	2	EA	\$ 1,000.00	\$2,000.00	\$ 1,445.00	2,890.00	\$ 1,200.00	2,400.00	\$ 500.00	1,000.00	\$ 1,400.00	2,800.00	\$ 1,760.00	3,520.00
18	4" Gate Valve	2	EA	\$ 1,500.00	\$3,000.00	\$ 1,790.00	3,580.00	\$ 1,500.00	3,000.00	\$ 1,000.00	2,000.00	\$ 1,900.00	3,800.00	\$ 2,077.00	4,154.00
19	6" Gate Valve	13	EA	\$ 1,750.00	\$22,750.00	\$ 2,440.00	31,720.00	\$ 1,600.00	20,800.00	\$ 1,500.00	19,500.00	\$ 2,700.00	35,100.00	\$ 2,420.00	31,460.00
20	8" Gate Valve	5	EA	\$ 2,000.00	\$10,000.00	\$ 2,975.00	14,875.00	\$ 2,500.00	12,500.00	\$ 1,800.00	9,000.00	\$ 4,000.00	20,000.00	\$ 3,052.00	15,260.00
21	1" Single Water Service with 5/8" Meter	55	EA	\$ 4,000.00	\$220,000.00	\$ 3,030.00	166,650.00	\$ 2,800.00	154,000.00	\$ 2,500.00	137,500.00	\$ 4,100.00	225,500.00	\$ 3,900.00	214,500.00
22	1" Single Water Service with 1" Meter	6	EA	\$ 4,500.00	\$27,000.00	\$ 3,680.00	22,080.00	\$ 3,500.00	21,000.00	\$ 2,600.00	15,600.00	\$ 4,300.00	25,800.00	\$ 5,745.00	34,470.00
23	2" Single Water Service with 1.5" Meter	1	EA	\$ 4,750.00	\$4,750.00	\$ 6,095.00	6,095.00	\$ 7,500.00	7,500.00	\$ 3,000.00	3,000.00	\$ 6,500.00	6,500.00	\$ 6,800.00	6,800.00
24	2" Water Service	1	EA	\$ 4,500.00	\$4,500.00	\$ 6,255.00	6,255.00	\$ 7,500.00	7,500.00	\$ 2,000.00	2,000.00	\$ 5,900.00	5,900.00	\$ 7,720.00	7,720.00
25	4" Water Service	1	EA	\$ 5,000.00	\$5,000.00	\$ 5,265.00	5,265.00	\$ 8,000.00	8,000.00	\$ 7,000.00	7,000.00	\$ 4,150.00	4,150.00	\$ 11,000.00	11,000.00
26	1.5" Reduced Pressure Backflow Preventer	1	EA	\$ 2,000.00	\$2,000.00	\$ 5,345.00	5,345.00	\$ 5,000.00	5,000.00	\$ 4,000.00	4,000.00	\$ 3,800.00	3,800.00	\$ 6,507.00	6,507.00
27	Air Release Valve	3	EA	\$ 3,500.00	\$10,500.00	\$ 5,010.00	15,030.00	\$ 4,500.00	13,500.00	\$ 3,500.00	10,500.00	\$ 3,570.00	10,710.00	\$ 10,900.00	32,700.00
28	Permanent Blow Off-Above Ground	1	EA	\$ 3,500.00	\$3,500.00	\$ 5,840.00	5,840.00	\$ 3,000.00	3,000.00	\$ 8,000.00	8,000.00	\$ 3,130.00	3,130.00	\$ 6,800.00	6,800.00

Item No.	Item Description	Estimated Quantity	Unit of Measure	Engineer's Estimate		Piazza Construction		W.R. Forde Associates, Inc.		Devaney Engineering, Inc		Ecast Engineering		Team Ghilotti, Inc.	
				Unit Cost	Item Total	Unit Cost	Item Total	Unit Cost	Item Total	Unit Cost	Item Total	Unit Cost	Item Total	Unit Cost	Item Total
29	Temporary Blow Off	9	EA	\$ 2,000.00	\$18,000.00	\$ 1,190.00	10,710.00	\$ 1,500.00	13,500.00	\$ 3,000.00	27,000.00	\$ 1,340.00	12,060.00	\$ 1,020.00	9,180.00
30	Fire Hydrant and Valve Assembly	11	EA	\$ 11,000.00	\$121,000.00	\$ 14,570.00	160,270.00	\$ 1,500.00	16,500.00	\$ 7,000.00	77,000.00	\$ 13,360.00	146,960.00	\$ 14,370.00	158,070.00
31	Remove and Salvage Existing Hydrant	2	EA	\$ 3,000.00	\$6,000.00	\$ 500.00	1,000.00	\$ 1,500.00	3,000.00	\$ 500.00	1,000.00	\$ 550.00	1,100.00	\$ 4,960.00	9,920.00
32	Abandon Water Main and Appurtenances	1	LS	\$ 25,000.00	\$25,000.00	\$ 500.00	500.00	\$ 15,000.00	15,000.00	\$ 2,500.00	2,500.00	\$ 6,900.00	6,900.00	\$ 10,950.00	10,950.00
33	Water Main Tie In	9	EA	\$ 7,500.00	\$67,500.00	\$ 7,020.00	63,180.00	\$ 7,500.00	67,500.00	\$ 14,000.00	126,000.00	\$ 6,700.00	60,300.00	\$ 8,800.00	79,200.00
34	Leaded Joint Removal	7	EA	\$ 1,500.00	\$10,500.00	\$ 3,620.00	25,340.00	\$ 6,000.00	42,000.00	\$ 500.00	3,500.00	\$ 2,400.00	16,800.00	\$ 4,900.00	34,300.00
35	Trench Bracing and Shoring	1	LS	\$ 10,000.00	\$10,000.00	\$ 1,000.00	1,000.00	\$ 20,000.00	20,000.00	\$ 50,000.00	50,000.00	\$ 39,000.00	39,000.00	\$ 3,027.00	3,027.00
36	Trench Containment Cut-Off	4	EA	\$ 1,500.00	\$6,000.00	\$ 525.00	2,100.00	\$ 1,500.00	6,000.00	\$ 1,000.00	4,000.00	\$ 1,000.00	4,000.00	\$ 1,070.00	4,280.00
37	Water Lowering/Over Structure	3	EA	\$ 7,000.00	\$21,000.00	\$ 3,500.00	10,500.00	\$ 6,000.00	18,000.00	\$ 5,000.00	15,000.00	\$ 4,000.00	12,000.00	\$ 12,850.00	38,550.00
Total:					\$1,601,875.00		\$1,353,421.00		\$1,640,587.00		\$1,662,070.00		\$1,699,772.75		\$1,887,141.00



COASTLAND

CIVIL ENGINEERING - CONSTRUCTION MANAGEMENT - BUILDING DEPARTMENT SERVICES

January 27, 2022

Mr. Ed Fortner
General Manager
Sweetwater Springs Water District
17081 Highway 116, Suite B
Guerneville, CA 95446

Subject: Proposal to Provide Construction Management & Inspection Services for 2021
Capital Improvement Project: Bonita Avel, Old River Rd., Palo Alto Dr., and
Woodland Dr.

Dear Ed:

Thank you for giving Coastland the opportunity to present our scope and fees to provide construction management and inspection services to the Sweetwater Springs Water District (District). We appreciate your confidence in us and look forward to working with you again this year. The following provides our understanding, proposed scope of services and estimated fees for the described services.

PROJECT UNDERSTANDING

The Sweetwater Springs Water District (District) is continuing their ongoing program to replace aging and undersized water system infrastructure and has received a U.S. Department of Housing and Urban Development for a Community Development Block Grant (CDBG) for the fiscal year 2021 CIP project. This project is intended to improve water service flows, improve customer water quality, improve fire protection and reduce water losses from leaks, while minimizing maintenance for years to come. The project site identified for fiscal year 2021 includes water main replacements in Old River Road and Woodside Road. The project encompasses two separate sites: Old River Rd. and Woodland Dr. Piazza Construction is the apparent low bidder with a bid amount of \$1,353,421 and the working days are estimated to be 70.

SCOPE OF SERVICES

Coastland's overall approach to performing Construction Management and Inspection focuses on teaming with District forces to produce a high-quality, cost-effective project. Our Construction Manager, Mike Janet and Inspector, Bob Elze, will keep the District informed regarding costs, changes, public relations, and construction progress. We will coordinate closely with the District and the property owners for the entire project duration. From the onset of the project, we will establish the lines of communication and decision-making roles with all project stakeholders. Based on our understanding of the project our scope of services is as follows:

TASK 1 – PRE-CONSTRUCTION MEETING

Immediately following the Notice to Proceed, our Construction Manager will schedule and administer the pre-construction meeting. During this meeting we will establish lines of communication and decision-making roles with all project stakeholders. We will also discuss safety requirements, responsibilities of the project team members, working hours, quality control procedures, submittal requirements, project schedule, change order and potential claim procedures, and safety procedures.

Santa Rosa
1400 Neotomas Avenue
Santa Rosa, CA 95405
Tel: 707.571.8005

Auburn
11641 Blocker Drive, Ste. 170
Auburn, CA 95603
Tel: 530.888.9929

Pleasant Hill
3478 Buskirk Avenue, Ste. 1000
Pleasant Hill, CA 94523
Tel: 925.233.5333

Fairfield
324 Campus Lane, Ste. A
Fairfield, CA 94534
Tel: 707.702.1961

www.coastlandcivil.com

Coastland will be responsible for generating pre-construction meeting invitations including the meeting agenda. Agenda items include lines of communication, public relations, safety, submittals, change procedures, payments, progress schedules, contract time, requests for information, and other applicable items. Coastland will prepare and distribute meeting minutes to all parties.

Following the pre-construction meeting, Coastland will continue to work with the District team, contractor, and Coastland's design team to ensure that all project issues are addressed promptly and that the District's best interests are considered at all times.

TASK 2 – PRE-CONSTRUCTION SITE VISIT AND DOCUMENTATION

Coastland will take pre-construction digital photos of the construction site with special attention given to sensitive areas including any private residences and businesses adjacent to the project. Documenting the site prior to construction will help mitigate possible disputes between the District, contractor and property owners within or adjacent to the project limits. These photos will be logged and filed with the project files.

TASK 3 – PROJECT START-UP

Coastland will assemble project files in accordance with the District's standard format. Coastland utilizes a centralized system for document control to create, store, organize, track, and link all project information. Our digital record-keeping will ensure the constant flow of documentation to a form that quickly and easily identifies trends and critical issues and will help keep the project moving as it helps document the work.

TASK 4 - DAILY FIELD INSPECTIONS AND DOCUMENTATION

A critical aspect of our services is maintaining close communication with District staff to ensure scheduling goals are met. To help maintain close communication, Coastland's inspector will be accessible to the District at all times at the project site and through the use of email and cellular phones. Coastland's on-site inspector will examine all construction activities to ensure that the contract work adheres to the contract documents, District standards and the established schedule.

We will maintain records and provide documentation of the work in the form of daily reports, weekly summary of construction activities, deficiency lists, and progress photographs of construction activities. Daily reports will describe the contractor's level of effort, specific work being done, started, or finished, and relevant points raised by the contractor that may require consideration and response. We also document proposed change orders and claims, important conversations, safety issues or accidents, extra work in progress, materials testing performed, information for "as-built" drawings, quantities for progress payments, environmental concerns and hazardous materials.

Coastland will provide a digital photo logbook of construction activities, progress, and areas of concern or interest. The photo log will be compiled on a portable storage device (USB drive) and will identify the location and date of each photo. The log will be maintained through the duration of the project to assure continuity from one week to the next and will be submitted to the District at the close of the project.

Coastland will continually review the specifications and plans to ensure the work is of good quality and meets the requirements of the contract documents. Coastland will immediately report any deviation from the approved contract documents.



Our inspector will identify actual and potential problems and provide solutions. We will maintain daily documentation and resolve issues by proposing field changes and avoid any delays.

Our inspector will review the Contractor's traffic control plan to make certain that access is maintained during construction.

In summary, our Inspector's responsibilities include:

- Represent the District in ensuring that the terms of the construction contract are followed throughout the term of the project.
- Participate in regular meetings called by the Construction Manager.
- Protect the interest of the District.
- Daily inspection of the contractor's work for conformance to the contract documents, codes, regulations, and District standards.
- Prepare and submit daily inspection reports that document all job site activities.
- Serve as a daily contact for the contractor as to performance of the construction.
- Respond promptly to District requests.
- Verify construction material quantities.
- Monitor traffic control procedures.
- Distribute notifications to impacted public regarding the status of construction.
- Document construction activities with photographs and maintain a photo log.
- Respond to calls from the public promptly and log any complaints in a timely manner.
- Work overtime as needed to assure presence on site during all construction activities.
- Document and maintain complete field files containing construction period correspondences, changes, discussions with contractor, memos, reports, and other pertinent items.

TASK 5 – PROGRESS MEETINGS

Coastland will conduct weekly coordination and progress meetings to focus on completed and upcoming work, any construction delays, schedule updates, proposed changes, change orders, contractor's questions, public relations, safety and other concerns that are identified by a project team member. We will work to foster honest, open communication at these weekly meetings which will help in timely resolution of any disputes and/or potential claims.

TASK 6 – STATUS REPORTS AND DOCUMENTATION

Task 6a – Reports

Complete and accurate record keeping will be an essential component of this project. We will ensure project documents and certified payroll are complete and correct sub-contractors are used. We will keep the District informed and document all construction issues with the following:

- Weekly Statement of Working Days
- Progress Meeting Minutes
- Field Directive Log
- Change order tracking
- Regular phone calls and e-mails

Task 6b – Submittal Management

Coastland will coordinate all submittals and monitor the status of the submittals to assure the contractor provides timely response. At the pre-construction conference, we will provide the contractor with a log of all required submittals and due dates. Submittals will be stamped, logged and distributed to the designer for complete review and approval. Submittals will be filed numerically, and approved copies will be distributed to the District, project members, and the contractor.



Task 6c – Requests for Information (RFI)

Coastland will receive and log all Requests for Information (RFI's) from the contractor and forward the RFI to the designer. Coastland will track the status of all RFI's by generating a weekly RFI log that lists the "Ball-in-court" status, description, and if an RFI results in a potential change order.

Task 6d – Change Order Management

If a change order is required, Coastland will negotiate the changes with the contractor and prepare documentation. All changes will be approved by the contractor, Coastland and the District prior to starting work on the change. With the District's approval, Coastland can negotiate with the contractor to produce the best construction method for the change at the lowest cost. If a change order requires input from the design engineer, our Construction Manager will coordinate with them to ensure it is reviewed. A Change Order Log will be created that will show Change Order number, description, status, approved date, start and completion dates and cost.

TASK 7 – CONSTRUCTION MANAGEMENT

Our goal is to ensure that construction and contract administration are performed in compliance with District requirements and standards, and the project plans and specifications. To accomplish this goal, our Construction Manager will manage the day-to-day construction activities with the contractor. He will be accessible to the District at all times. The Construction Manager will be responsible for keeping the District informed of the progress of the project, changes that may be needed, pay estimate input and releasing information to the public. In addition, our Construction Manager will complete all contract administration documentation in a timely, accurate and orderly fashion.

In summary, our Construction Manager's responsibilities include:

- Continuous communication and coordination with the contractor through regular progress meetings.
- Review and routing of project submittals and RFIs.
- Prepare project pay estimates and maintain records associated with the project's federal funding requirements.
- Accept work performed or, if work is rejected, work with contractor to correct construction errors.
- Prepare and approve Contract Change Orders.
- Provide claims management.
- Monitor permit and environmental compliance.
- Confirm labor compliance.
- Develop a project punch list and make recommendations for project acceptance.
- Prepare As-Built plans.
- Maintain an up-to-date construction file containing all records associated with the construction of the project.

TASK 8 – COST AND SCHEDULE MANAGEMENT

Coastland will continually review the construction progress and perform field measurements and quantity calculations. Each month, Coastland will provide accurate calculations for all work items completed and accepted to provide progress payment recommendations to the District. Coastland will review the contractor's progress pay estimate request and schedule of values to assess if they are reasonable and will compare this to the field measurements and quantity calculations. We will continually monitor project costs and keep the District informed regularly.

Coastland will review the contractor's construction schedule for accuracy, reasonableness, and will verify that it meets the project schedule, order of work, and contract requirements. Progress schedules will be reviewed weekly to ensure the contractor is meeting the critical dates. If the



contractor fails to meet critical dates, it will immediately be brought to his attention and remedies to get back on schedule will be accomplished. Schedule updates may be required once a month or more. We will negotiate any time extensions for the contractor due to change orders, weather, or other delays. Coastland will also maintain an as-built progress schedule.

TASK 9 - PUBLIC RELATIONS AND NOTIFICATIONS

Coastland will ensure every effort is made to keep residents and businesses informed of construction progress and minimize disruptions due to limited access and excessive noise. Our Construction Manager will proactively meet with property owners prior to and during construction to address any concerns from those affected by the project.

We will monitor traffic control and flagging procedures to ensure construction proceeds smoothly and public impact is minimized. There may be traffic delays during peak traffic periods. Accordingly, we will keep all residents and businesses informed on construction status and impacts through the use of message boards and notification letters. Our Construction Manager will also make introductions to the affected properties and provide his 24-hour contact phone number as appropriate. Coastland will ensure that Contractor provides advanced notice to residents and businesses, as required by the specifications, regarding roadwork and lane closures.

Coastland will log and respond to questions and concerns from the public in a timely manner and will record the contractor's activities as they relate to public safety and public convenience.

Additionally, our inspector will accurately document pre-construction conditions with a photo log to verify the project area is restored to its original form following construction.

TASK 10 – POST-CONSTRUCTION MEETING

Following completion of the work, Coastland will organize and conduct the post-construction meeting. The meeting will document all requirements necessary for final closeout and payment and confirm all contract obligations have been met. Recommendations for improvement will be made and incorporated into future projects. The results of the meeting will be summarized in meeting minutes.

TASK 11 – PROJECT CLOSEOUT

Coastland will verify completion of punch list items, issue notice of completion, prepare recommendations for final acceptance of the project, review as-builts for accuracy and completeness, prepare and recommend final payment, and transmit all construction documentation to the District. At the completion of the project, we will provide the District with the following:

- All contract files and records (hard & electronic files)
- Annotated journal of photos and CD of digital photos
- As-built project schedule

OPTIONAL TASKS

If requested by the District, conflict resolution & claim management can be added under an amendment on a Time & Materials basis.



WORK ESTIMATE

Our proposal is based on 70 working days with full-time inspection at 40 hours per work and part-time construction management at 10 hours per week. Our proposal includes factors such as attending meetings, construction management, daily inspections and reporting, public relations and outreach, project closeout and vehicle costs. Based on these items, we estimate the not-to-exceed fee to be \$161,880. Should the scope of services change, or the contract time be less or exceed the estimate, our charges will be adjusted accordingly.

As CEO of Coastland I am authorized to sign contracts on behalf of the company. I can be reached at wanger@coastlandcivil.com or by phone at (707) 571-8005. This proposal and our cost proposal shall remain a firm offer for 90 days. We thank you for this opportunity and look forward to hearing from you. Please let us know if you need anything else.

Sincerely,



John Wanger, P.E.
CEO



Mike Janet
Principal / Construction Services Manager





WORK ESTIMATE

Sweetwater Springs Water District 2021 Capital Improvement District		PROPOSAL FOR CONSTRUCTION MANAGEMENT & INSPECTION SERVICES					Sweetwater Springs Water District		
TASK INFORMATION						HOURS AND COST INFORMATION			
Task No.	Task Information	Construction Manager/RE	Inspector	Inspector OT	Admin	Direct Costs	Total Hours	Total Costs	Comments
		\$170	\$150	\$225	\$145				
1	Pre-Construction Meeting	4	4		4		12	\$1,860	Agendas / conduct meeting
2	Site Visit & Documentation	10	10		4		24	\$3,780	Job walk / photos/Meet with District
3	Project Start-Up	8	8		8		24	\$3,720	Assemble filing / CM program
4	Daily Field Inspections & Documentation		355				355	\$53,250	Based on 70 working days of field work
4a	Overtime Inspection			20			20	\$4,500	Based on overtime inspection for typical overruns
5	Progress Meetings & Coordination	42	42		42		126	\$19,530	Assume attendance @ 14 mtgs
6	Status Reports & Documentation	10	10		8		28	\$4,360	Review progress/documentation
6a	Reports	20	50		8		78	\$12,060	Status /Daily Updates to District
6b	Submittal Management	15	5		15		35	\$5,475	Based on 20 Submittals
6c	Requests For Information	10	10		10		30	\$4,650	Based on 3 RFI's
6d	Change Order Management	10	0		10		20	\$3,150	Based on 3 change orders
7	Construction Management	59					59	\$10,030	14 weeks at part time
8	Cost and Schedule Management	12	4		12		28	\$4,380	Based on 4 monthly payments
9	Public Relations & Notifications	10	30		5		45	\$6,925	Notices/meeting/coordination etc
10	Utility Coordination	12	40				52	\$8,040	Coordination/spot inspection
11	Post Construction Meeting	4	8		4		16	\$2,460	Walk through
12	Project Closeout	6	6		6		18	\$2,790	As-builts / files
	Photographs & video					\$150		\$150	
	Vehicle/Equipment expenses					\$10,770		\$10,770	718 hours x \$15/hr= \$10,770.00
	Total Hours	232	582	20	136		970		
	Subtotal	\$39,440	\$87,300	\$4,500	\$19,720	\$10,920		\$161,880	
	Project Total	\$39,440	\$87,300	\$4,500	\$19,720	\$10,920		\$161,880	

NOTES: Coastland reserves the right to adjust estimated hours should the Contractor schedule additional crews or overtime work.

- 1 Based on 70 working days.
- 2 Based on full time inspection at 40 hours per week for one inspector. 60 hours of overtime have been included for typical overruns.
- 3 Based on part time construction management
- 3 Based on an estimated number of RFI's, change orders and submittals shown above.

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-E

FROM: Ed Fortner, General Manager

Meeting Date: February 3, 2022

SUBJECT: Discussion/Action re Approval of FY 2022-2027 Capital Improvement Program (CIP)

RECOMMENDED ACTION: Receive report from the General Manager. Discussion and possible action/approval.

FISCAL IMPACT: none

DISCUSSION:

The FY 2022-2027 CIP includes Prioritized construction projects at the District's cost of approximately \$4.497 million and project costs of \$8.231 million of additional, unapproved projects beyond 2026. Each year we reconsider the capital planning model, as shown in Table 3, updating the model to include the FY 2020-2021 actual values, proposed UAL funding, and the most recently updated CIP Engineer's cost estimates placed in the year they occur. A review of Table 2 shows that the 2021-2026 proposed CIP will likely require 5% annual rate increases to avoid excessive dipping into District Policy Reserves. The cost-of-service study used our five-year CIP that averaged \$750,000 annually to help determine rates.

The 2022-2027 CIP has spaced out projects. Recent five-year-plans have skipped projects every other year. The cost of projects has risen, and new needs have been identified. This five-year-plan divides projects and spreads them out over the five years. This year's five-year plan only skips the FY 2023-2024 year. This allows the District to fund the projects and eases the staff workload of bigger capital projects. Using this prioritized schedule, the District should be able to fund all the identified projects. The five-year budget is attached for further support. Grant monies totaling \$1,551,840 are factored into these Capital costs.

The District Water Services Rate Study accurately determined the needed rates to support Capital, Operating, and Reserve expenses. The Board has

directed the General Manager to pursue all known Grants and Loans that have potential Principal forgiveness to help finance these projects. Our intention for the FY 2020-2021 Capital project is to complete construction.

This five-year CIP does consider awarded grant monies.

The Local Hazard Mitigation Plan will allow the District to apply for Hazard Mitigation Grants from FEMA. All the identified projects in the proposed five-year CIP would qualify for these grants. As we apply for these grants in future years, priorities could also shift accordingly due to any received funding.

Resolution No. 22-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT ADOPTING THE FY 2022-2027 CAPITAL IMPROVEMENT PROGRAM

WHEREAS, the Board of Directors has reviewed the overall Capital Improvement Program and has established Priorities for the upcoming five-year period; and

WHEREAS, the Board of Directors has stressed the importance that the General Manager should make all efforts to qualify the District for all available Grant and or Loans with principal forgiveness to finance the identified Capital Projects.

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the SWEETWATER SPRINGS WATER DISTRICT, Sonoma County, California, hereby adopts the Revised FY 2022-2027 Capital Improvement Program attached as Exhibit A hereto, effective February 3, 2022.

BE IT FURTHER RESOLVED, that this Resolution supersedes and replaces Resolution No. 21-02.

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted and passed by the Board of Directors of the SWEETWATER SPRINGS WATER DISTRICT, Sonoma County, California, at a meeting held on February 3, 2022, by the following vote.

Director	Aye	No
Sukey Robb-Wilder	_____	_____
Tim Lipinski	_____	_____
Rich Holmer	_____	_____
Gaylord Schaap	_____	_____
Larry Spillane	_____	_____

Gaylord Schapp
President of the Board of Directors

Attest: Julie Kenny
Clerk of the Board of Directors

Exhibit A

Sweetwater Springs Water District

**Capital Improvement Program
2022-2027**

Revised February 3, 2022

Board of Directors

Sukey Robb-Wilder

Rich Holmer

Tim Lipinski

Gaylord Schaap

Larry Spillane

General Manager

Ed Fortner

2022-2027 Sweetwater Springs Water District Capital Improvement Program February 3, 2022

Capital improvements are an important element of the District's work effort. The District has an aging infrastructure, a high amount of unaccounted for water and District staff spends significant time reacting to leaks in the distribution system. Table 1. 2022-2027 Capital Improvement Program (CIP) lists needed Prioritized District projects by year and includes estimated costs. The ranking criteria for the priority of capital projects are:

- **Improved water quality**
- **Water losses**
- **Potential Liability**
 - **Age of Pipe**
 - **Pipe Material**
 - **Terrain**
 - **Difficulty of Repair/Maintenance**
- **Storage and pressure zone requirements**
- **Costs per service**
- **Disaster Resilience/ Hardening**

Table 1. Sweetwater Springs Water District Proposed 2021-2026 CIP Prioritized Projects by Year				
Year	Projects	Estimated Cost	Grant Funds	Comments
FY 2021- FY 2022				
	Old River Rd from Morningside Dr to Hwy 116 (GV) - Replace ~3,200' of main with 31 services and one fire protection line.		\$0	Eliminate 14 lead goosenecks. Required plan by DDW submitted in 2020. Old 6" cast iron pipe. Planning and Design is underway.
	Woodland Drive – mainline replacement. (GV) Replace approximately 1,900 ft of existing mainline and 27 associated services along Woodland Dr in the main pressure zone.		\$0	Eliminate 2 lead goosenecks. Required plan by DDW submitted in 2020. Planning and Design is underway.
	FY 2021-2022 Total	\$1,650,301	\$727,000	CDBG Funds
	District Funds	\$923,301		
FY 2022- FY 2023				
	Monte Rio Well Rehabilitation	\$100,000		
	Wright Drive Upper and Lower pressure zone, Notoma Tank, and Edgehill Booster Design and Planning	\$211,840		CDBG funding application dependant. We applied for \$169,472 with a match of \$42,368. Total project cost is \$2,613,866.
	Monte Rio Bridge 800' 8" Ductile Iron Water Main Attachment Design	\$54,022		Sonoma County project. We have DWR funding for design and have submitted SRF application for construction. Total project cost is \$800,000
	Lower Harrison Tank Replacement Project	\$580,978		Sonoma County project. We have DWR funding for design and have submitted SRF application for construction.
	FY 2022-2023 Total	\$946,840	\$735,000	\$735,000 Grant funding (DWR Drought Grant)
	District Funds	\$211,840		
FY 2023- FY 2024				
	Skip Capital Project			
FY 2024- FY 2025				
	Wright Drive upper pressure zone. – (GV) Replace approximately 3,280 ft of existing mainline and 47 associated services along Wright Dr, Glenda Dr, Natoma Dr.	\$1,312,000	\$27,915	Two inch steel water main (85%) had nine leaks in 2020, six inch Asbestos/ Concrete (15%) had eight leaks in 2020. This project was approved in the 2020-2025 CIP.
	Monte Rio Bridge 800' 8" Ductile Iron Water Main Attachment Design	\$750,000		SRF Grant funding applied for.
	FY 2024-2025 Total	\$2,062,000		
FY 2025- FY 2026				
	Wright Drive main pressure zone. – (GV) Replace approximately 2,600 ft of existing mainline and 18 associated services along Wright Dr. and Wright Ln.	\$1,040,000	\$57,778	Two inch steel water main (30%) had three leaks in 2020, two inch PVC water main has been 40% replaced, six inch Asbestos/ Concrete (30%). This section of the project would be completed with the Upper Wright Drive project. This project was approved in the 2020-2025 CIP.
	Natoma Tank – Replace the existing 10,000 gallon storage tank with a 30,000 storage tank. (requires completion of Natoma Tank and includes Edgehill Booster)	\$260,000	\$5,532	Redwood Tank with liner provides little to no fire protection for this area presently. This project was approved in the 2020-2025 CIP.
	FY 2025-2026 Total	\$1,300,000		
	FY 2021-2026 Total	\$5,959,141		Total minus Grant funding
	Total District Funds	\$4,497,141		

	Other Projects			
	Schoeneman pressure zone- main line replacement. (GV) Replace approximately 3,000 ft of existing mainline and 47 associated services along Highland Way, Sunset Ave, Woodland Dr, Laurel Way and Morningside Drive. (requires completion of Schoeneman Tank	\$1,200,000	\$25,532	Existing two inch steel water main (50%), three inch steel water main (40%), six inch Asbestos/ Concrete (10%). This project was approved in the 2020-2025 CIP.
	Schoeneman Tank- Replace the existing 10,000 gallon tank with a 30,000 gallon storage tank.	\$150,000	\$3,191	Existing tank is undersized for fire protection. This project was approved in the 2020-2025 CIP.
	Park Ave. (GV) replace approximately 2900 lf of main line on Park Ave. and McLane, 37 services. Loop two deadend lines. Replace/repair Park Ave. Tank	\$1,160,000	\$31,351	This section of the water system has experienced twelve leaks in 2020. The existing water main is two inch steel and four inch steel that goes under a house to feed lower Summit tank.
	Cherry St. (GV) replace approximately 440 lf of main line, 13 services.	\$176,000	\$13,538	The existing water mains are two inch steel and four inch steel that runs cross country and feeds the Park Avenue Tank.
	Canyon Six Road and Canyon Six Court (GV) Replace main line.	\$500,000		The existing water main is two inch steel with four leaks in 2020
	Eagles Nest Road (GV) Replace main line.	\$500,000		The existing water main is one inch PVC that is undersized for the number of customers served (sixteen).
	Lower Harrison Tank (MR) 130,000 gallons Tank Replacement	\$580,000		Tank is over seventy years old with a failing roof and needed seismic upgrades.
	Neely Road main line.	\$500,000		The existing water mains are two inch steel that had four leaks in 2020.
	Canyon Three to Sweetwater Tank (GV) Replace 10,000 feet of main line.	\$2,000,000		The existing water mains are two inch PVC (90%) and two inch steel (10%). Ninety percent of the line is above ground.
	Monte Rio 8" 1,000 ft Russian River Boaring	\$500,000		The District needs a second, redundant line to feed the Moscow Road side of Monte Rio.
	Highway 116 (MR) Replace approximately 850 ft of main line.	\$425,000		Existing water main is six inch Asbestos/ Cement. All the water services were replaced in FY 2012-2013 CIP (3A).
	Upper Summit Tank - Construct a storage tank with a nominal capacity of approximately 120,000 gallons at the District-owned site on McLane Avenue. Project to include relocation/ construction of the existing hydro-pneumatic pump station.	\$540,000		This tank needs to be replaced to improve fire protection in the area.
	Total Approximate Cost of Future, Unapproved Projects	\$8,231,000		

Table 2. FY 2022-2027 Skip CIP in FY 2023-2024					5% Annual Rate Increase						
					3% Annual Wage Increase						
					FY 2020-2021 Budget	FY 2020-2021 Actual	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	FY 2025- 2026
REVENUE											
1	OPERATING REVENUE										
2	Water Bill Revenue										
3	Capital Debt Reduction Charge				316,573	317,797	333,687	350,371	367,890	386,284	405,598
4	Base Rate				1,728,369	1,737,694	1,824,578	1,915,807	2,011,598	2,112,177	2,217,786
5	Water Usage				700,541	697,378	732,247	768,859	807,302	847,667	890,050
6	Total Water Sales				2,428,910	2,435,071	2,556,825	2,684,666	2,818,900	2,959,844	3,107,837
7	Total OPERATING REVENUE				2,745,483	2,752,868	2,890,512	3,035,037	3,186,789	3,346,129	3,513,435
8	NON-OPERATING REVENUE										
9	1700 - Interest				16,000	4,869	16,000	16,000	16,000	16,000	16,000
10	xxxx - Policy Reserve Loan Proceeds				500,000	500,000					
11	3600 - Construction New Services				7,000	31,782	7,000	7,000	7,000	7,000	7,000
12	3601 - Construction Service Upgrades				3,000	14,615	3,000	3,000	3,000	3,000	3,000
13	4032 - Rent				110,810	119,915	113,026	115,287	117,592	119,944	122,343
14	4040 - Miscellaneous Income				1,500	14,920	1,500	1,500	1,500	1,500	1,500
15	4117 - SCWA Reimbursement				0	0	0	0	0	0	0
16	Total NON-OPERATING REVENUE				638,310	686,100	140,526	142,787	145,092	147,444	149,843
17	Total Income				3,383,793	3,438,969	3,031,038	3,177,824	3,331,882	3,493,573	3,663,278

18	EXPENSES										
19		OPERATING EXPENSES									
20			SALARY & BENEFITS								
21			Salary								
22			5910 · Wages	835,000	805,607	829,775	854,669	880,309	906,718	933,919	
23			5912 · Overtime	37,000	40,184	41,389	42,631	43,910	45,227	46,584	
24			5916 · On-Call Pay	37,000	39,030	40,201	41,407	42,650	43,929	45,247	
25			5918 · Extra help - Contract	36,000	37,030	38,141	39,285	40,464	41,678	42,928	
26			Total Salary	945,000	921,851	949,507	977,992	1,007,332	1,037,552	1,068,679	
27			Benefits								
28			5920 · Retirement	87,000	68,732	100,758	102,773	104,828	104,829	104,830	
29			5922 · Payroll Taxes - Employer F	16,000	14,018	17,091	17,604	18,132	18,676	19,236	
30			Retirement - UL	34,854	34,552						
31			5930 · Health/Dental/Vision/AFLA	240,000	239,043	214,582	225,311	236,576	248,405	260,825	
32			5931 · Retiree health	9,800	11,043	10,094	10,397	10,709	11,030	11,361	
33			5940 · Workers Comp Insurance	38,000	20,508	38,000	38,000	38,000	38,000	38,000	
34			Total Benefits	425,654	387,895	438,424	451,576	465,124	479,077	493,450	
35			SALARY & BENEFITS	1,370,654	1,309,747	1,387,931	1,429,569	1,472,456	1,516,629	1,562,128	
36			Unfunded Liability Increase	500,000	500,000						
38			SERVICES & SUPPLIES	801,940	781,518	801,940	801,940	801,940	801,940	801,940	
39			TOTAL OPERATING EXPENSES	2,673,594	2,586,891	2,189,871	2,231,509	2,274,396	2,318,569	2,364,068	
40			OPERATING SURPLUS/DEFICIT	\$710,199	\$852,078	\$841,167	\$946,316	\$1,057,486	\$1,175,004	\$1,299,210	
			FIXED ASSET EXPENDITURES								
			8517 · Field/Office equipment	9,500	6,170	5,000	1,000	5,000	5,000	5,001	
			8573 · Vehicles	50,000	47,677	50,000	0	50,000	50,000	50,000	
41			8511.1 · Tank/Facilities Sites	24,000	22,608	25,000	10,000	25,000	25,000	10,000	
42			Loan Payment to Policy Reserves	135,000	135,000	135,000	135,000	135,000	135,000	135,001	
43			FIXED ASSET EXPENDITURES	218,500	211,455	215,000	146,000	215,000	215,000	200,002	
44			TRANSFERS TO OTHER FUNDS								
45			Tfers to CIRF for CDR Revenue	316,573	317,797	333,687	350,371	367,890	386,284	405,598	
46			Tfers to CIRF	270,000	270,000	242,000	283,000	286,000	299,000	333,001	
47			8620.5 · Tfers to Building Fund	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
48			8620.2 · Tfers to In-House Constr	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
49			Total TRANSFERS TO OTHER FUNDS	626,573	627,797	615,687	673,371	693,890	725,284	778,599	
			Total DISASTER EXPENSE	0	0	0	0	0	0	1	
50			SURPLUS/DEFICIT	-134,874	12,826	10,480	126,944	148,596	234,719	320,608	

Capital Budget				FY 2020-2021 Budget	FY 2020-2021 Actual	FY 2021- 2022	FY 2022- 2023	FY 2023- 2024	FY 2024- 2025	FY 2025- 2026
REVENUE/SOURCES OF FUNDS										
51	Net Operating Revenues**			135,126	282,826	252,480	409,944	434,596	533,719	653,609
52	Assessments			758,152	755,043	758,152	758,152	758,152	758,152	758,152
53	Capital Debt Reduction Charge***			316,573	317,797	333,687	350,371	367,890	386,284	405,598
54	Capital Interest			10,722	30,001	30,000	30,000	30,000	30,000	30,000
55	Transfers From CIRF/Reserves			270,000	270,000	242,000	283,000	286,000	299,000	333,001
56	Grant Revert	USDA Loan			93,283	727,000	735,000			
57	TOTAL REVENUE			1,490,573	1,748,950	2,343,319	2,566,468	1,876,638	2,007,156	2,180,360
58	EXPENSES						State Loan Done			
59	Total Debt Payments			1,013,064	1,418,000	866,325	866,325	866,325	866,325	866,325
60										
61				No P	2021 CIP	2022 CIP	2023 CIP	No Project	2025 CIP	2026 CIP
62	Annual CIP			365,000	250,000	1,650,000	846,840	-	2,062,000	1,300,000
63	In-House Construction Projects, etc.			40,000	31,000	40,000	40,000	40,000	40,000	40,001
64	TOTAL EXPENSES			1,418,064	1,699,000	2,556,325	1,753,165	906,325	2,968,325	2,206,326
65	SURPLUS/DEFICIT			72,509	49,950	-213,006	813,303	970,313	-961,169	-25,966
66										
67	FUND AND LOAN BALANCES (EOY)									
68	Beg Funds above District Reserve Policy			2,006,499	2,330,240	2,110,190	1,655,185	2,185,487	2,869,800	1,609,631
69	Policy Reserves			1,572,704	1,402,661	1,342,530	1,359,185	1,376,340	1,394,009	1,412,209
70	Ending Funds ab District Policy (DP)			1,809,008	2,110,190	1,655,185	2,185,487	2,869,800	1,609,631	1,250,664
71	Funds ab DP and Debt Payments			795,944	692,190	788,860	1,319,162	2,003,475	743,306	384,339
72	NET CAPITAL FUNDING****			207,509	(32,333)	507,994	682,143	724,313	841,831	981,034
	* Starting values based on actual FY17 EOY									
	** =Transfer to CIRF plus net operating surplus									
	*** =Transfers from CDRC									
	**** =Net Operating Revenues + Assessments + CDRC + Capital Interest - Total Debt Payments									

Resolution No. 22-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT AUTHORIZING THE GRANT APPLICATION, ACCEPTANCE, AND EXECUTION OF THE MONTE RIO BRIDGE WATER MAIN ATTACHMENT PROJECT DESIGN, MONTE RIO WELL STATION REHABILITATION, AND LOWER HARRISON TANK REPLACEMENT CAPITAL PROJECTS

WHEREAS, Sweetwater Springs Water District proposes to implement Monte Rio Bridge Water Main Attachment Project Design, Monte Rio Well Station Rehabilitation, and Lower Harrison Tank Replacement Capital Projects; and

WHEREAS, Monte Rio Bridge Water Main Attachment Project Design, Monte Rio Well Station Rehabilitation, and Lower Harrison Tank Replacement Capital Projects are being implemented in response to a drought scenario, as defined by Water Code section 13198(a) and is intended to: (1) address immediate impacts on human health and safety; (2) address immediate impacts on fish and wildlife resources; or, (3) provide water to persons or communities that lose or are threatened with the loss or contamination of water supplies; and

WHEREAS, Sweetwater Springs Water District has the legal authority and is authorized to enter into a funding agreement with the State of California; and

WHEREAS, Sweetwater Springs Water District intends to apply for grant funding from the California Department of Water Resources for the Monte Rio Bridge Water Main Attachment Project Design, Monte Rio Well Station Rehabilitation, and Lower Harrison Tank Replacement Capital Projects;

NOW, THEREFORE BE IT RESOLVED by the District Board of Directors of the Sweetwater Springs Water District as follows:

1. That pursuant and subject to all of the terms and provisions of Budget Act of 2021 (Stats. 2021, ch. 240, § 80), the Sweetwater Springs Water District General Manager, or designee is hereby authorized and directed to prepare and file an application for funding with the Department of Water Resources, and take such other actions as necessary or appropriate to obtain grant funding.
2. The Sweetwater Springs Water District General Manager, or designee is hereby authorized and directed to execute the funding agreement with the Department of Water Resources and any amendments thereto.
3. The Sweetwater Springs Water District General Manager, or designee is hereby authorized and directed to submit any required documents, invoices, and reports required to obtain grant funding.

I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted and passed by the Board of Directors of the SWEETWATER SPRINGS WATER DISTRICT, Sonoma County, California, at a meeting held on February 3, 2022, by the following vote.

Director	Aye	No
Sukey Robb-Wilder	_____	_____
Tim Lipinski	_____	_____
Richard Holmer	_____	_____
Gaylord Schaap	_____	_____
Larry Spillane	_____	_____

Gaylord Schaap
President of the Board of Directors

Attest: Julie A. Kenny
Clerk of the Board of Directors

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. VI

FROM: Ed Fortner, General Manager

Meeting Date: February 3, 2022

Subject: GENERAL MANAGER'S REPORT

RECOMMENDED ACTION: Receive report from the General Manager.

FISCAL IMPACT: None

DISCUSSION:

- 1. Laboratory Testing/ Regulatory Compliance:** Water quality tests confirm that all SSWD water meets all known State and Federal water quality standards. We received notification of our inclusion in the Unregulated Contaminants Monitoring Reporting. This sampling will include PFAAs.
- 2. Water Production and Sales:** Water sales in November were 15,062 units (34.6 AF Monte Rio cycle), and production was 49.3 AF. One year ago, sales were higher, and production was lower (35.6 AF and 48.5 AF, respectively). Figure 1 shows sales, production, and % difference for the combined systems; the water loss trend was up this month as a running twelve-month average (24.1%). Water conservation has waned over the last two months during the declared drought. In August, production was down 11.9%, and sales were down 16.3% from August 2020. In September, production was down 11.5%, and sales were down 17.8%. In October, production was down 7.3%, and sales were down 22.4%. In November, production was up 7.6%, and sales were down 18.8%. In December, production was down 4.2% from last year and sales were down 3%. Looking at the data over the last ten years, water production has dropped approximately 29%, and sales have dropped 18%, although water sales and production are up during the COVID period. The water loss percentage was around 30% and now is in the 15-20% range. Much of the production and water loss drop can be attributed to capital projects.
- 3. Leaks:** In December, we had two total leak repairs with seven hours on them. One leak was in Guerneville, one was in Rio Nido. Both leaks were in older lines. That is fewer

leaks and person-hours than the prior month and fewer leaks and fewer person-hours than November one year ago (8 and 101). Figure 2 shows service and main leaks separately with a total leak line. For Calendar Year 2021, total leaks were 85, down from 99 in 2020. We have experienced two consecutive drought years followed by ~26" of rain since October of 2021, and many of the repairs were due to ground shifting. Also, 47 leaks were on mains, and 38 were on service lines. In 2020, 51 leaks were on mains, and 48 were on service lines. Looking at the leaks chart over the last ten years, we have come down from around 300 leaks per year to under 100 - quite a difference and very noticeable in what the field crews are able to do - address ongoing issues with in-house projects instead of chasing leaks every day.

4. **Guerneville Rainfall:** January rainfall was 1.62", lower than the long-term average month, and puts the yearly total (25.96") above the long-term annual average. We had needed rain, and we hope for more to recover from the two-year drought. The rain year 2021 was the lowest recorded precipitation for the District, below the 17.7" from 1977. Governor Newsom declared a drought emergency for Sonoma and Mendocino Counties, and Sonoma County has issued a drought emergency also. SSWD was not given a curtailment order in August. After the atmospheric river that we experienced in October, the curtailment orders were removed for the entire Russian River.
5. **In-House Construction Projects:** There were no in-house construction projects in December.
6. **Personnel:** We continue to advertise for two other positions in the Field group. The District had another employee test positive for Covid. We also had one other employee off for Covid type symptoms that did not test positive. The Sonoma County Health Department was contacted for guidance on these instances, and all employees have returned to work. We are also looking for water meter reading services through a contractor or a new contract employee.
7. **Monte Rio Bridge:** We continue to wait on coordination with the County project Engineer with Coastland to design the water main attachment. Rachel Hundley has drafted formal information requests for historical records related to the existing bridge attachment. Rachel submitted the information request, and we are digging through the response.
8. **Drought Grant:** On November 5, I signed a Grant Commitment Letter with the Drinking Water Resources for \$735,000 to design the Monte Rio Bridge Water Main Attachment Project, the Monte Rio Well Rehab and Electric Upgrade Project and the Lower Harrison Tank Replacement Project. The Grant Agreement is pending, but we are authorized to expend funds now. We awarded to Pump Man for the Well Project and informed Coastland of the design funding for the Bridge Project. We will wait until the Grant agreement to

work on the Lower Harrison Tank Project. We are working with our DWR contact to keep the grant process moving.

- 9. FY 2020-2021 CIP Update:** The Board of Supervisors met on July 27, 2021, and approved the Community Development Commission (CDC) annual plan that includes \$705,000.00 for our FY 2020-2021 CIP for Old River Rd and Woodland Drive water main replacement. Phase I of the project, design, and planning are completed. We have drawn the entire \$115,920.00 of CDBG funding down and submitted all required reports. We executed the Grant agreement for Phase II project construction and have the project out for bid. The bids will be opened on January 14; a bid tabulation and Engineer's recommendation for the award are on tonight's Board Meeting agenda.
- 10. Gantt Chart:** The Gantt Chart is updated for February 2022.
- 11. Economic Impact of no Disconnects for Non-payment:** The total uncollected amount in this Monte Rio billing cycle due to non-payment with the non-Disconnect Executive Order is **6,359.86**. This amount is tracking up from the last billing period. We will continue to follow this amount. The District can now disconnect service for uncollected billing under our water disconnect policy. We welcome Board input.

**Figure 1. Water Production and Sales 12 Month Moving Averages
Sweetwater Springs Water District Since September 2008**

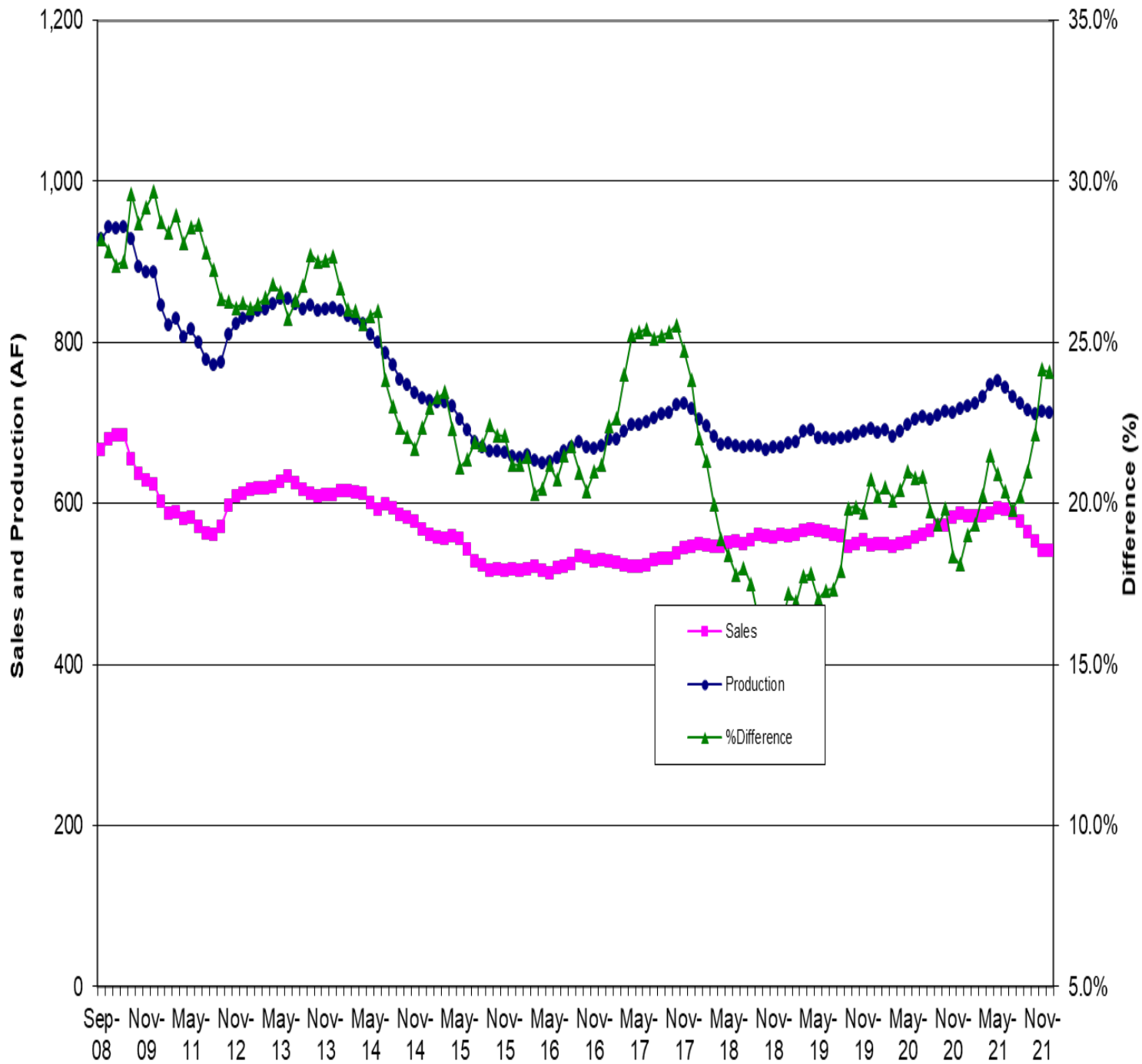


Figure 2. Sweetwater Springs Water District Main and Service Pipeline Breaks Moving Annual Average Since September 2008

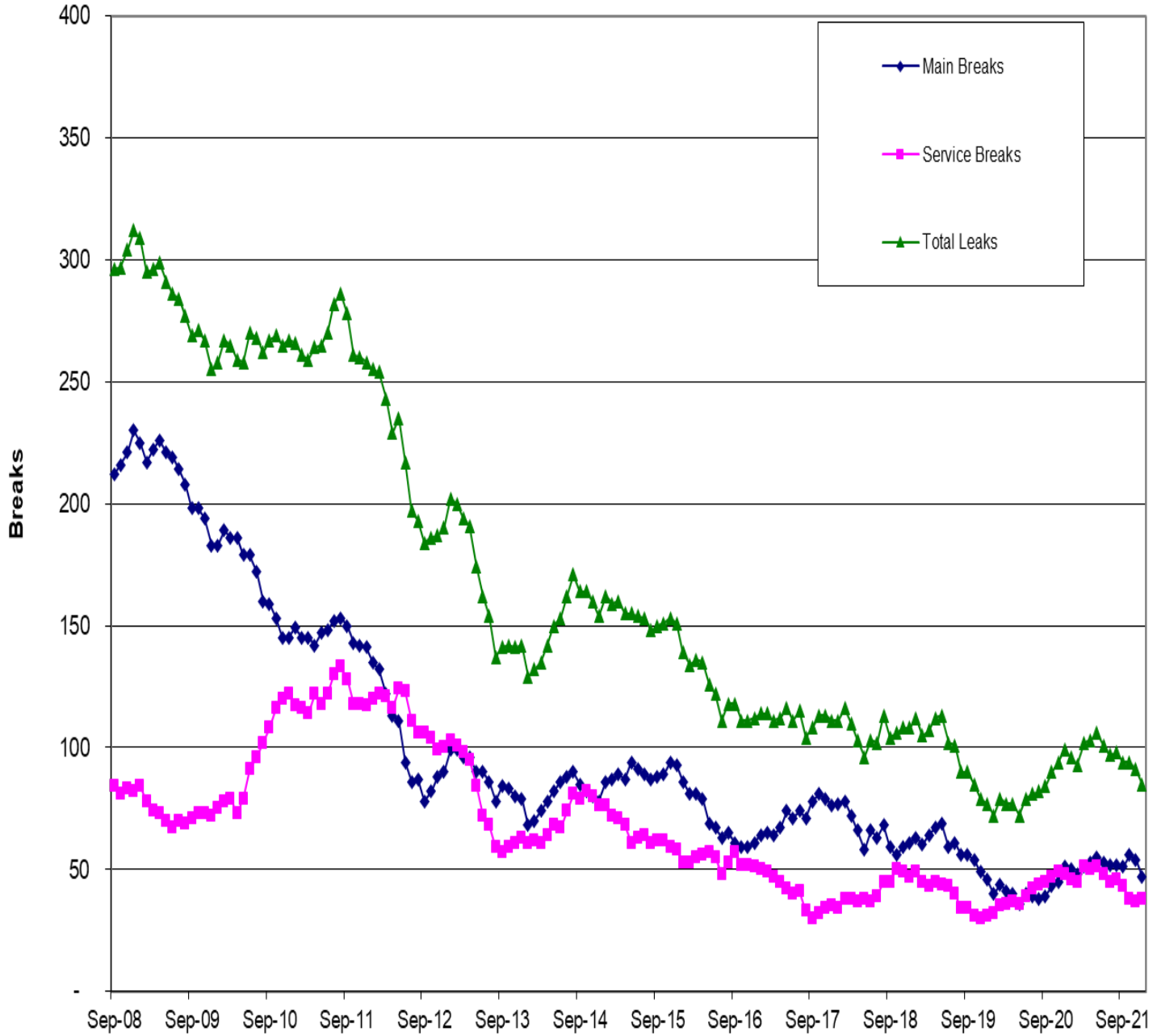
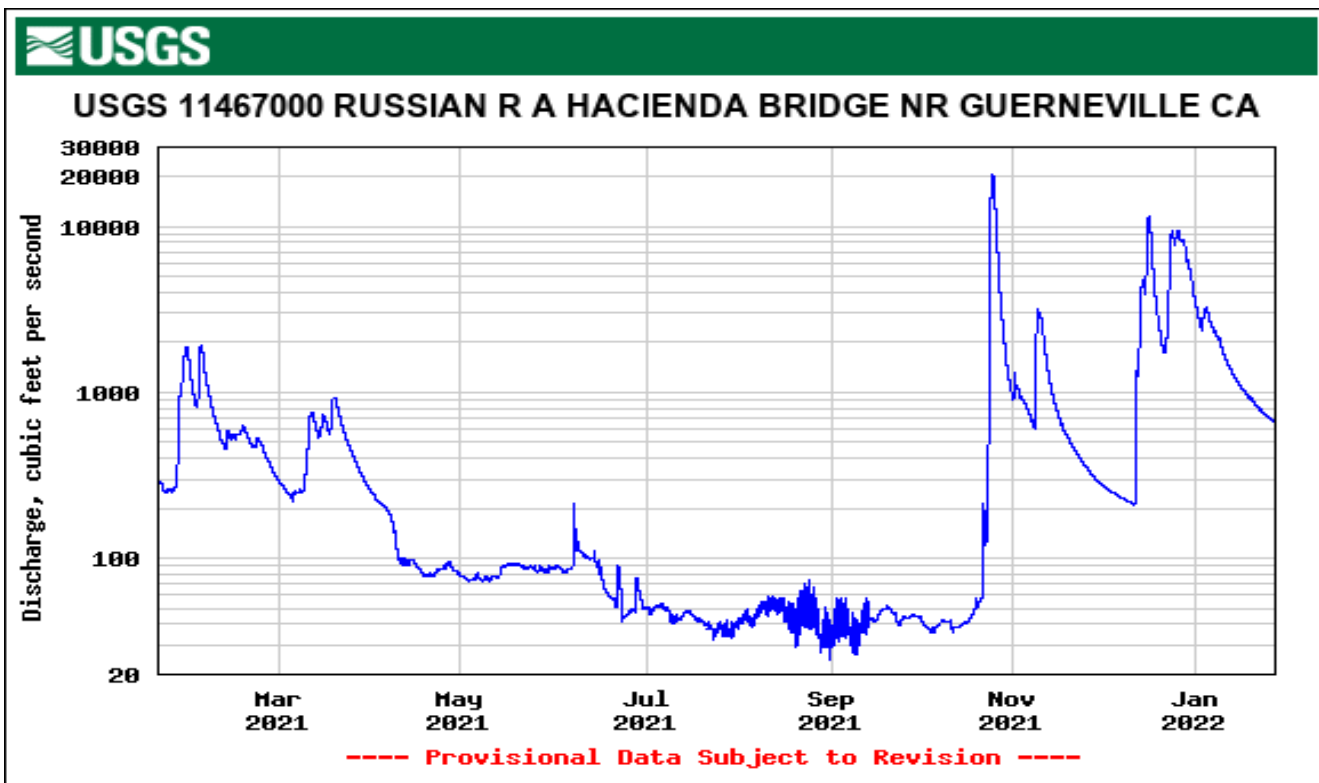
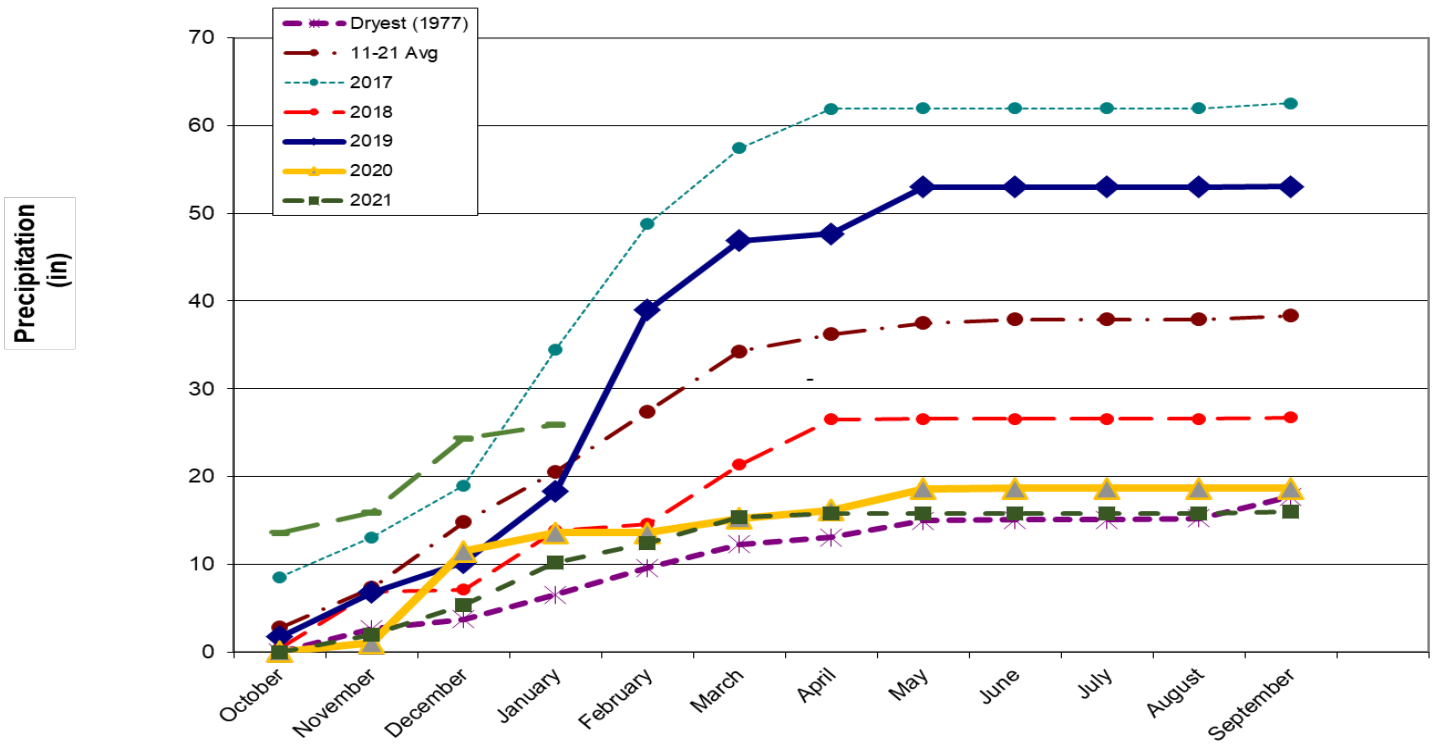


Figure 3. Guerneville Cumulative Monthly Rainfall



EVEN CYCLE (Guerneville)			ODD CYCLE (Monte Rio)		
Billing Date	# of Customers whose prior bill was still unpaid when next bill mailed	\$ Value of Past Due Amounts** (including unpaid customer deposits)	Billing Date	# of Customers whose prior bill was still unpaid when next bill mailed	\$ Value of Past Due Amounts** (including unpaid customer deposits)
2/15/2020 (Historical disconnect procedure)	0	\$0	3/15/2020 (SB 998 extends time before disconnect)	10	\$1,565
4/15/2020 (Exec. Order N-42-20: Disconnects completely suspended)	24	\$4,096	5/15/2020	5	\$594.02
6/15/2020	9	\$2,947.56	7/15/2020	8	\$1,261.02
8/15/2020	7	\$2,464.32	9/15/2020 (Suspended delinquency process due to wildfire.)	57	\$7,646.52
10/15/2020	16	\$5,094.43	11/15/2020	18	\$4,406.13
12/15/2020	23	\$7,260.48	1/15/2021	20	\$3,766.59
2/15/2021	35	\$11,140.50* (\$3,555 of this total is one customer)	3/15/2021	18	\$6,203.05
4/15/2021	28	\$11,762.54	5/15/2021	16	4040.58
6/15/2021	19	\$8,670.96	7/15/2021	7	\$3,542.24
8/15/2021	14	\$6,835.88	9/15/2021	9	3,513.03
10/15/2021	24	10,889.52	11/15/2021	20	7,532.19
12/15/2021	13	9,210.45	1/15/2022	14	6,359.86

As of 01/15, 11 customers are in COVID-19 Agreements. These customers are not included in the numbers above if their COVID Agreements are in good standing.

