



## BOARD OF DIRECTORS MEETING AGENDA

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

Meeting link:

<https://sweetwaterspringswaterdistrict.my.webex.com/sweetwaterspringswaterdistrict.my/j.php?MTID=ma2eeff9860546f4a468dc912b9849e69>

Meeting number: 2555 879 7865

Password: 2538V84Upu3

OR

Join by phone: +1-415-655-0001 US Toll

Access code: 2555 879 7865

Password: 25388848

***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 February 3, 2022 Board Meeting, the February 9, 2022 Special Meeting, and the February 15, 2022 Special 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 Draft FY 2022-23 Budget *(Est. time 15 min.)*

B. Discussion/Action re Reinstating Disconnection for Non-Payment *(Est. time 10 min.)*

C. Discussion/Action re Covid-related issues *(Est. time 10 min.)*

D. Discussion/Action re Staffing plan *(Est. time 10 min.)*

E. Discussion/Action re County coordination on information request re Monte Rio Bridge project *(Est time 10 min.)*

F. Discussion/Action re Update on CIP 2020-21 *(Est. time 10 min.)*

G. Discussion/Action re Resolution 22-07, Ratifying Amendments to Contract with Regional Government Services (RGS) *(Est. time 10 min.)*

VI. GENERAL MANAGER'S REPORT

VII. BOARD MEMBERS' ANNOUNCEMENTS

VIII. ITEMS FOR NEXT AGENDA

IX. CLOSED SESSION

- A. PUBLIC EMPLOYEE PERFORMANCE EVALUATION (Gov. Code, § 54957)  
Title: General Manager
- B. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6)  
Agency Designated Representative: Edward Kreisberg  
Unrepresented Employee: General Manager
- C. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6)  
Agency Designated Representative: Ed Fortner  
Unrepresented Employee: District Counsel

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: February 3, 2022

(\*In order discussed)

February 3, 2022  
6:30 p.m.

**Board Members Present:**

Tim Lipinski  
Gaylord Schaap  
Larry Spillane  
Sukey Robb-Wilder  
Rich Holmer

**Board Members Absent:**

**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  
Andrea Crites  
Ryan Wilson  
Nicole King

### 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 January 6, 2022 Board 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.)

Public comment was made by Keith McDonald, Ryan Wilson, Andrea Crites, Victor Mendez, and Nicole King,

#### V. ADMINISTRATIVE (6:42 p.m.) \*

*\*in the order discussed*

- V-A. (6:42 p.m.) Discussion/Action re Actual v. Budgeted report – 2Q.** The GM provided an overview of this item. Discussion ensued. No action was taken.
- V-B. (6:50 p.m.) Discussion/Action re Covid-related issues.** The GM provided an overview of this item. Discussion ensued. Public comment was made by Keith McDonald. No action was taken.
- V-C. (7:07 p.m.) Discussion/Action re FY 2022-23 Budget and Ad Hoc Committee Appointment.** The GM provided an overview of this item. Board discussion ensued. Director Lipinski and Director Robb-Wilder were appointed to be on an Ad Hoc Budget Committee for the 2022-23 Budget.
- V-D. (7:19 p.m.) Discussion/Action re Resolution 22-04, Authorizing Award for FY 2020-2021 CIP: Old River Road and Woodland Drive Water Main Replacement Project.** The GM provided an overview of this item. Discussion ensued. Comments were made by Legal Counsel Rachel Hundley. Further discussion ensued. Director Robb-Wilder moved to approve Resolution 22-04, Awarding Contracts for the FY 2020-2021 Capital Improvement Project to Piazza Construction and Coastland Civil Engineering and Approving an Overall Project Budget of \$1,650,301, amended as follows:
- (1) Project title changed from “2021” to FY 2020-2021” in both the Resolution and Exhibit A (Contract)
  - (2) Approval date changed from February 4 to February 3 in both the Resolution and Exhibit A (Contract)
- Director Holmer seconded. Motion approved 5-0.
- V-E. (7:32 p.m.) Discussion/Action re Resolution 22-05, Discussion/Action re Approval of the FY 2022-2027 Five Year Capital Improvement Program.** The GM provided an overview of this item. Board discussion ensued. Comments were made by Legal Counsel Rachel Hundley. Further discussion ensued. Comments were made by Keith McDonald. Brief discussion ensued. Director Holmer moved to approve Resolution 22-05, Adopting the FY 2022-2027 Capital Improvement Program. Director Lipinski seconded. Motion carried 5-0.
- V-F. (8:05 p.m.) Discussion/Action re Resolution 22-06, Authorizing the General Manager to Apply for State Department of Water Drought Grant.** The GM provided an overview of this item. Board discussion ensued. Director Robb-Wilder moved to approve Resolution 22-06, Authorizing the General Manager to Apply for State Department of Water Drought Grant. Director Holmer seconded. Motion carried 5-0.

#### VI. GENERAL MANAGER’S REPORT (8:13 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. Personnel
7. Monte Rio Bridge
8. Drought Grant
9. FY 2020-21 CIP Update
10. Gantt Chart
11. 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: 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  
Number of cases: 2**

ADJOURN

xx

Respectfully submitted,

Julie Kenny  
Clerk to the Board of Directors

APPROVED:

Gaylord Schaap: \_\_\_\_\_  
Sukey Robb-Wilder: \_\_\_\_\_  
Tim Lipinski: \_\_\_\_\_  
Rich Holmer \_\_\_\_\_  
Larry Spillane \_\_\_\_\_





## SPECIAL BOARD MEETING MINUTES\*

Meeting Date: February 9, 2022

(\*In order discussed)

February 9, 2022  
3 p.m.

**Board Members Present:**

Tim Lipinski  
Larry Spillane  
Rich Holmer  
Gaylord Schaap  
Sukey Robb-Wilder

**Board Members Absent:**

(None)

**Staff in Attendance:**

Ed Fortner, General Manager  
Julie Kenny, Board Secretary

**Others in Attendance:**

Rachel Hundley, Legal Counsel  
Jack Bushgen  
Keith McDonald  
Bernard O'Brien  
Ryan Wilson  
Victor Mendez  
Ben Douglas  
Nicole King  
Andrea Crites

### I. CALL TO ORDER (3 p.m.)

The properly agendized meeting was called to Order by President Gaylord Schaap at 3 p.m.

### II. PUBLIC COMMENT (3:03 p.m.)

(None.)

### III. CLOSED SESSION (3:03 p.m.) \*

*\*in the order discussed*

At 3:03 p.m., President Schaap announced the Closed Session items. Public comment was made by Bernard O'Brien, Keith McDonald, Nicole King, Andrea Crites, Jack Bushgen, Ryan Wilson, Ben Douglas, and Victor Mendez. At 3:25 p.m. went into Closed Session. At 6:32 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: General Manager**

Direction was given to staff.

**B. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

**Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: Two (2) cases**

No action was taken.

**IV. ADMINISTRATIVE (6:33 p.m.)**

- A. (6:33 p.m.) Discussion/Action re Authorization of an Amendment to the Agreement with Regional Government Services (RGS) for Human Resources Consulting Services.** After brief Board discussion, Director Robb-Wilder moved to form an ad hoc committee consisting of Director Robb-Wilder and Director Schaap to work with RGS on human resources work related to staffing and recruitment. Director Holmer seconded. Motion carried 5-0.

**ADJOURN**

The meeting adjourned at 6:35 p.m.

Respectfully submitted,

Julie Kenny  
Clerk to the Board of Directors

APPROVED:

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



## SPECIAL BOARD MEETING MINUTES\*

Meeting Date: February 15, 2022

(\*In order discussed)

February 15, 2022  
3 p.m.

**Board Members Present:**

Tim Lipinski  
Larry Spillane  
Rich Holmer  
Gaylord Schaap  
Sukey Robb-Wilder

**Board Members Absent:**

(None)

**Staff in Attendance:**

Ed Fortner, General Manager  
Julie Kenny, Board Secretary

**Others in Attendance:**

Rachel Hundley, Legal Counsel  
Jack Bushgen  
Keith McDonald  
Bernard O'Brien  
Ryan Wilson  
Victor Mendez  
Ben Douglas  
Nicole King  
Andrea Crites

I. CALL TO ORDER (3:01 p.m.)

The properly agendized meeting was called to Order by President Gaylord Schaap at 3:01 p.m.

II. PUBLIC COMMENT (3:01 p.m.)

(None.)

III. CLOSED SESSION (3:13 p.m.) \*

*\*in the order discussed*

At 3:04 p.m., President Schaap announced the Closed Session items. Public comment was made by Bernard O'Brien. At 3:13 p.m. the Board went into Closed Session. At 3:55 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: General Manager**

No action was taken.

**B. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION**

**Significant exposure to litigation pursuant to paragraph (2) of subdivision (d) of Section 54956.9: Two (2) cases**

No action was taken.

**IV. ADMINISTRATIVE (4 p.m.)**

**A. (4 p.m.) Discussion/Action re Authorization of Board President to negotiate and execute an Amendment to the Agreement with Regional Government Services (RGS) for Human Resources Consulting Services.** Brief discussion ensued. Director Lipinski moved to authorize the Ad Hoc subcommittee for HR Consulting to negotiate and the Board President to execute amendments to the contract with RGS for recruitment of a General Manager, not to exceed \$15,000 (Amendment 3); and on call Human Resources services, not to exceed \$10,000 (Amendment 4). Director Holmer seconded. Motion carried 5-0.

**B. (4:20 p.m.) Discussion/Action re Declaration of Labor Negotiator.** After brief Board discussion, Director Holmer moved to name Edward Kreisberg to be the labor negotiator for the District regarding the General Manager position. Director Robb-Wilder seconded. Motion carried 5-0.

**ADJOURN**

The meeting adjourned at 4:26 p.m.

Respectfully submitted,

Ed Fortner  
Clerk to the Board of Directors

**APPROVED:**

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

# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. III-D**

**FROM:** Ed Fortner, General Manager

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Meeting Date: March 3, 2022

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

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**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.]

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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:

<b>Director</b>	<b>Aye</b>	<b>No</b>
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

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Meeting Date: March 3, 2022

**SUBJECT: DRAFT FY 2022-2023 BUDGET**

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**RECOMMENDED ACTION:** Receive a report on the Draft District FY 2022-2023 Budget, review the Draft Budget progress, and provide direction to staff and the *ad hoc* Budget Committee.

**FISCAL IMPACT:** Provides financial direction for FY 2022-2023.

## **DISCUSSION:**

The ongoing Covid Pandemic, the staffing shortage, and management issues have impacted staff progress on the FY 2022-2023 budget. However, we did compile the draft budget with staff input. The *ad hoc* Budget Committee has not yet met. Rate increases of 0%, 3%, 4%, and 5% are under consideration. The approved rates need to be sufficient to support the Operating and Capital costs of the District. Annual 5% rate increases were recommended by the Rate Study Consultant Bartle Wells to fund the agreed-upon wage increases, other operating expenses, and the self-funding of our Capital Improvement Plan that includes the FY 2022-2023 Capital Improvements. Direction from the Board is needed to proceed with the preferred rate increase option to implement. The 5% rate increase for FY 2022-2023 is recommended for these reasons. Table 1 below identifies the calendar for the budget approval process.

**The Budget Committee:** The *ad hoc* committee has not yet met. Budget issues include:

Staffing changes include adding a new General Manager. Replacement personnel for field positions, step increases for recently promoted positions, and the 3% wage increase agreed to in the new MOU have raised wages. Overall, this budget has higher wages and slightly higher benefits due to individual employee health care coverage choices. In the FY 2022-2023 Budget year, the District gets a debt service reduction of \$283,000 from FY 2020-2021 as the State Loan is paid off. These savings will help capital funding and may allow for future year's reduced rate increases.

Grant revenue is scarce and unpredictable. We have recently applied for several grant funding opportunities and have received the grant funding for \$115,920.00 to design and plan the Old River Rd/ Woodland Drive project. We were successful with CDBG funding for the construction phase of this project, receiving

\$705,000.00. We also have \$735,000 for the design of the Monte Rio bridge project, Harrison Tank project, and Monte Rio well rehab project. That grant agreement is due soon. We do not budget grant revenue unless we have received a fully executed grant agreement.

**Unfunded Pension Liability:** We have been successful reducing this interest debt to near zero, prepaying \$1,000,000 borrowed from reserves. This is the third year of the \$135,000 budgeted annually for seven years to repay our reserve funds for this borrow.

**Capital Project funding:** In last year's annual budget discussion, we planned on a significant Capital Project in FY 2020-2021 that includes replacing 5,400 linear feet of aging water main with HDPE main on Old River Road Woodland Drive. The design, planning and bidding phases are completed. In FY 2021-2022, we plan on completing the entire project including Old River Rd. and Woodland at the cost of \$1,650,000 and Monte Rio well rehabilitation for \$100,000.

In FY 2022-2023, planned Capital Projects include design of the Wright Drive water main replacement, the Lower Harrison Tank replacement, and design of the Monte Rio Bridge water main attachment project. All these projects have grant funding or pending grant funding.

A one percent increase in water rates results in approximately \$29,000 in revenue. A 5% rate increase for the FY 2022-2023 Budget year seems appropriate at this time; we will bring this recommendation to the Budget Committee in our discussions with them. Our customers did not object in large numbers to the 5% rate increase last year, and other regional utilities have higher increases and rates.

**Water Rate Increase:** Two years ago, Bartle and Wells did a cost of service study that recommends 5% water rate increases annually for five years to support \$750,000 (on average) annual Capital Improvement costs. Capital projects have become more expensive and the target should probably be changed to \$1,000,000. The General Manager recommends a 5% rate increase for FY 2021-2022 to reach the \$750,000 Annual Capital Funding Target, especially since we under-collected our 5% revenue target last year. The schedule is below.

<b>Table 1. FY 2022-2023 Budget Preparation</b>	
Reviewed/Approved Capital Improvement Program	February 2022
Introduce Budget Process	January 6, 2022
Budget Committee meetings	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"><li>• Prop 218 Public Hearing on Rates, if necessary</li></ul>	May 5, 2022

FY 2022-2023 DRAFT OPERATING BUDGET		5%	FY 20-21 FINAL (CASH)*	FY21-22 BUDGET	FY 21-22 Projected	FY 22-23 BUDGET	Difference FY22-F23 Budgets	FY 2022-2023
<b>REVENUE</b>								
OPERATING REVENUE								
4031 - Water Bill Revenue								
	4031.1. - Capital Debt Reduction Charge		317,797	332,402	332,402	349,022	16,620	5% rate increase based on projected
	4031.1. - Water Sales - Base Rate		1,737,694	1,814,787	1,814,787	1,905,526	90,739	5% rate increase based on projected
	4031.1. - Water Sales - Usage Charges + Other		697,378	735,568	735,568	772,346	36,778	Flat sales, 5% increase based on projected
	4031.1. - Total Water Sales		2,752,869	2,882,757	2,882,757	3,026,895	144,138	
Total OPERATING REVENUE			2,752,869	2,882,757	2,882,757	3,026,895	144,138	
NON-OPERATING REVENUE								
	4445 - Grant Proceeds		0	0			-	
	4448 - Policy Reserve Loan proceeds		500,000	-	-	-	-	None.
	1700 - Interest		4,869	10,000	3,200	3,500	(6,500)	
	3600 - Construction New Services		31,781	7,000	15,000	8,000		changes from year to year
	3601 - Construction Service Upgrades		14,615	5,000	5,000	6,000		changes from year to year
	4032 - Rent		119,915	112,970	121,000	121,500	8,530	Crystal \$1361/mo = \$16,322 AT&T \$8778.67/mo = \$105,344
	4040 - Miscellaneous Income		14,920	1,500	1,500	1,500	-	USBank CC refunds So. Cty Credit
Total NON-OPERATING REVENUE			686,100	136,470	145,700	140,500	4,030	
Total Income			3,438,969	3,019,227	3,028,457	3,167,395	148,168	

<b>EXPENSES</b>								
OPERATING EXPENSES								
SALARY & BENEFITS								
Salary								
	5910 - Wages		805,607	885,000	885,000	911,550	26,550	3% Wages increase as per MOU
	5912 - Overtime		40,184	34,000	40,000	37,000	3,000	3% Wages increase as per MOU
	5916 - On-Call Pay		39,030	36,000	39,000	37,000	1,000	as per MOU
	5918 - Extra help - Contract		37,030	37,000	37,000	37,000	-	Contract
Total Salary			921,851	992,000	1,001,000	1,022,550	30,550	
Benefits								
	5500 - Flex Spending		-5,374	0	0	0	-	
	5920 - Retirement net EE share		68,732	78,000	75,000	72,000	(6,000)	JK: ER Rates: 2% @55: 10.32%; 2% @62: 7.47% Est bi-weekly total: \$2,746 (ER Rate only)
	5920.4 - Retirement UL		34,552	1,385	1,385	1,400	15	2% @55: \$0 2% @62: \$0
	5920.5 - Retirement UL		500,000	0	0	0	-	
	5922 - Payroll Taxes - Employer Paid		14,018	16,761	16,000	16,000	(761)	
	5930 - Health/Dental/Vision/AFLAC In		239,043	237,000	255,000	260,000	23,000	
	5931 - Retiree health		11,043	11,700	11,700	14,000	2,300	Includes contribution to CERBT of \$3000; Per JK cost per retiree 2022 \$149 Total retirees: 6 \$149X6 X 12 + \$3000=\$13,728
	5940 - Workers Comp Insurance		20,508	25,000	22,842	23,000	(2,000)	FY 2022-23 EMOD: 1.03; rates unknown
	5941 - Life Insurance (GM)		1,000	1,000	1,000	1,000	-	Per EF contract.
Total Benefits			883,522	370,846	382,927	387,400	16,554	
Total SALARY & BENEFITS			1,805,373	1,362,846	1,383,927	1,409,950	47,104	

FY 2022-2023 DRAFT OPERATING BUDGET		5%	FY 20-21 FINAL (CASH)*	FY21-22 BUDGET	FY 21-22 Projected	FY 22-23 BUDGET	Difference FY22-F23 Budgets	FY 2022-2023
<b>SERVICES &amp; SUPPLIES</b>								
<b>Communications</b>								
	6040-I - Internet service		3,315	3,500	2,700	2,700	(800)	Comcast -\$127/month: \$1524 GoToMyPC \$88/mo = \$1056 Sonic.net \$72/mo = \$864
	6040-C - Cell Phones/Radios		4,634	5,200	5,700	6,300	1,100	Verizon \$100/mo: \$1200, Cell phone reimburse \$380/mo - \$4560 Misc. : \$500
	6040-T - Telephones		23,457	24,820	28,000	30,000	5,180	Ans. Service: \$2100 AT&T Phones: \$1,900/mo: \$22,800 Mitel Phones: \$360/mo=\$4,320
	<b>Total Communications</b>		<b>31,406</b>	<b>33,520</b>	<b>36,400</b>	<b>39,000</b>	<b>5,400</b>	
<b>Insurances</b>								
	6101 - Liability & Auto Ins.		65,391	65,000	39,000	50,000	-15,000	
	<b>Total Insurances</b>		<b>65,391</b>	<b>65,000</b>	<b>39,000</b>	<b>50,000</b>	<b>(15,000)</b>	
<b>Maint/Rep - Office &amp; Vehicles</b>								
	6140 - Vehicle Maintenance		27,396	18,000	10,000	18,000	-	trucks are getting up in age for more maintenance
	6151 - Office Maintenance		5,173	5,000	5,300	5,000	-	Alarm System - \$145/qr.= \$580 SR Computers - \$195/mo = \$2340/year Copy mach. maint - 1500/yr Landscaping - \$300/yr Misc / Other - \$250
	<b>Total Maint/Rep - Office &amp; Vehicles</b>		<b>32,569</b>	<b>23,000</b>	<b>15,300</b>	<b>23,000</b>	<b>-</b>	
<b>Maint/Repair - Facilities</b>								
	6085 - Janitorial Services		8,784	9,600	9,600	11,000	1,400	Maria Reyes (office Janitorial): \$135/mo = \$1620 United Site Svcs (port-o-lets): \$400/mo = \$4800 Recology Garbage \$175/mo=\$2100 Sewer - GVTP (\$1800)
	6100 - SCADA System		1,313	6,500	4,500	6,500	-	will be getting new back up batteries for scada site
	6180 - Distribution System Repairs		37,995	50,000	50,000	50,000	-	
	6235 - Treatment Sys/Well Repairs		55,593	75,000	75,000	75,000	-	
	6143 - Generator Maintenance		3,766	5,000	5,000	5,000	-	
	<b>Total Maint/Repair - Facilities</b>		<b>107,451</b>	<b>146,100</b>	<b>144,100</b>	<b>147,500</b>	<b>1,400</b>	
<b>Miscellaneous Expenses</b>								
	6280 - Memberships		9,751	10,100	10,100	11,000	900	USA \$800 AWWA \$460 CSDA \$7,620 MR Chamber - \$50 RR Chamber - \$175 Cal Rural \$1400 WCWW \$200
	6303 - Claims		295	1,500	-	1,500	-	
	6593 - Governmental Fees		18,982	18,500	18,500	22,000	3,500	Elections costs: \$2000 Notice of Determination \$230 Parcel List \$325 LAFCO \$6,400 Hazmat \$1300 Operator license fees \$500 System fees \$10500 Water Rights \$500
	<b>Total Miscellaneous Expenses</b>		<b>29,028</b>	<b>30,100</b>	<b>28,600</b>	<b>34,500</b>	<b>4,400</b>	
<b>Office Expense</b>								
	6410 - Postage		15,404	19,000	19,000	20,000	1,000	Billing (2000 pieces @ \$.53.5 X 12 months) = \$12,840 Prop 218 mailing: 4000 X .53.5 = \$2,140 1 extra mailing: 3600 X .53.5 = \$1,926 Other mail
	6430 - Printing Expense		10,185	7,000	7,000	9,000	2,000	Window Envelopes \$1540 Return Envelopes \$1000 Water Bills + Autopay \$1700 Doorhangers \$400 CCRs: \$1,200 Doorhangers: \$400 Prop 218 Notices/Envelopes: \$1,200 Fall notice: \$1,000 Checkblanks \$200 Tagbooks/Receipt books \$0
	6461 - Office Supplies		6,847	6,000	6,000	6,000	-	Supplies \$4500 Plants/Landscaping \$150 Christmas party \$400 Business lunches \$75 Paper products/coffee \$250 Furniture/Equipmt \$500
	6800 - Subscriptions/Legal Notices		2,232	1,250	3,500	3,000	1,750	Press Democrat \$625 Legal Notices \$500 Ads (job): \$500 Sonoma West \$350 Safety Meeting Outlines \$100
	6890 - Computers/Software		4,597	3,500	3,500	4,500	1,000	Antivirus software \$150 Battery backups: \$500 Misc \$400 Filemaker upgrade \$2000 Quickbooks upgrade \$0 Workstation upgrades - \$0 Office 365 subscription: \$850 Digital Ocean: \$6.20/mo = \$75 Cisco Webex: \$170
	<b>Total Office Expense</b>		<b>39,265</b>	<b>36,750</b>	<b>39,000</b>	<b>42,500</b>	<b>5,750</b>	
<b>Operating Supplies</b>								
	6300 - Chemicals		14,911	18,000	5,000	15,000	(3,000)	no kmn04 being used anymore
	6880 - Tools and Equipment		3,097	7,500	7,000	7,500.00	-	pipe finder: \$4000 Mini Jack hammer \$550. Chain saw \$400.leaf blower \$300 gen 1,000
	6881 - Safety Equipment		1,872	2,500	2,000	2,500	-	cones/work signs/barricades
	<b>Total Operating Supplies</b>		<b>19,880</b>	<b>28,000</b>	<b>14,000</b>	<b>25,000</b>	<b>(3,000)</b>	
<b>Professional Services</b>								
	6514 - Lab/Testing Fees		7,532	12,500	12,000	15,000	2,500	no lead and copper samples this year
	6570 - Consultant Fees		54,472	35,000	35,000	50,000	15,000	IE&A \$13,000 SR Computers/Chris Meyers (online bill fwd) \$1500 SR Computers/Kim (website): \$2000 Filemaker: Online bill format \$1500 One Call Now (robocalls): \$300 Water Audit: \$3,300 New hire fitness/drug testing: \$1,000
	6590 - Engineering		4,921	10,000	10,000	10,000	-	
	6610 - Legal		23,630	30,000	60,000	60,000	30,000	
	6630 - Audit/Accounting		35,033	36,000	36,000	38,000	2,000	ADP \$65/2 weeks = \$1690 W-2s, taxes, 1099s = \$500 Authorize.net \$130/mo = \$1560 Auditor \$8,500 TSYS: \$1600/mo = \$19,200 E-check fees = \$2800 West America fees \$230/mo = \$2760 County Accounting Fees = \$800
	<b>Total Professional Services</b>		<b>125,588</b>	<b>123,500</b>	<b>153,000</b>	<b>173,000</b>	<b>49,500</b>	

FY 2022-2023 DRAFT OPERATING BUDGET		5%	FY 20-21 FINAL (CASH)*	FY21-22 BUDGET	FY 21-22 Projected	FY 22-23 BUDGET	Difference FY22-F23 Budgets	FY 2022-2023
Rents & Leases & Loans								
	6820 · Equipment		1,408	3,300	3,300	3,600	300	Postage machine \$1600 Action rents: \$2000
	6840 · Building & Warehouse		31,152	32,000	32,000	32,000	-	Rent: \$2,650/mo = 32,000 (est based on new lease in May 2020)
	Policy Reserve Loan		135,000	135,000	135,000	135,000	-	\$500,000 borrowed FY 2019-20; \$500,000 borrowed FY 2020-21. Year 3 of 7 years payback \$135,000 annually.
Total Rents & Leases			167,560	170,300	170,300	170,600	300	
Transportation & Travel								
	7120 · Seminars & related travel		1,115	5,000	3,000	5,000	-	JK - \$250, EF-\$1,000 NK/AC - \$400 Field: \$1500
	7201 · Vehicle Gas		23,909	24,000	34,000	40,000	16,000	
	7300 · Travel Reimbursements		6,459	6,480	6,480	6,500	20	EF \$500/mo = \$6000 NK/JK \$40/mo = \$480
Total Transportation & Travel			31,483	35,480	43,480	51,500	16,020	
Uniforms								
	6021.1 · Boots		1,618	1,500	1,500	1,800	300	\$245 X 7 = \$1715
	6021.3 · T-shirts		1,618	1,800	1,200	1,500	(300)	
	6021.4 · Jackets		92	240	240	250	10	
Total Uniforms			3,328	3,540	2,940	3,550	10	
Utilities								
	7320 · Electricity		125,211	125,000	125,000	126,000	1,000	
	7321 · Propane		3,358	3,000	3,000	3,500	500	
Total Utilities			128,569	128,000	128,000	129,500	1,500	
Total SERVICES & SUPPLIES			781,518	823,290	814,120	889,650	66,360	
Total OPERATING EXPENSES			2,586,891	2,186,136	2,198,047	2,299,600	113,464	
<b>OPERATING SURPLUS/DEFICIT</b>			<b>\$852,078</b>	<b>\$833,091</b>	<b>\$830,410</b>	<b>\$867,795</b>	<b>\$ 34,704</b>	
FIXED ASSET EXPENDITURES								
	8517 · Field/Office equipment		6,170	5,000	500	5,000	5,000	
	8573 · Vehicles		47,678	-	0	50,000	-	postpone for two years
	8511.1 · Tank/Facilities Sites		22,608	24,000	3,000	24,000	18,000	roofing repairs /foundation repairs /tank liner repairs to tank site
	8511.6 · Leasehold Improvements		0	0	0	-	-	
Total FIXED ASSET EXPENDITURES			76,456	29,000	3,500	79,000	50,000	
TRANSFERS TO OTHER FUNDS								
	8620.7 · Tfers to CIRF for CDR Revenue		316,573	332,402	332,402	349,022	16,620	
	8620.3 · Tfers to CIRF		270,000	430,000	450,000	395,000	(35,000)	
	8620.5 · Tfers to Building Fund		15,000	15,000	15,000	15,000	-	
	8620.2 · Tfers to In-House Constr		25,000	25,000	25,000	25,000	-	
Total TRANSFERS TO OTHER FUNDS			626,573	802,402	822,402	784,022	(18,380)	
<b>SURPLUS/DEFICIT</b>			<b>149,049</b>	<b>1,689</b>	<b>4,508</b>	<b>4,773</b>	<b>3,084</b>	

FY 2022-2023 DRAFT OPERATING BUDGET		4%	FY 20-21 FINAL (CASH)*	FY21-22 BUDGET	FY 21-22 Projected	FY 22-23 BUDGET	Difference FY22-F23 Budgets	FY 2022-2023
<b>REVENUE</b>								
OPERATING REVENUE								
4031 - Water Bill Revenue								
4031.1 - Capital Debt Reduction Charge 317,797 332,402 332,402 345,898 13,298 4% rate increase based on projected								
4031.1 - Water Sales - Base Rate 1,737,694 1,814,787 1,814,787 1,887,378 72,591 4% rate increase based on projected								
4031.1 - Water Sales - Usage Charges + Other 697,378 735,568 735,568 764,991 29,423 Flat sales, 4% increase based on projected								
4031.1 - Total Water Sales 2,752,869 2,882,757 2,882,757 2,998,067 115,310								
Total OPERATING REVENUE 2,752,869 2,882,757 2,882,757 2,998,067 115,310								
Total NON-OPERATING REVENUE 686,100 136,470 145,700 140,500 4,030								
Total Income 3,438,969 3,019,227 3,028,457 3,138,567 119,340								
<b>EXPENSES</b>								
Total SALARY & BENEFITS 1,805,373 1,362,846 1,383,927 1,409,950 47,104								
Total SERVICES & SUPPLIES 781,518 823,290 814,620 889,650 66,360								
Total OPERATING EXPENSES 2,586,891 2,186,136 2,198,547 2,299,600 113,464								
<b>OPERATING SURPLUS/DEFICIT \$852,078 \$833,091 \$829,910 \$838,967 \$ 5,876</b>								
FIXED ASSET EXPENDITURES								
8517 - Field/Office equipment 6,170 5,000 500 5,000								
8573 - Vehicles 47,678 - 0 - - postpone for two years								
8511.1 - Tank/Facilities Sites 22,808 24,000 3,000 18,000 (6,000) roofing repairs /foundation repairs /tank liner repairs to tank site								
8511.6 - Leasehold Improvements 0 0 0 - -								
Total FIXED ASSET EXPENDITURES 76,456 29,000 3,500 23,000 (6,000)								
TRANSFERS TO OTHER FUNDS								
8620.7 - Trans to CIRF for CDR Revenue 316,573 332,402 332,402 345,898 13,298								
8620.3 - Trans to CIRF 270,000 430,000 450,000 430,000 -								
8620.5 - Trans to Building Fund 15,000 15,000 15,000 15,000 -								
8620.2 - Trans to In-House Constr 25,000 25,000 25,000 25,000 -								
Total TRANSFERS TO OTHER FUNDS 626,573 802,402 822,402 815,898 13,298								
<b>SURPLUS/DEFICIT 149,049 1,689 4,008 263 (1,420)</b>								

FY 2022-2023 DRAFT OPERATING BUDGET		3%	FY 20-21 FINAL (CA\$M)*	FY21-22 BUDGET	FY 21-22 Projected	FY 22-23 BUDGET	Difference FY22-F23 Budgets	
<b>REVENUE</b>								
OPERATING REVENUE								
4031 - Water Bill Revenue								
4031.1 - Capital Debt Reduction Charge 317,797 332,402 332,402 342,374 9,972 3% rate increase based on projected								
4031.1 - Water Sales - Base Rate 1,737,694 1,814,787 1,814,787 1,869,231 54,444 3% rate increase based on projected								
4031.1 - Water Sales - Usage Charges + Other 697,378 735,568 735,568 757,635 22,067 Flat sales, 3% increase based on projected								
4031.1 - Total Water Sales 2,752,869 2,882,757 2,882,757 2,969,240 86,483								
Total OPERATING REVENUE 2,752,869 2,882,757 2,882,757 2,969,240 86,483								
Total NON-OPERATING REVENUE 686,100 136,470 145,700 140,500 4,030								
Total Income 3,438,969 3,019,227 3,028,457 3,109,740 90,513								
<b>EXPENSES</b>								
Total SALARY & BENEFITS 1,805,373 1,362,846 1,383,927 1,409,950 47,104								
Total SERVICES & SUPPLIES 781,518 823,290 814,120 889,650 66,360								
Total OPERATING EXPENSES 2,586,891 2,186,136 2,198,047 2,299,600 113,464								
<b>OPERATING SURPLUS/DEFICIT \$852,078 \$833,091 \$830,410 \$810,140 \$ (22,951)</b>								
FIXED ASSET EXPENDITURES								
8517 - Field/Office equipment 6,170 5,000 500 5,000								
8573 - Vehicle 47,678 - 0 - - postpone for two years								
8511.1 - Tank/Facilities Sites 22,608 24,000 3,000 18,000 (6,000) roofing repairs /foundation repairs /tank liner repairs to tank site								
8511.6 - Leasehold Improvements 0 0 0 - -								
Total FIXED ASSET EXPENDITURES 76,456 29,000 3,500 23,000 (6,000)								
TRANSFERS TO OTHER FUNDS								
8620.7 - Tfers to CIRF for CDR Revenue 316,573 332,402 332,402 342,374 9,972								
8620.3 - Tfers to CIRF 270,000 430,000 450,000 400,000 (30,000)								
8620.5 - Tfers to Building Fund 15,000 15,000 15,000 15,000 -								
8620.2 - Tfers to In-House Constr 25,000 25,000 25,000 25,000 -								
Total TRANSFERS TO OTHER FUNDS 626,573 802,402 822,402 782,374 (20,028)								
<b>SURPLUS/DEFICIT 149,049 1,689 4,508 4,766 3,077</b>								
FY 2022-23								



FY 2022-2023 DRAFT OPERATING BUDGET		0%	FY 20-21 FINAL (CA \$M)	FY21-22 BUDGET	FY 21-22 Projected	FY 22-23 BUDGET	Difference FY22-F23 Budgets	FY 2022-23
<b>REVENUE</b>								
OPERATING REVENUE								
4031 - Water Bill Revenue								
4031.1. - Capital Debt Reduction Charge 317,797 332,402 332,402 332,402 - 0% rate increase based on projected								
4031.1. - Water Sales - Base Rate 1,737,694 1,814,787 1,814,787 1,814,787 - 0% rate increase based on projected								
4031.1. - Water Sales - Usage Charges + Other 697,378 735,568 735,568 735,568 - Flat sales, 0% increase based on projected								
4031.1. - Total Water Sales 2,752,869 2,882,757 2,882,757 2,882,757 -								
Total OPERATING REVENUE 2,752,869 2,882,757 2,882,757 2,882,757 -								
Total NON-OPERATING REVENUE 686,100 136,470 145,700 140,500 4,030								
Total Income 3,438,969 3,019,227 3,028,457 3,023,257 4,030								
<b>EXPENSES</b>								
Total SALARY & BENEFITS 1,805,373 1,362,846 1,383,927 1,409,950 47,104								
Total SERVICES & SUPPLIES 781,518 823,290 814,120 889,650 66,360								
Total OPERATING EXPENSES 2,586,891 2,186,136 2,198,047 2,299,600 113,464								
<b>OPERATING SURPLUS/DEFICIT \$852,078 \$833,091 \$830,410 \$723,657 \$ (109,434)</b>								
FIXED ASSET EXPENDITURES								
8517 - Field/Office equipment 6,170 5,000 500 5,000								
8573 - Vehicles 47,678 - 0 - - postpone for two years								
8511.1 - Tank/Facilities Sites 22,808 24,000 3,000 18,000 (6,000) roofing repairs / foundation repairs / tank liner repairs to tank site								
8511.6 - Leasehold Improvements 0 0 0 - -								
Total FIXED ASSET EXPENDITURES 76,456 29,000 3,500 23,000 (6,000)								
TRANSFERS TO OTHER FUNDS								
8620.7 - Tfers to CIRF for CDR Revenue 316,573 332,402 332,402 332,402 -								
8620.3 - Tfers to CIRF 270,000 430,000 450,000 325,000 (105,000)								
8620.5 - Tfers to Building Fund 15,000 15,000 15,000 15,000 -								
8620.2 - Tfers to In-House Constr 25,000 25,000 25,000 25,000 -								
Total TRANSFERS TO OTHER FUNDS 626,573 802,402 822,402 697,402 (105,000)								
<b>SURPLUS/DEFICIT 149,049 1,689 4,508 3,255 1,566</b>								

FY 2022-2023 DRAFT CAPITAL BUDGET		5%	FY 20-21 FINAL (CASH)*	FY21-22 BUDGET	FY 21-22 Projected	FY 22-23 BUDGET	Difference FY22-F23 Budgets	FY 2022-2023
<b>REVENUE/SOURCES OF FUNDS</b>								
1002 - Construction Flat Charges			93,155	27,000	27,000	30,000	3,000	
1001 - CY Direct Charges			732,360	710,000	710,000	710,000	-	
1061 - PY Direct Charges			22,662	40,000	40,000	40,000	-	
1700 - Interest			10,722	25,000	25,000	10,000	(15,000)	
4620.2 - Tfers from Operations (In-House Contr.)			25,000	25,000	25,000	25,000	-	
4620.2 - Tfers from Operations (CDR)			316,573	332,402	296,383	349,022	16,620	Populated from Water Sales revenue above.
4620.2 - Tfers from Operations (Surplus)			270,000	430,000	450,000	395,000	(35,000)	
Grant Revenue			93,263		627,000	635,000		
Guernwood Park proceeds			5,000		23,637			
<b>TOTAL CAPITAL REVENUE</b>			<b>1,568,775</b>	<b>1,589,402</b>	<b>2,424,020</b>	<b>2,194,022</b>	<b>604,620</b>	
<b>EXPENSES</b>								
<b>DEBT PAYMENTS</b>								
Gen. Obligation Bonds Principal			53,278	54,950	54,950	54,950	-	
Cap One Revenue Bond Principal			368,000	368,000	368,000	368,000	-	
State Loan Principal			262,727	-	-	-	-	
Private Placement Loan Principal			170,614	167,650	167,650	167,650	-	
Interest Expense			266,752	319,908	319,908	319,908	-	
<b>TOTAL DEBT PAYMENTS</b>			<b>1,141,570</b>	<b>910,508</b>	<b>910,508</b>	<b>910,508</b>	<b>-</b>	
2019 CIP			0	-				
2021 CIP			114,958	1,326,000	1,750,000		25,000	Old River Rd, Woodland Drive, Monte Rio Well Rehab
2022 CIP						746,840		Harrison Tank, MR Bridge Design, Wight Drive Design
In-House Construction Projects			30,937	25,000	25,000	25,000	25,000	
Moacow Rd Project					4,545			
Guernwood Park			1,080	25,000	-		25,000	
Main St MR Emergency Line			129,222	25,000			25,000	
<b>TOTAL CONSTRUCTION EXPENSES</b>			<b>276,198</b>	<b>1,401,000</b>	<b>1,779,545</b>	<b>771,840</b>	<b>(629,160)</b>	
<b>TOTAL CAPITAL EXPENSES</b>			<b>1,417,768</b>	<b>2,311,508</b>	<b>2,690,053</b>	<b>1,682,348</b>	<b>(629,160)</b>	
<b>SURPLUS/DEFICIT</b>			<b>151,007</b>	<b>-722,106</b>	<b>-266,033</b>	<b>511,674</b>	<b>1,233,780</b>	
<b>FUND AND LOAN BALANCES (EOY)</b>								
Reg Funds above District Reserve Policy			2,330,240	2,330,240	2,211,247	1,495,214	(835,026)	
Policy Reserves			1,402,661	1,352,081	1,356,846	1,397,467	45,386	
Ending Funds ab District Policy (DP)			<b>2,211,247</b>	<b>1,178,134</b>	<b>1,495,214</b>	<b>1,611,888</b>	<b>433,754</b>	
Funds ab DP and Debt Payments			<b>1,069,677</b>	<b>1,153,134</b>	<b>1,470,214</b>	<b>1,586,888</b>	<b>433,754</b>	

FY 2022-2023 DRAFT CAPITAL BUDGET	4%	FY 20-21 FINAL (CASH)*	FY21-22 BUDGET	FY 21-22 Projected	FY 22-23 BUDGET	Difference FY22-F23 Budgets	FY 2022-2023
<b>REVENUE/SOURCES OF FUNDS</b>							
1002 - Construction Flat Charges		93,155	27,000	27,000	30,000	3,000	
1001 - CY Direct Charges		732,360	710,000	710,000	710,000	-	
1061 - PY Direct Charges		22,882	40,000	40,000	40,000	-	
1700 - Interest		10,722	25,000	25,000	10,000	(15,000)	
4620.2 - Transfers from Operations (In-House Constr.)		25,000	25,000	25,000	25,000	-	
4620.2 - Transfers from Operations (CDR)		316,573	332,402	296,383	345,696	13,294	Populated from Water Sales revenue above.
4620.2 - Transfers from Operations (Surplus)		270,000	430,000	450,000	430,000	-	
Grant Revenue		93,283		827,000	635,000		
Guernwood Park proceeds		5,000		23,637			
<b>TOTAL CAPITAL REVENUE</b>		<b>1,568,775</b>	<b>1,589,402</b>	<b>2,424,020</b>	<b>2,225,696</b>	<b>636,294</b>	
<b>EXPENSES</b>							
<b>DEBT PAYMENTS</b>							
Gen. Obligation Bonds Principal		53,278	54,950	54,950	54,950	-	
Cap One Revenue Bond Principal		368,000	368,000	368,000	368,000	-	
State Loan Principal		282,727	-	-	-	-	
Private Placement Loan Principal		170,814	167,650	167,650	167,650	-	
Interest Expense		266,752	319,908	319,908	319,908	-	
<b>TOTAL DEBT PAYMENTS</b>		<b>1,141,570</b>	<b>910,508</b>	<b>910,508</b>	<b>910,508</b>	<b>-</b>	
2019 CIP		0	-				
2021 CIP		114,958	1,326,000	1,750,000		25,000	Old River Rd, Woodland Drive, Monte Rio Well Rehab
2022 CIP					746,840		Harrison Tank, MR Bridge Design, Wright Drive Design
In-House Construction Projects		30,937	25,000	25,000	25,000	25,000	
Moscow Rd Project			-	4,545			
Guernwood Park		1,080	25,000	-		25,000	
Main St MR Emergency Line		129,222	25,000			25,000	
<b>TOTAL CONSTRUCTION EXPENSES</b>		<b>276,198</b>	<b>1,401,000</b>	<b>1,779,545</b>	<b>771,840</b>	<b>(629,160)</b>	
<b>TOTAL CAPITAL EXPENSES</b>		<b>1,417,768</b>	<b>2,311,508</b>	<b>2,690,053</b>	<b>1,682,348</b>	<b>(629,160)</b>	
<b>SURPLUS/DEFICIT</b>		<b>151,007</b>	<b>-722,106</b>	<b>-266,033</b>	<b>543,348</b>	<b>1,265,454</b>	
<b>FUND AND LOAN BALANCES (EOY)</b>							
Begin Funds above District Reserve Policy		2,330,240	2,330,240	2,211,247	1,495,214	(835,026)	
Policy Reserves		1,402,661	1,352,081	1,357,046	1,397,467	45,386	
Ending Funds ab District Policy (DP)		<b>2,211,247</b>	<b>1,178,134</b>	<b>1,495,214</b>	<b>1,608,562</b>	<b>430,428</b>	
Funds ab DP and Debt Payments		<b>1,069,677</b>	<b>1,153,134</b>	<b>1,470,214</b>	<b>1,583,562</b>	<b>430,428</b>	

FY 2022-2023 DRAFT CAPITAL BUDGET		3%	FY 20-21 FINAL (CA \$H)*	FY21-22 BUDGET	FY 21-22 Projected	FY 22-23 BUDGET	Difference FY22-F23 Budgets	FY 2022-23
<b>REVENUE/SOURCES OF FUNDS</b>								
	1002 - Construction Flat Charges		93,155	27,000	27,000	30,000	3,000	
	1001 - CY Direct Charges		732,360	710,000	710,000	710,000	-	
	1061 - PY Direct Charges		22,682	40,000	40,000	40,000	-	
	1700 - Interest		10,722	25,000	25,000	10,000	(15,000)	
	4620.2 - Tiers from Operations (In-House Constr.)		25,000	25,000	25,000	25,000	-	
	4620.2 - Tiers from Operations (CDR)		316,573	332,402	296,383	342,374	9,972	Populated from Water Sales revenue above.
	4620.2 - Tiers from Operations (Surplus)		270,000	430,000	450,000	400,000	(30,000)	
	Grant Revenue		93,283		827,000	835,000		
	Guenewood Park proceeds		5,000		23,637			
	<b>TOTAL CAPITAL REVENUE</b>		<b>1,568,775</b>	<b>1,589,402</b>	<b>2,424,020</b>	<b>2,192,374</b>	<b>602,972</b>	
<b>EXPENSES</b>								
<b>DEBT PAYMENTS</b>								
	Gen. Obligation Bonds Principal		53,278	54,950	54,950	54,950	-	
	Cap One Revenue Bond Principal		368,000	368,000	368,000	368,000	-	
	State Loan Principal		282,727	-	-	-	-	
	Private Placement Loan Principal		170,814	167,650	167,650	167,650	-	
	Interest Expense		266,752	319,908	319,908	319,908	-	
	<b>TOTAL DEBT PAYMENTS</b>		<b>1,141,570</b>	<b>910,508</b>	<b>910,508</b>	<b>910,508</b>	<b>-</b>	
	2019 CIP		0	-				
	2021 CIP		114,958	1,326,000	1,750,000		25,000	Old River Rd, Woodland Drive, Monte Rio Well Rehab
	2022 CIP					746,840		Harrison Tank, MR Bridge Design, Wright Drive Design
	In-House Construction Projects		30,937	25,000	25,000	25,000	25,000	
	Moscow Rd Project			-	4,545			
	Guenewood Park		1,080	25,000	-		25,000	
	Main St MR Emergency Line		129,222	25,000			25,000	
	<b>TOTAL CONSTRUCTION EXPENSES</b>		<b>276,198</b>	<b>1,401,000</b>	<b>1,779,545</b>	<b>771,840</b>	<b>(629,160)</b>	
	<b>TOTAL CAPITAL EXPENSES</b>		<b>1,417,768</b>	<b>2,311,508</b>	<b>2,690,053</b>	<b>1,682,348</b>	<b>(629,160)</b>	
	<b>SURPLUS/DEFICIT</b>		<b>151,007</b>	<b>-722,106</b>	<b>-266,033</b>	<b>510,026</b>	<b>1,232,132</b>	
<b>FUND AND LOAN BALANCES (EOY)</b>								
	Beq Funds above District Reserve Policy		2,330,240	2,330,240	2,211,247	1,495,214	(835,026)	
	Policy Reserves		1,402,661	1,352,081	1,356,846	1,397,467	45,386	
	Ending Funds ab District Policy (DP)		2,211,247	1,178,134	1,495,214	1,605,240	427,106	
	Funds ab DP and Debt Payments		1,069,677	1,153,134	1,470,214	1,580,240	427,106	

FY 2022-2023 DRAFT CAPITAL BUDGET		0%	FY 20-21 FINAL (CA\$H)	FY21-22 BUDGET	FY 21-22 Proj cted	FY 22-23 BUDGET	Difference FY22-F23 Budget	FY 2022-23
<b>REVENUE/SOURCES OF FUNDS</b>								
1002 - Construction Flat Charges			93,155	27,000	27,000	30,000	3,000	
1001 - CY Direct Charges			732,360	710,000	710,000	710,000	-	
1061 - PY Direct Charges			22,682	40,000	40,000	40,000	-	
1700 - Interest			10,722	25,000	25,000	10,000	(15,000)	
4620.2 - Tfers from Operations (In-House Constr.)			25,000	25,000	25,000	25,000	-	
4620.2 - Tfers from Operations (CDR)			316,573	332,402	296,383	332,402	-	Populated from Water Sales revenue above.
4620.2 - Tfers from Operations (Surplus)			270,000	430,000	450,000	325,000	(105,000)	
Grant Revenue			93,283		827,000	635,000		DWR Grant Agreement not yet executed
Guernwood Park proceeds			5,000		23,637			
<b>TOTAL CAPITAL REVENUE</b>			<b>1,568,775</b>	<b>1,589,402</b>	<b>2,424,020</b>	<b>2,107,402</b>	<b>518,000</b>	
<b>EXPENSES</b>								
<b>DEBT PAYMENTS</b>								
Gen. Obligation Bonds Principal			53,278	54,950	54,950	54,950	-	
Cap One Revenue Bond Principal			368,000	368,000	368,000	368,000	-	
State Loan Principal			282,727	-	-	-	-	
Private Placement Loan Principal			170,814	167,650	167,650	167,650	-	
Interest Expense			266,752	319,908	319,908	319,908	-	
<b>TOTAL DEBT PAYMENTS</b>			<b>1,141,570</b>	<b>910,508</b>	<b>910,508</b>	<b>910,508</b>	<b>-</b>	
2019 CIP			0	-	-	-	-	
2021 CIP			114,958	1,326,000	1,750,000		25,000	Old River Rd., Woodland Drive, Monte Rio Well Rehab
2022 CIP						746,840		Harrison Tank, M.R Bridge Design, Wright Drive Design
In-House Construction Projects			30,937	25,000	25,000	25,000	25,000	
Moscow Rd Project				-	4,545			
Guernwood Park			1,080	25,000	-		25,000	
Main St MR Emergency Line			129,222	25,000			25,000	
<b>TOTAL CONSTRUCTION EXPENSES</b>			<b>276,198</b>	<b>1,401,000</b>	<b>1,779,545</b>	<b>771,840</b>	<b>(629,160)</b>	
<b>TOTAL CAPITAL EXPENSES</b>			<b>1,417,768</b>	<b>2,311,508</b>	<b>2,690,053</b>	<b>1,682,348</b>	<b>(629,160)</b>	
<b>SURPLUS/DEFICIT</b>			<b>151,007</b>	<b>-722,106</b>	<b>-266,033</b>	<b>425,054</b>	<b>1,147,160</b>	
<b>FUND AND LOAN BALANCES (EOY)</b>								
Beg Funds above District Reserve Policy			2,330,240	2,330,240	2,211,247	1,495,214	(835,026)	
Policy Reserves			1,402,661	1,352,081	1,356,846	1,397,467	45,386	
Ending Funds ab District Policy (DP)			<b>2,211,247</b>	<b>1,178,134</b>	<b>1,495,214</b>	<b>1,595,268</b>	<b>417,134</b>	
Funds ab DP and Debt Payments			<b>1,069,677</b>	<b>1,153,134</b>	<b>1,470,214</b>	<b>1,570,268</b>	<b>417,134</b>	

# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V-B**

**FROM:** Ed Fortner, General Manager

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Meeting Date: March 3, 2022

**SUBJECT: DISCUSSION/ACTION RE REINSTATING DISCONNECTION FOR NON-PAYMENT**

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**RECOMMENDED ACTION:** Discussion and direction from the Board.

**FISCAL IMPACT:** none

**DISCUSSION:**

The Governor's Emergency Order precluding water shutoffs during the pandemic emergency was lifted effective December 31, 2021. However, because of the recent Omicron virus surge the Board decided to continue holding off on customer shutoffs for delinquency for a bit longer -- as though the Emergency Order was still in effect.

Staff believes it is now time to reconsider reinstating the District's normal policy of disconnecting customers for non-payment of their water bill and other pandemic-related practices, such as closing our office to foot traffic and requiring field workers to be in their own truck. The Omicron surge has receded, and the state of California has moved towards an "endemic" approach to living with a virus we as a world seem unable to eradicate completely. As a result, we see businesses re-opening to larger crowds and indoor services, as well as masking requirements being largely lifted.

It should be noted that moving the District to its normal operation would be accompanied by additional noticing to our customers. Also, the District will continue (as it always has) to offer customers the opportunity to make an Agreement to avoid turn-off, so long as they do so in a timely fashion and keep the Agreements they make.

An endemic approach to coronavirus also will require us to be nimble about reinstating surge-level practices should another variant surge through Sonoma County in the future. For now, however, staff is recommending we resume our normal policy of disconnecting customers for non-payment as well as re-opening our offices to foot traffic and other pre-pandemic operations practices.

# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V-C**

**FROM:** Ed Fortner, General Manager

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Meeting Date: March 3, 2022

**SUBJECT: DISCUSSION/ACTION RE DIRECTION FOR COVID RELATED GUIDELINES**

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**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

March 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.

On February 15, 2022 Sonoma County rescinded the workplace mask guidance. Only unvaccinated personnel must now wear masks in the workplace.

# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V- D**

**FROM:** Ed Fortner, General Manager

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Meeting Date: March 3, 2022

**SUBJECT: DISCUSSION/ACTION RE DIRECTION FOR STAFFING ISSUES**

**RECOMMENDED ACTION:** Discussion and direction from the Board.

**FISCAL IMPACT:** none

**DISCUSSION:**

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. The two meter reading companies were not able to make our situation work for them. The emergency staffing services for field personnel range in cost from \$65/ hour to \$125/hour. Jack is not supportive of using these services.

We have received six or seven applications for the vacancies, including a meter reader. Jack, Keith and I have interviewed these applicants and are narrowing them down to offer employment to two or three of them.

# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V-E**

**FROM:** Ed Fortner, General Manager

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**Meeting Date:** March 3, 2022

**SUBJECT:** Discussion/ Action re Monte Rio Bridge Replacement Project

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**RECOMMENDED ACTION:** Receive report on the Monte Rio Bridge Replacement Project.

**FISCAL IMPACT:** \$50,000 Initially for Design; \$800,000 to complete the entire project.

**DISCUSSION:** The District was informed that the Monte Rio Bridge replacement project was at 35% design completion in late January, 2021. The District, Coastland Engineering, Sonoma County Public Works, and BKF Engineering met on February 5, 2021 to discuss the bridge design, placement, and the attachment of a new water main on the new bridge. Coastland will be designing the District's new water main attachment at an approximate cost of \$50,000. This design is due by the end of the calendar year. The tentative schedule to begin construction of the new bridge is 2024.

The District has continued to explore funding options for the water main attachment for the new Monte Rio Bridge. The total cost of the District project is estimated at over \$800,000. Rich Holmer, Gaylord Schapp, and I met for a second time with Elise Weiland with Supervisor Hopkins office on June 29, 2021 to discuss funding options. Rich Holmer, Gaylord and I also met with Supervisor Hopkins last year to discuss this issue among other District issues.

Rachel Hundley submitted an information request for any records showing the District's responsibility to pay for the water main attachment. Nothing substantive was received.

I have applied to the State Water Board for State Revolving Funds and will pursue all other possible grant funding possibilities. At this point, we are waiting for the CAD drawings from the County Engineer and the EIR. The appropriate County officials have replied to my inquiries but we still do not have the items listed that are required for our Grant funding application.

# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V-F**

**FROM:** Ed Fortner, General Manager

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**Meeting Date :** March 3, 2022

**Subject: FY 2020-2021 CIP PROJECT UPDATE**

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**RECOMMENDED ACTION:** Receive report; give any needed direction.

**FISCAL IMPACT:** \$1,650,301.00

**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 2020-2021 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. After careful review and analysis of the bid by Piazza Construction (Piazza), the bid was awarded 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.

The work authorized under this contract is scheduled to begin March 30, 2022, according to the contract, it 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 distribution system.

The Board approved the award in the 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, and construction management and inspection costs by Coastland Engineering for the project estimated at \$161,880.00. This puts the entire project cost at \$1,650,301.00 including the total change order amount.

March 3, 2022

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 informed the CDC of the award of the contract.

Piazza has submitted the fully executed contract and required supporting documentation. These have been distributed to our Engineers and CDC. A notice to proceed is being drafted by Coastland.

# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V-G**

**FROM:** Rachel Hundley, District Counsel

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Meeting Date: March 3, 2022

**SUBJECT: DISCUSSION/ACTION RE RATIFICATION OF AMENDMENTS  
CONTRACT WITH REGIONAL GOVERNMENT SERVICES (RGS)**

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**RECOMMENDED ACTION:** Approval of Resolution 22-07, ratifying the Third and Fourth amendments to the Agreement with RGS for human resource services and provide direction to staff regarding implementation.

**FISCAL IMPACT:** Up to \$15,000 under the Third Amendment for recruitment services and up to \$10,000 under the Fourth Amendment for on-call human resources services.

## **DISCUSSION:**

The District has contract with the Regional Government Services Authority (RGS) for human resources services dated October 18, 2021 (the Agreement). At a February 15, 2022 special meeting, the Board of Directors authorized the Board President to negotiate and execute amendments to the Agreement for recruitment services for the General Manager position (the "Third Amendment") and for on-call human resources services (the "Fourth Amendment"). The Board President executed the Third and Fourth Amendments on February 23, 2022.

Although the Third and Fourth Amendments were authorized by the Board of Directors at the February 15, 2022 special meeting and executed by the Board President under the authority delegated to him, the amendments are presented to the Board for ratification for the purposes of transparency and clarity. It is also anticipated that the subcommittee appointed to work on this matter, and consisting of President Schaap and Director Robb-Wilder, will provide an update to the Board and public regarding the recruitment process and other matters related to the services RGS will provide pursuant to the amendments.

Resolution No. 22-07

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE  
SWEETWATER SPRINGS WATER DISTRICT RATIFYING THIRD AND FOURTH  
AMENDMENTS TO THE AGREEMENT FOR HUMAN RESOURCES CONSULTING  
SERVICES WITH REGIONAL GOVERNMENT SERVICES**

**WHEREAS**, Sweetwater Springs Water District (“District”) entered into an Consulting Services Agreement for certain human resources consulting services with Regional Government Services (“RGS”), a joint powers authority (“Agreement”) dated October 18, 2021; and

**WHEREAS**, at a February 15, 2022 special meeting, the District Board of Directors considered proposals by RGS for recruitment services for the general manager position and for on-call human resources services and authorized the Board President to negotiated and execute amendments to the Agreement for services described the proposals and subject to certain expenditure limitations; and

**WHEREAS**, the Board President executed such amendments, the Third Amendment and Fourth Amendment, attached hereto as Exhibit A, on February 23, 2022; and

**WHEREAS**, for the purposes of transparency and clarity, the Board of Directors now desires to ratify the Third and Fourth Amendments.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Directors of the Sweetwater Springs Water District hereby ratifies the Third and Fourth Amendments to the Consulting Services Agreement Between the Sweetwater Springs Water District and Regional Government Services for Human Resources Consulting Services attached hereto as Exhibit A and incorporated herein and authorizes the Board President and General Manager to take such actions necessary and convenient to fulfill the purposes of the Agreement.

[Continued on following 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 March 3, 2022, by the following vote.

<b>Director</b>	<b>Aye</b>	<b>No</b>
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



**EXHIBIT A**  
**THIRD AND FOURTH AMENDMENTS TO AGREEMENT FOR  
HUMAN RESOURCES CONSULTING SERVICES WITH  
REGIONAL GOVERNMENT SERVICES**

[Attach amendments]

**THIRD AMENDMENT TO THE  
CONSULTING SERVICES AGREEMENT BETWEEN THE  
SWEETWATER SPRINGS WATER DISTRICT (SSWD) AND  
REGIONAL GOVERNMENT SERVICES AUTHORITY (RGS) FOR  
HUMAN RESOURCES CONSULTING SERVICES**

This Third Amendment (“Third Amendment”) to the Consulting Services Agreement Between the Sweetwater Springs Water District and Regional Government Services Authority (RGS) for Human Resources Consulting Services dated October 18, 2021 (the “Agreement”) is made and entered into this 23<sup>rd</sup> day of February, 2022 by and between the Sweetwater Springs Water District, (“District”) and Regional Government Services Authority (“Consultant”), and is effective as of the date of this Amendment.

**RECITALS**

WHEREAS, the District and RGS entered into the Agreement for the performance of human resources services described therein, which RGS has completed such services; and

WHEREAS, the District and RGS entered into a First and a Second Amendment for the performance of certain additional human resources services; and

WHEREAS, the District now desires RGS to perform, and RGS desires to perform for the District, certain additional human resources services described in Exhibit A-3, “Scope of Work, A-3” attached hereto and incorporated herein, pursuant to the terms of the Agreement as amended by the First and Second Amendments and this Third Amendment.

THEREFORE, the parties agree to amend the Agreement as follows:

1. The recitals above are incorporated herein as set forth in full.
2. The first paragraph of Section 2, Compensation, is hereby amended as follows (additions in underlined italics, deletions in ~~double-strikethrough~~):

District hereby agrees to pay Consultant a sum not to exceed including reimbursable costs incurred:

~~Three Thousand Dollars and No Cents (\$3,000.00) for the performance of Work described in Exhibit A-1 of Exhibit A, and Seven Thousand Dollars and No Cents (\$7,000.00) for the performance of Work described in Exhibit A-2 of Exhibit A~~ Fifteen Thousand Dollars and No Cents (\$15,000.00) for the performance of Work described in Exhibit A-3;

notwithstanding any contrary indications that may be contained in any proposal by Consultant. In the event of a conflict between this Agreement and any proposal by Consultant, including those attached as Exhibit A, regarding the amount of compensation, this Agreement shall prevail. District shall pay Consultant for services rendered pursuant to this

Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from District to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to District in the manner specified herein. Except as specifically authorized by District in writing, Consultant shall not bill District for duplicate services performed by more than one person.

3. Exhibit A of the Agreement is hereby amended to add Exhibit A-3, "Scope of Work, A-3."

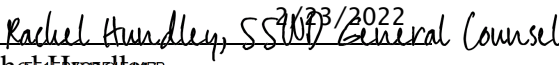
Except as set forth above, each and every provision of the Agreement between the parties shall remain in full force and effect.

SWEETWATER SPRINGS WATER DISTRICT

REGIONAL GOVERNMENT SERVICES AUTHORITY

<p>DocuSigned by:    <hr/> Gaylor Schapp  Board President</p>	<p>DocuSigned by:   2/23/2022  <hr/> Richard Averett  Executive Director</p>
--	--

Approved as to Form:

DocuSigned by:  
  


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Rachel Hundley  
District Counsel

**[ATTACH TO EXHIBIT A]**

**EXHIBIT A-3, SCOPE OF WORK A-3**

*The Scope of Work is a recruitment process for a General Manager for the District, as fully described in the attached proposal.*

Consultant will provide District with project progress and cost reports at the conclusion of each Task described, or on any other project schedule mutually agreed-upon.

Summary of Scope of Work:

**Step I - Recruitment Strategy and Candidate Profile Development**

Task I-1 - Key Stakeholder Meeting (In this meeting we develop and understanding of critical needs and priorities as well as identifying important screening approaches. Prior to the meeting, we request past recruitment and selection practices and rules, compensation and job description information.)

Task I-2 - Candidate Profile, Competencies, and Recruitment Strategy Development (RGS Team drafts the Recruitment Brochure, Selection Process, Timeline, and Marketing Plan)

Task I-3 – Review of Draft Materials (A scheduled meeting to review draft materials.)

Task I-4 – Finalize Plan and Open Recruitment

**Step II - Marketing Using a Proactive and Robust Search**

Task II-1 - Place Advertisements

Task II-2 - Identify and Contact Potential Candidates

**Step III – Merit Based Selection**

Task III-1 - Design Selection Process

Task III-2 - Administer Selection Process

**Step IV – Appointment Activities (upon request)**



REGIONAL  
GOVERNMENT  
SERVICES

SERVING PUBLIC AGENCIES SINCE 2002

[ATTACH TO EXHIBIT A]  
EXHIBIT A-3, SCOPE OF WORK A-3

Recruiting Services Proposal  
for the  
Sweetwater Springs  
Water District

## A. REGIONAL GOVERNMENT SERVICES

Regional Government Services (RGS) is a joint-powers authority (JPA) established in 2002 to provide organizational services to other California public agencies. We currently have 130 employees throughout California serving more than 300 cities, special districts, counties, other JPAs and special consortiums of government agencies. RGS provides consulting services in the areas of human resources and financial management, organizational development, community engagement, strategic planning, and more specifically to public agencies.

RGS is a virtual government agency and has developed a unique network of geographically distributed Advisors who work both onsite at partner agency offices, and through various remote access technologies to deliver services to partner agencies, reducing overhead and expanding our ability to provide high-quality services throughout the state. RGS Advisors form ad hoc teams to provide services and project delivery, and do not operate in a traditional organizational hierarchy.

Our Executive Director and Chief Financial Officer, Richard Averett, has worked with the Board of Directors since the JPA's inception to implement the Authority's strategic plan. Sophia Se-livanoff, Deputy Executive Director, joined RGS in 2009 and as part of her role directs and manages all RGS human resources services provided to partner agencies, develops new business and partner relationships, and supervises all human resources team members throughout the Authority.

At RGS, we believe in striving to be a partner to the agencies we serve, not simply a consultant or contractor. We believe in relationships that are lasting and mutually respectful and beneficial. In order to establish a mutually respectful relationship as well as a productive one, RGS has adopted the following values and business methods.

B.

## C. GUIDING PRINCIPLES

The RGS Recruitment Team operates according to the principles and best practices of merit selection based on objective assessment of job-related qualifications; and complies with all local, state and federal anti-discrimination and equal opportunity guidelines. We collaborate with our partner agencies to achieve selection of high-quality employees in a timely and cost-effective manner. We are committed to inclusive processes, and to developing workforce diversity through consideration of the widest possible range of qualified candidates. We exercise creativity and skill in our approach to identifying and assessing critical job-related skills and core competencies.

# PROPOSED SERVICES

The RGS recruitment services and search process is designed to provide the Sweetwater Springs Water District (District) with the full range of tools and services required to ensure the ultimate selection of a new General Manager uniquely suited to the District's needs. We utilize a four-stage process to guide us in our efforts of developing a candidate pool.

- I. Recruitment Strategy and Candidate Profile Development
- II. Marketing Using a Proactive and Robust Search
- III. Merit Based Selection Processes
- IV. Appointment Activities (As requested)

## **Step I - Recruitment Strategy and Candidate Profile Development**

**Task I-1** - Key Stakeholder Meeting (In this meeting we develop and understanding of critical needs and priorities as well as identifying important screening approaches. Prior to the meeting, we request past recruitment and selection practices and rules, compensation and job description information.)

**Task I-2** - Candidate Profile, Competencies, and Recruitment Strategy Development (RGSTeam drafts the Recruitment Brochure, Selection Process, Timeline, and Marketing Plan)

**Task I-3** – Review of Draft Materials (A scheduled meeting to review draft materials.)

**Task I-4** – Finalize Plan and Open Recruitment

Our Advisors will meet with the District management and staff to understand the District's needs and develop ideal candidate statements, competencies, and attributes, to target our search efforts, and maximize candidate fit with the District.

We will start with a thorough review of the District's needs, culture, and goals; the executive search process; and the schedule. RGS is prepared to meet with key stakeholders to obtain input in developing the ideal candidate profile and to assist us in understanding key issues and challenges that will face the new employee.

Discussing recruitment and selection strategies for the District's consideration will best produce the intended results. RGS will provide a summary stemming from these activities as an additional source of information for developing the candidate profile and selection criteria. Following the completion of the planning session, we will draft and design a professional recruitment brochure and/or posting (depending on position) and present it for review.

Activities will include:

- Identifying key priorities for the District position and the conditions and challenges likely to be encountered in achieving these priorities.
- Understanding and describing the working relationships for the position recruitment requested.
- Generating lists of specific competencies, experiences, and personal attributes.

# PROPOSED SERVICES

## Step II - Marketing Using a Proactive and Robust Search

**Task II-1** - Place Advertisements

**Task II-2** - Identify and Contact Potential Candidates

**Task II-3** - Conduct Passive Search Activities; for candidates not actively seeking a career change.

The recruitment process is tailored to fit the District's specific wants and needs, including targeted advertising, combined with passive candidate search for qualified individuals utilizing our tools and contacts. RGS is focused on reaching both a well-qualified and a diverse candidate pool; to support these efforts we will recommend publications and websites that are inclusive to reaching a range of potential candidate populations.

We will prepare, submit for approval a marketing plan to include publish advertisements on professional and affiliate websites to attract candidates on a nationwide, regional, local, or targeted basis based on the recruitment strategy and District needs. In addition, we create and provide social media elements to assist us and the District in marketing the recruitment.

We use NeoGov Insight Applicant tracking software to facilitate ease of the candidate experience, marketing of the recruitment posting, streamline with the use of email and text, and efficient collection of relevant applicant data.

As a consulting organization that interacts with hundreds of public sector managers and executives on a regular basis, we share information on our recruitment efforts, both to increase the visibility of the opening and to attract appropriate individuals who fit the special needs of our partners. Our contact with these professionals ensures that an accurate picture of the requirements of the job is communicated and understood. For hard to fill and executive positions, we seek to communicate directly with passive candidates identified from research through our contracted LinkedIn Professional Search tool.

## Step III – Merit Based Selection

**Task III-1** - Design Selection Process

**Task III-2** - Administer Selection Process

The selection process is customized and focused on uncovering and understanding each candidates' competencies, abilities, knowledge, and skills that are required for the position.

RGS will receive and screen all applications and resumes to determine candidate minimum qualifications. This screening process is specifically designed to assess the personal and professional attributes the District is seeking and will include a thorough review of each candidate's information. RGS will further conduct remote screening and personally speak to candidates during a preliminary screening. For all positions we review candidate's communication skills, problem solving, and interpersonal skills. In addition, for executive's we review long-term career goals and reasons why the candidate is seeking the opportunity, as well as gaining a solid understanding of the candidate's technical competence and leadership ability. We will gather data on any other unique aspects specific to this recruitment based upon the candidate profile developed in Step I.



# PROPOSED SERVICES

We will prepare a summarized report with information obtained through the candidate screening process, including a list of recommended candidates for further consideration.

We will further meet with the District to review this process and discuss the District's preferred approach in assessing the final candidates. The selection process will typically include a behavioral based in-depth interview with each candidate but may also include other selection assessments such as an oral presentation, preparation of written materials, and/or problem-solving exercises. Depending on the position we use other selection instruments such as: proctored and unproctored online skills and knowledge assessments, performance exams, structured oral interviews, and assessment centers.

We will coordinate all aspects of the selection process. This includes preparing appropriate materials such as interview questions, evaluation manuals, skills testing, and other assessment exercises; scheduling and facilitating the interviews; supporting and assisting the District with deliberation of the results; and contacting both successful and unsuccessful candidates.

## **Step IV – Appointment Activities**

Activities we can support if requested and budget permits.

Candidate Follow Up: At the request of the District, RGS will coordinate and arrange follow-up interviews and/or conduct a final assessment in order to make a selection.

Conditional Job Offer: RGS can draft a conditional job offer letter on behalf of the District, if requested.

In-Depth Reference Checks: The in-depth reference checks are a comprehensive process, we speak with current and previous supervisors, peers, and direct reports. (It is our policy to not contact current supervisors until a job offer is made and accepted, contingent upon references being successfully completed, so as not to jeopardize the candidates' current employment situation.) Candidates are requested to provide a minimum of five references. RGS is able to learn significant, detailed information from reference sources due to our commitment to each individual of confidentiality, which leads to a willingness to have an open and candid discussion and results in the best appointment for the District. A written summary of the reference checks is provided.

Background Check Support: Upon an accepted conditional job offer, we will arrange for a candidate background check utilizing the District's own or contract services such as LiveScan Fingerprinting, and other searches to include records on driving, criminal and civil court, credit history, education, published news, and other sensitive items. Should any negative or questionable content appear during these checks, RGS will have a thorough discussion with the finalist(s) and will present a full picture of the situation to the District for further review.

Contract Negotiation: Successful negotiations are critically important, and we are available to serve as your representative in this process. With our expertise, we can advise you regarding current approaches to various components of an employment package. We can represent your interests with regards to salary, benefits, employment agreements, housing, relocation, and other aspects, with the goal of obtaining a contract agreement that is viewed as a win by both the candidate and the District.

# PROPOSED SERVICES

A sample timeline for executive search activities and roles is shown below. The actual timeline may vary depending on the priorities of the District and the availability of key stakeholders to participate in processes and events.

## GENERAL MANAGER TIME-

### LINE

Timing	Role	Task
Week 1	<i>District &amp; RGS</i>	<b>Key Stakeholder Meeting</b> ( <i>Prior to meeting we request past practice, rules, and position job description.</i> )
Week 1	<i>RGS</i>	<b>Job Description/Salary Review</b>
Week 2	<i>District &amp; RGS</i>	<b>Review of Draft Materials</b> ( <i>A scheduled meeting to review draft materials.</i> )
Week 3	<i>District &amp; RGS</i>	<b>Finalize Plan and Open Recruitment</b>
Week 3	<i>RGS</i>	<b>Open Recruitment</b> ( <i>4 Week Opening</i> )
Week 3	<i>RGS</i>	<b>Position Marketing</b>
Week 7	<i>RGS</i>	<b>MQ Screening</b>
Week 8	<i>RGS</i>	<b>Remote Candidate Screening</b>
Week 9	<i>District &amp; RGS</i>	<b>Share Results w/ District</b>
Week 9	<i>RGS</i>	<b>Qualified Candidate List</b>
Week 10	<i>District &amp; RGS</i>	<b>Hiring Interviews</b>
Week 11	<i>RGS</i>	<b>Appointment/Background Activities</b>
Week 12	<i>District &amp; RGS</i>	<b>Candidate Appointment</b>
TBD	<i>District &amp; RGS</i>	<b>Candidate Start Date</b>

## SECTION 2.

## EXPERIENCE AND QUALIFICATIONS

The RGS Recruitment Team currently provides partner agencies with comprehensive recruitment, selection, and processing of pre-employment tasks for a variety of positions. Our team is comprised of skilled human resources professionals who all have worked a significant time in the public sector mostly with city and county organizations within California. Our advisors and analysts are skilled at identifying applicant pools, crafting selection procedures and skills assessments, and assisting subject matter experts and managers to identify and document the most-qualified candidates. We are familiar with and have helped many organizations to successfully navigate the challenges and opportunities that surface during recruitment processes. All team members are assigned and work under the guidance of Kay Randolph-Pollard, RGS' Recruitment Team Leader.

Ms. Randolph-Pollard functions as a Senior Advisor and Lead for the RGS Recruitment team statewide. She guides RGS's Recruitment Team to leverage its combined experience and best practices to promote quality, consistent, cost-effective recruitment and selection practices that generate positive results for our partner agencies. She will coordinate, oversee and administer all recruitment activities and ensure ongoing and open communication with the District's executive team, department heads, hiring managers, and candidates.

Kay is a performance and service-driven professional with over 25 years of management, analytical, and technical-level, human resources experience gained through work in both the private sector and local government serving special districts, counties, and full-service cities. She has knowledge and experience in the following areas: recruitment and selection, classification, compensation, human resources operations and management, organizational development, performance management, policies and procedures, and training and development. Kay holds a Bachelor of Science degree in Personnel and Industrial Relations

## A. TEAM ACCOMPLISHMENTS

The Recruitment Team has successfully filled a variety of diverse positions for partner agencies, from entry-level staffing to executive leadership role. The list of recent successful recruitments below is illustrative of the breadth of our work:

- Accountant
- Administrative Assistant
- Administrative Manager
- Assistant General Manager
- Board Clerk/City Clerk
- Customer Service Representative
- Director of Administrative Services
- Director of Finance and Administration
- Director of Public Works/City Engineer
- Executive Director/General Manager
- Financial Analyst/Manager
- Human Resource Manager
- Library Director
- Maintenance Worker
- Management Analyst
- Police Officer
- Senior Information Technology Analyst
- Transit Planner

# PRICE PROPOSAL

RGS provides services on an hourly basis, plus direct costs. Work is performed as agreed, and billed based on hours actually worked. RGS Advisors are skilled at prioritizing projects and working within the budget of partner agencies. The recruitment budget for the General Manager recruitment is estimated at \$15,000 for staff time and flat fee costs shown below.

RGS will provide District with project progress and cost reports at the conclusion of each Task described, or on any other project schedule mutually agreed-upon.

Bill rates are as follows:

Title	Hourly Rate
Senior/ Lead Advisor/Director	\$125-\$190
Advisor	\$115-\$160
Project Advisor	\$105-\$125
Project Coordinator	\$85-\$120
Technical Specialist	\$75-\$115

## RECRUITMENT SERVICES DIRECT COST RATES

Title	Rate
Use of RGS NeoGov Applicant Tracking for Posting (includes Governmentjobs.com Ad)	\$475 Per Recruitment
LinkedIn Ad Posting	\$498 - \$750 based on need Per Posting

Additional purchased advertising outreach will be planned and budgeted with the District and billed in addition to RGS staff/flat fees. These direct external costs are separate from staff time estimates provided above, and will be invoiced to the District at cost with no markup. Mileage (if travel is required for events or activities) will be assigned to the nearest qualified and available team member and will be calculated/invoiced using the current IRS rate.

5067900.2

**FOURTH AMENDMENT TO THE  
CONSULTING SERVICES AGREEMENT BETWEEN THE  
SWEETWATER SPRINGS WATER DISTRICT (SSWD) AND  
REGIONAL GOVERNMENT SERVICES AUTHORITY (RGS) FOR  
HUMAN RESOURCES CONSULTING SERVICES**

This Fourth Amendment (“Fourth Amendment”) to the Consulting Services Agreement Between the Sweetwater Springs Water District and Regional Government Services Authority (RGS) for Human Resources Consulting Services dated October 18, 2021 (the “Agreement”) is made and entered into this 23<sup>rd</sup> day of February, 2022 by and between the Sweetwater Springs Water District, (“District”) and Regional Government Services Authority (“Consultant”), and is effective as of the date of this Amendment.

**RECITALS**

WHEREAS, the District and RGS entered into the Agreement for the performance of human resources services described therein, which RGS has completed such services; and

WHEREAS, the District and RGS entered into a First, a Second, and a Third Amendment for the performance of certain additional human resources services; and

WHEREAS, the District now desires RGS to perform, and RGS desires to perform for the District, certain additional human resources services described in Exhibit A-4, “Scope of Work, A-4” attached hereto and incorporated herein, pursuant to the terms of the Agreement as amended by the First, Second and Third Amendments and this Fourth Amendment.

THEREFORE, the parties agree to amend the Agreement as follows:

1. The recitals above are incorporated herein as set forth in full.
2. The first paragraph of Section 2, Compensation, is hereby amended as follows (additions in underlined italics, deletions in double-strikethrough):

District hereby agrees to pay Consultant a sum not to exceed including reimbursable costs incurred:

Fifteen Thousand Dollars and No Cents (\$15,000.00) for the performance of Work described in Exhibit A-3; and  
Ten Thousand Dollars and No Cents (\$10,00.00) for the performance of Work described in Exhibit A-4;

notwithstanding any contrary indications that may be contained in any proposal by Consultant. In the event of a conflict between this Agreement and any proposal by Consultant, including those attached as Exhibit A, regarding the amount of compensation, this Agreement shall prevail. District shall pay Consultant for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from District to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to District in the manner specified herein. Except as specifically authorized by District in writing, Consultant shall not bill District for duplicate services performed by more than one person.

3. Exhibit A of the Agreement is hereby amended to add Exhibit A-4, "Scope of Work, A-4."

Except as set forth above, each and every provision of the Agreement between the parties shall remain in full force and effect.

SWEETWATER SPRINGS WATER DISTRICT

REGIONAL GOVERNMENT SERVICES AUTHORITY

DocuSigned by:  
Gaylor Schapp, SSWD President, Board of Directors  
Gaylor Schapp  
Board President

DocuSigned by:  
Richard Averett 2/23/2022  
Richard Averett  
Executive Director

Approved as to Form:

DocuSigned by:  
Rachel Hundley, SSWD General Counsel  
Rachel Hundley  
District Counsel

**[ATTACH TO EXHIBIT A]****EXHIBIT A-4, SCOPE OF WORK A-4****On Call HR Services**

In order to support current and ongoing effective organizational administration, RGS HR consulting staff anticipate delivering comprehensive generalist HR consultation and administration services. An assigned HR Advisor will work with staff at all levels to support effective communication and resolution of employment issues. An assigned HR Advisor will support both the General Manager and District staff, providing regular staff check ins and serving as an objective and confidential (to the extent possible) resource to all staff to advise them on effective communications and problem solving approaches, as well as bringing systemic or compliance issues and proposed solutions to management's attention. The areas of service listed below are all included within an ongoing HR service model. In addition, more specifically-scoped HR services and projects not listed may also be added at the District's request or RGS' recommendation.

- Classification and Compensation Administration
- Payroll Support
- Medical Leave and ADA Administration
- HR Recordkeeping
- Benefits Communication and Administration
- Performance Communications
- Personnel Policy and Procedures
- Training
- Strategic Human Resources Planning
- Labor Relations
- Staff Recruitment and Selection Processes

For this service, RGS provides services on an hourly basis, plus direct costs. Work is performed as agreed, and subsequently billed each month based on hours actually worked. Bill rates are as follows:

Title	Hourly Rate
Senior/Lead Advisor	\$125 to \$190
Advisor	\$115 to \$160
Project Coordinator	\$85 to \$120
Technical Specialist	\$75 to \$115

## SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. VI**

**FROM:** Ed Fortner, General Manager

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**Meeting Date:** March 3, 2022

**Subject:** GENERAL MANAGER'S REPORT

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**RECOMMENDED ACTION:** Receive report from the General Manager.

**FISCAL IMPACT:** None

### **DISCUSSION:**

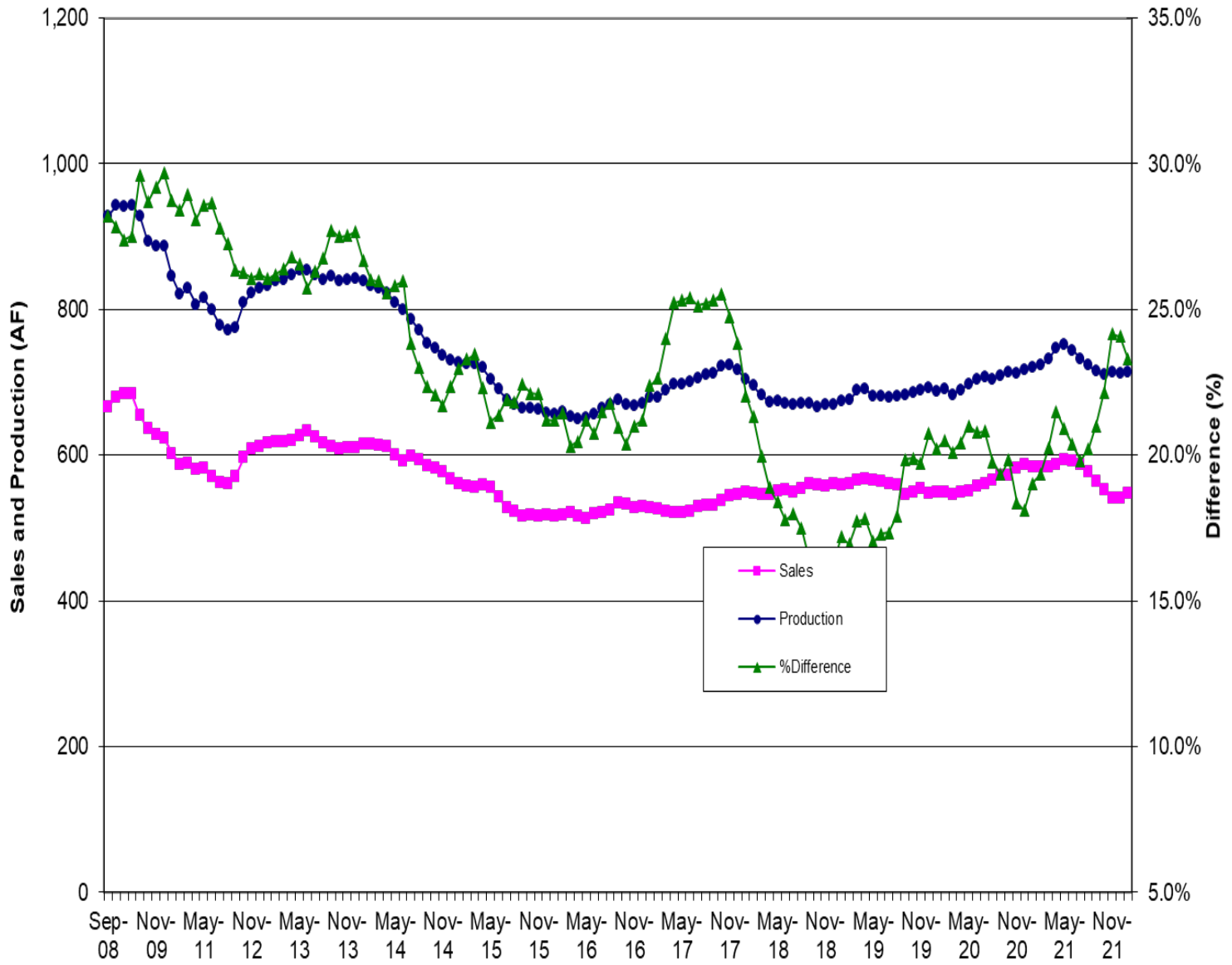
- 1. Laboratory Testing/ Regulatory Compliance:** Water quality tests confirm that all SSWD water meets all known State and Federal water quality standards.
- 2. Water Production and Sales:** Water sales in January were 18,727 units (43.0 AF Guerneville cycle), and production was 38.5 AF. One year ago, sales were lower, and production was lower (35.6 AF and 37.6 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 (23.3%). Water conservation has waned over the last two months during the declared drought. 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 January, we had seven total leak repairs with seventy six hours on them. Three leaks were in Guerneville, three in Monte Rio, and one was in Rio Nido. All leaks were in older lines. That is more leaks and person-hours than the prior month and more leaks and more person-hours than January one year ago (3 and 34). 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 0.0", lower than the long-term average month, and keeps the yearly total (25.96") above the long-term annual average. We hope for more rain 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 was one in-house construction project in January at Hwy 116 x Foothill, a hydrant repair taking 44.5 hours.
6. **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.
7. **Gantt Chart:** The Gantt Chart is updated for March 2022.
8. **Economic Impact of no Disconnects for Non-payment:** The total uncollected amount in this Guerneville billing cycle due to non-payment with the non-Disconnect Executive Order is **\$12,239.42**. 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**

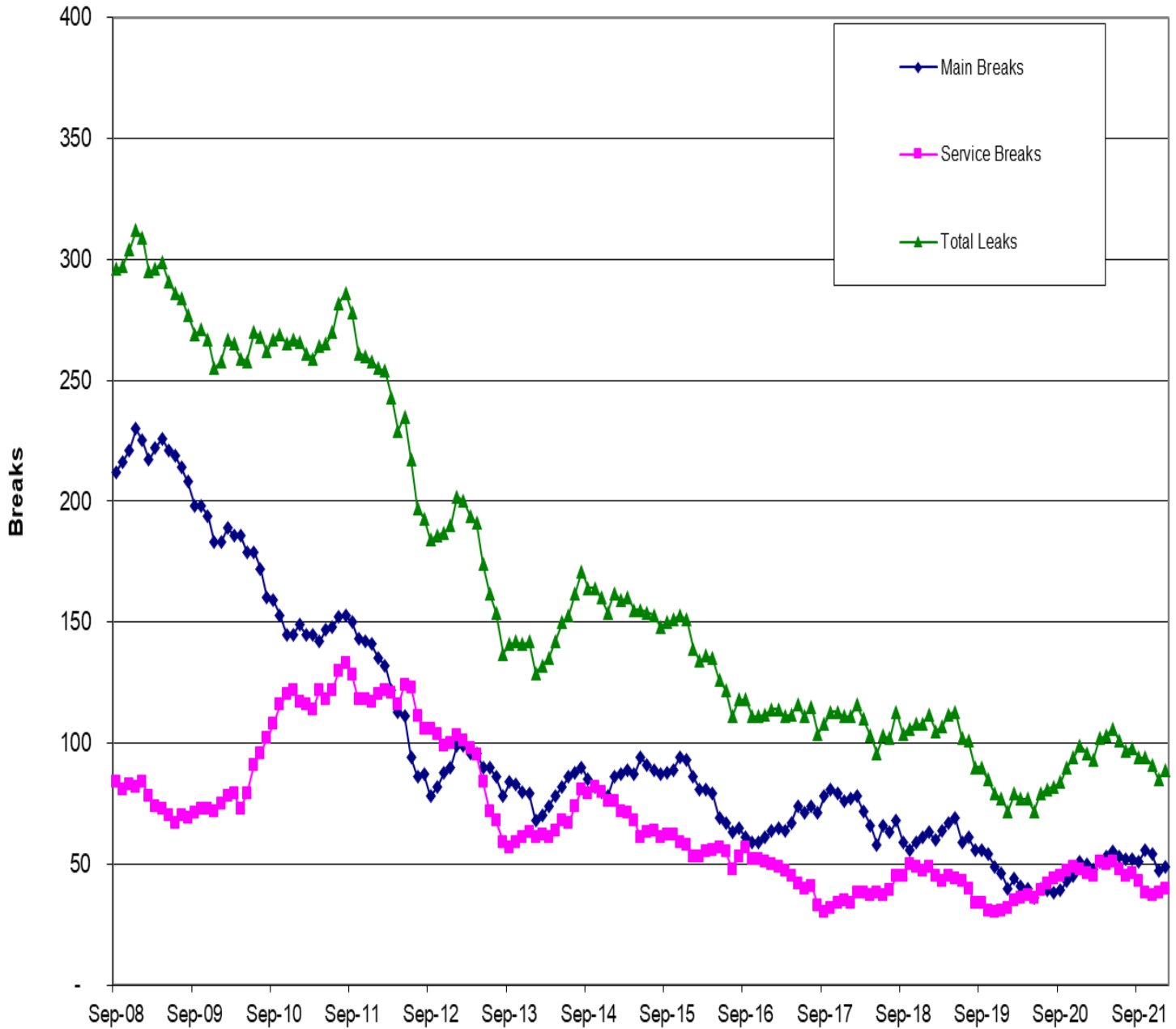
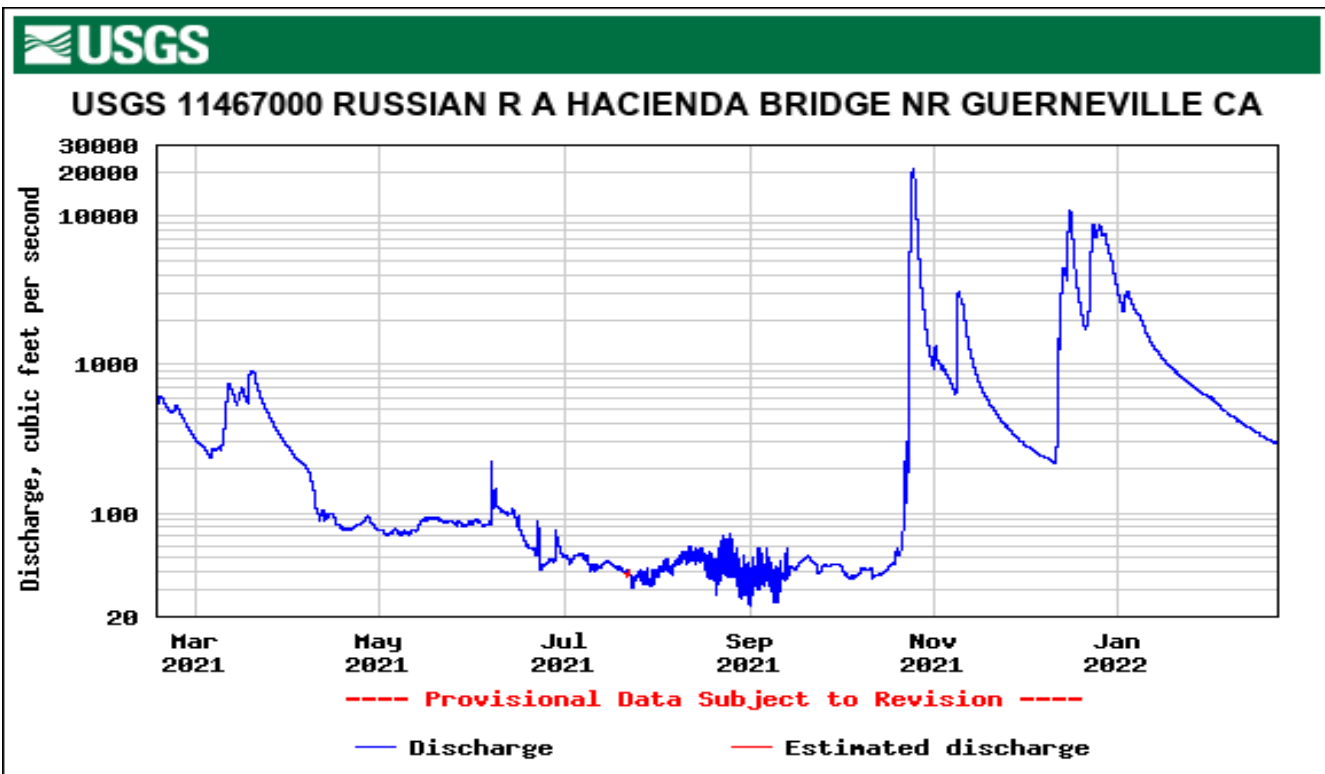
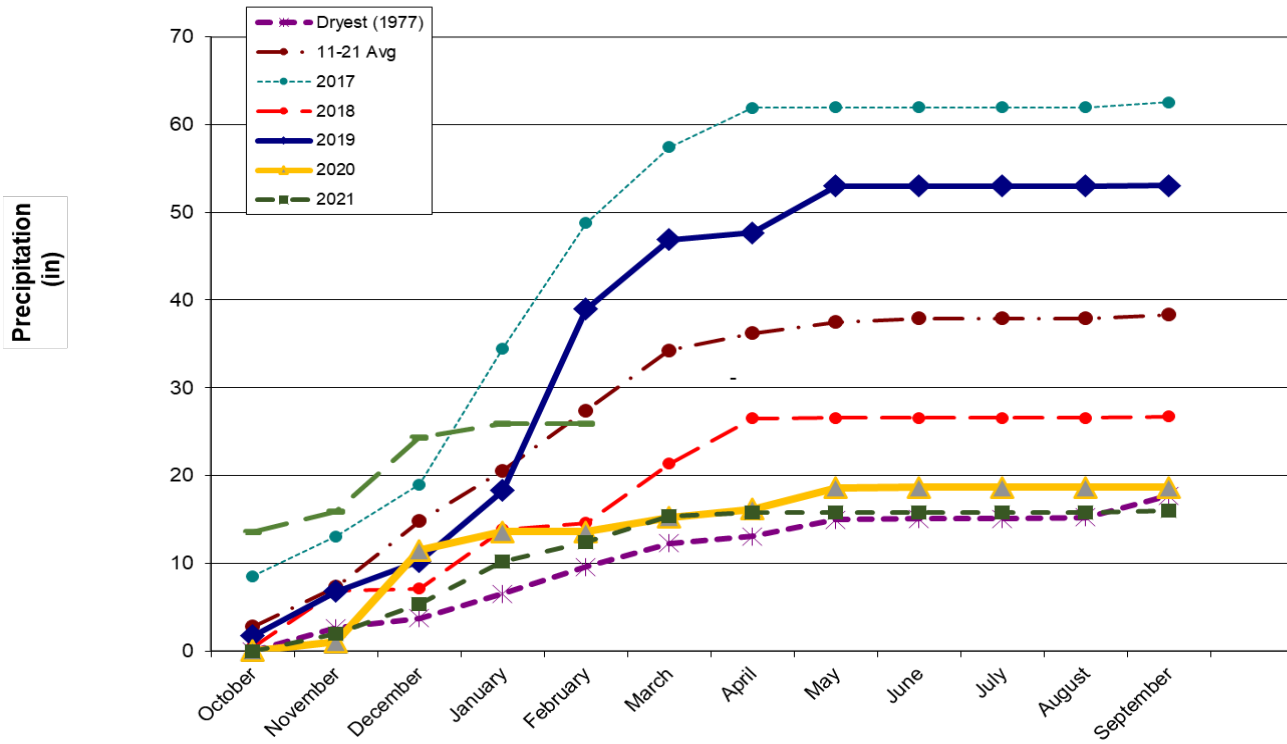


Figure 3. Guerneville Cumulative Monthly Rainfall



Tracking the Economic Impact of Suspending Water Disconnects for Non-payment					
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
<b>2/15/2022</b>	<b>22</b>	<b>12,239.42</b>			

As of 02/15, 10 customers are in COVID-19 Agreements. These customers are not included in the numbers above if their COVID Agreements are in good standing.

