

BOARD OF DIRECTORS MEETING

AGENDA

June 9, 2023, Regular (Rescheduled) Meeting

Monte Rio Community Center

20488 Highway 116

Monte Rio, CA 95462

6:30 p.m.

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 May 4, 2023 Regular 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.

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. Public Hearing; Discussion/Action re Resolution 23-05, Adopting Water Rates For FY 2023-24 and Analysis of protests received (Est. time 10 min.)
- B. Public Hearing; Discussion/Action re Resolution 23-06, Adopting the FY 2023-24 Operating and Capital Improvement Budget (Est. time 15 min.)
- C. Discussion/Action re Moscow Road project update (Est. time 10 min.)
- D. Discussion/Action re Neeley Road project update (Est. time 10 min.)
- E. Discussion/Action re Res. 23-11 Stating Intent to Participate in the Activities of the Sonoma County Special Districts Association (SCSDA) (SW/RH) (Est. time 10 min.)
- F. Discussion/Action re Muni-Link billing system update (Est. time 15 min.)
- G. Discussion/Action re Mid-Term Board Vacancy (Est. time 10 min.)
- H. Discussion/Action re Board Subcommittee Reports (standing item) (Est. time 5 min.)
Subcommittees:Website/Billing System

VI. GENERAL MANAGER’S REPORT

- 1. Laboratory Testing/Regulatory Compliance
- 2. Water Production and Sales
- 3. Leaks
- 4. In-House Construction Projects
- 5. Grants
- 6. Willow Road Drainage Project
- 7. Gantt Chart

VII. BOARD MEMBERS’ ANNOUNCEMENTS

VIII. ITEMS FOR NEXT AGENDA

IX. CLOSED SESSION

- A. CONFERENCE WITH LEGAL COUNSEL—ANTICIPATED LITIGATION
Gov. Code §54956.9(d)(1)
Number of Potential Cases: 3

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

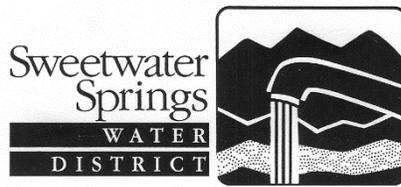
GOAL 3: HAVE UPDATED EMERGENCY PREPAREDNESS PLANS FOR ALL REASONABLE, FORESEEABLE SITUATIONS

GOAL 4: DEVELOP AND MAINTAIN A QUALITY WORKFORCE

GOAL 5: PROVIDE EXCELLENT PUBLIC OUTREACH, INFORMATION AND EDUCATION

GOAL 6: ENHANCE BOARD COMMUNICATIONS AND INFORMATION

5087364.1



BOARD MEETING MINUTES*

Meeting Date: May 4, 2023

(*In order discussed)

May 4, 2023
6:30 p.m.

Board Members Present:

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

Board Members Absent:

None

Staff in Attendance:

Eric Schanz, General Manager
Julie Kenny, Secretary to the Board

Others in Attendance:

Erica Gonzalez, Meyers Nave et al.

I. CALL TO ORDER (6:30 p.m.)

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

II. CHANGES TO AGENDA and DECLARATION OF CONFLICT (6:32 p.m.)

(None.)

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

President Lipinski reviewed the items on the Consent Calendar. Brief discussion ensued. Director Robb-Wilder and Director Spillane made minor modifications to the March 2 Minutes. Director Holmer moved to approve the Consent Calendar as amended. Director Robb-Wilder seconded. Motion carried 5-0.

- A. Approval of the following Minutes of the April 6, 2023 Regular Board Meeting and the April 20, 2023 Special Board Meeting
- B. Approval of Operations Warrants/Online payments/EFT
- C. Receipt of items of Correspondence. (None)

IV. PUBLIC COMMENT (6:36 p.m.)

(None.)

V. ADMINISTRATIVE (6:37 p.m.) *

**in the order discussed*

- V-A. (6:34 p.m.) Discussion/Action re Actual vs. Budgeted report – FY 2022-23 3Q.** The GM provided an overview of this item. Discussion ensued. No action was taken.
- V-B. (6:46 p.m.) Discussion/Action re Draft FY 2023-24* Budget.** (*Note: The Agenda recorded this item as the Draft FY 2022-23 Budget in error.) The GM provided an overview of this item. Discussion ensued. No action was taken.
- V-C. (7:04 p.m.) Discussion/Action re Moscow Road project update.** The GM provided an overview of this item. Discussion ensued. No formal action was taken.
- V-D. (7:12 p.m.) Discussion/Action re Neeley Road project update.** The GM provided an overview of this item. Board discussion ensued. No formal action was taken.
- V-E. (7:17 p.m.) Discussion/Action re Membership in the Sonoma County chapter of the California Special Districts Association (SCSDA).** Director Robb-Wilder and Holmer provided an overview of this item. Director Schaap made a motion to move forward with participation in and the application process for SCSDA with Directors Robb-Wilder and Holmer to be named as the member and alternate. Director Holmer seconded. Discussion ensued. Motion carried 5-0.
- V-F. (7:25 p.m.) Discussion/Action re Muni-Link billing system update.** Administrative Manager Julie Kenny provided an overview of this item. Discussion ensued. No formal action was taken.
- V-G. (7:30 p.m.) Discussion/Action re Mid-Term Board Vacancy.** The GM provided an overview of this item. Discussion ensued. No formal action was taken.
- V-H. (7:42 p.m.) Discussion/Action re Board Subcommittee Reports (standing item) Subcommittees: Website/Billing System**
The GM provided an overview of this item. Discussion ensued. No formal action was taken.
- V-I. (7:57 p.m.) Discussion/Action re Approval of Resolution 23-08, Approving Union Side Letter to Add a New Classification and Salary Range for Account Clerk/Administrative Associate.** The GM provided an overview of this item. Comments were made by Legal Counsel Erica Gonzales. Further discussion ensued. Director Robb-Wilder mover to approve Resolution 23-08, Approving a Side Letter with International Union of Operating Engineers, Stationary Local 39 (Union) Revising Certain Aspects of the Memorandum of Understanding (MOU) with the Union and Authorizing the General Manager to Sign Said Letter. Director Spillane seconded. Motion carried 5-0.

VI. GENERAL MANAGER'S REPORT (8:05 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. Grants
7. Willow Road Drainage Project
8. Gantt Chart

Discussion ensued.

**VII. BOARD MEMBERS' ANNOUNCEMENTS/COMMENTS
(8:15 p.m.)**

(None.)

VIII. ITEMS FOR THE NEXT AGENDA (8;15 p.m.)

1. FY 2023-24 Budget
2. Moscow Road project update
3. Neeley road project update
4. Subcommittee reports
5. Willow Road/Bay Lane project update
6. CSDA Sonoma County Chapter resolution

IX. CLOSED SESSION (8:19 p.m.)

At 8:19 p.m. the Board took a brief recess. The Meeting reconvened at 8:30 p.m.

At 8:30 p.m. President Lipinski announced the items in Closed Session. There was no public comment. At 8:32 p.m. the Board went into Closed Session. At 9:32 p.m. the meeting reconvened from Closed Session and the following action was announced:

- A. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION
Gov. Code Section 54956.9(d)(1).
Number of Potential Cases: 2**

No action was taken.

ADJOURN

The meeting adjourned at 9:33 p.m..

Respectfully submitted,

Julie Kenny
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. V-A

FROM: Eric Schanz, General Manager

Meeting Date: June 9, 2023

SUBJECT: APPROVAL OF FISCAL YEAR 2023-2024 WATER RATES

RECOMMENDED ACTION:

- A. Hold a public hearing on the proposed Fiscal Year 2023-2024 Water Rates.
- B. Approve Resolution 23-05, which establishes water rates for FY 23-24.

FISCAL IMPACT: Increases revenues to the District by an estimated \$324,085 for District operations for FY 2023-2024.

DISCUSSION:

The proposed 7.5% increase in water rates with a volumetric increase for FY 2023-2024 was discussed in the April and May meetings of the Board, and the Board set a Prop 218 Public Hearing on the rate increase for this date. The proposed increase was discussed as a part of budget discussions and the funding to be derived from the proposed rate increase is an important factor in the proposed budget for FY 2022-2023.

Fees: In addition to water rates, The Board took action to adjust the District's current Charge for Turn-ons (New Account Set-up Fee) to be increased from \$20 to \$50. This brings the fee more in line with other district fees that require field staff to provide services.

Proposition 218 Notice

Notice for proposed water rate increases were mailed to all property owners by April 18, 2023. Three thousand six hundred notices were mailed. The Notice provided for an increase to the Base Rate, Water Usage, and Capital Debt Reduction Charges of up to 7.5% with a volumetric increase for FY 2023-2024 and included the proposed rate schedules and a protest form. At the time of this agenda report writing (May 19, 2023), 80 protests have been received.

Below are specific comments received with the protest votes:

"As if this will make a difference" 😞

"They Need a Raise?" (Referencing the Board of Directors)

"When does it stop?! Rates go up every year and it's always on us!"

Resolution No. 23-05

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT ADOPTING WATER RATES FOR FISCAL YEAR 2023-2024

WHEREAS, the Sweetwater Springs Water District (District) provides domestic water services to its residents; and

WHEREAS, the District collects from customers of this utility rates and charges to fund the operation and maintenance of the District, including rates and charges that are collected for providing water service and for repaying debt service; and

WHEREAS, pursuant to Water Code Section 31007, the District Board of Directors is authorized to establish rates and charges sufficient to pay for operating expenses, provide for repairs and depreciation of works and pay for the principal and interest on debt; and

WHEREAS, pursuant to Water Code Section 31025, the District shall fix and through the General Manager collect water rates; and

WHEREAS, Section 3900 of the Sweetwater Springs Policies and procedures provides for the setting of rates for water services by resolution; and

WHEREAS, the District Board of Directors undertook a rate study to analyze the revenue requirements and the recommended rate structure needed to proportionately allocate the costs of providing water service to its customers. The rate study was prepared by Bartle and Wells (2020 Rate Study) and has been on file at the District Office since 2020; and

WHEREAS, based on the 2020 Rate Study and other information provided to the Board of Directors, the Board of Directors has evaluated the anticipated revenues and expenditures necessary to operate the District and cover the costs of providing water services to customers of the District; and

WHEREAS, the District also wishes to change certain fees that are not property related to adjust those fees in concert with the water rates and service charges that District customers pay, said fees are for charge for turn-ons (new account setup fee); and

WHEREAS, charges for local agency water service have been held to be "property related fees or charges" subject to the requirements of Article XIID of the California Constitution, also known as Proposition 218, pursuant to the holding in *Bighorn-Desert View Water Agency v. Verjil* (2006) 39 Cal.4th 205; and

WHEREAS, Section 6 of Article XIID of the California Constitution provides that imposing or increasing any property-related fee or charge requires identifying the parcels on which the fee or charge will be imposed and providing notice by mail of the proposed fee or charge to the record owner of each identified parcel indicating the amount of the fee or charge to be imposed on each parcel, the basis on which the amount of the proposed fee or charge was calculated, the reason for the fee or charge, and the date, time, and location of a public hearing on the proposed fee or charge; and

WHEREAS, Section 6 of Article XIID of the California Constitution further provides that hearings on proposed property-related fees or charges must be conducted at least forty-five (45) days after mailed notice to the owners of each identified parcel on which the fee or charge is proposed to be imposed, and that at the hearing, the local agency must consider all protests against the proposed fee or charge, and that if written protests against the proposed fee or charge are presented by a majority of owners of the identified parcels, the agency shall not impose the fee or charge; and

WHEREAS, in April of 2023, District staff sent formal notices of the public hearing on the proposed rate structure for the Fiscal Year 2023-2024 in accordance with the requirements of Article XIII-D, Section 6(a) of the California Constitution, and has included other rate information on the District's website; and

WHEREAS, the formal notices advised property owners of the new proposed rate structure and the process for submitting protests to said rate structure to the District, in accordance with the requirements of Article XIII-D, Section 6(a) of the California Constitution; and

WHEREAS, the District Board of Directors conducted a public hearing on June 9, 2023, to hear public testimony on the proposed water rate structure for FY 2023-2024 and heard all testimony regarding the proposed water rates, and accepted all related comments and protests for FY 2023-2024, including oral testimony, written materials, and written protests; and

WHEREAS, at the conclusion of the public hearing, the District Clerk tabulated the number of protests and reported that there was not a majority protest of the proposed water rate structure for FY 2023-2024; and

WHEREAS, based on the evidence and testimony provided at the time of the public hearing on this matter, the Board of Directors finds as follows:

1. The proposed rate increases set forth in Exhibit "A," attached hereto and incorporated herein, follow the recommendations of the 2020 Rate Study that was commissioned by the District Board of Directors as a basis for restructuring water rates commencing in July 2020.
2. Pursuant to the analysis and recommendations contained in the 2020 Rate Study, the revenues derived from the proposed water rates do not exceed the District's actual cost of providing water service, are not used for any purpose other than that for which the charges were imposed and are not levied for general revenue purposes.
3. Based on the 2020 Rate Study, the proposed water rates do not exceed the proportional cost of the service attributable to the properties receiving service, and the charges are imposed only on those properties actually receiving service or those for which service is immediately available.
4. Proper notice of the proposed rate structure and notice of a public hearing on the matter has been given to all owners of identified parcels within the District, in accordance with applicable law.
5. The proposed water rates, as described in Exhibit "A," attached, were not protested by a majority of the persons eligible to protest said rate structure; and

WHEREAS, this Resolution shall supersede all other previous resolutions that may conflict with, or be contrary to, this Resolution respecting the water services rates and charges described more particularly herein.

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

Section 1. Recitals. The foregoing recitals are true and correct and made a part of this Resolution.

Section 2. Base Rate, Water Usage, and Capital Debt Reduction Charges. Effective on all bills issued on or after July 1, 2023, the bi-monthly Base Rate, Water Usage Rate, and Capital Debt Reduction Charges shall be as shown in Table 1 of Exhibit "A," attached hereto and incorporated herein.

Section 3. Tiers. Effective on all bills issued on or after July 1, 2023, the Water Usage Rate Tiers remain at two tiers, as reflected in Table 1 of Exhibit "A" attached.

Section 4. CEQA. The Board of Directors hereby finds that the levy of the proposed water service rates as supported by a water rate study prepared by Bartle and Wells, which is incorporated herein by reference, is exempt from CEQA review under Public Resources Code section 21080(b)(8) and CEQA Guidelines section

15273 because the proposed water service rates are necessary and reasonable to fund the administration, operation, maintenance, and improvements of the District's water system are necessary to maintain service within the District's existing service area, and will not result in expansion of the system. The Board of Directors further finds that the action entails the creation of a government funding mechanism which is exempt from CEQA as not being a "project" pursuant to CEQA guidelines section 15378.

Section 5. General Authorization. The General Manager is hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver any and all documents, to do any and all things and take any and all actions that may be necessary or advisable, in their discretion, in order to effect the purposes of this Resolution. All actions heretofore taken by officers, employees, and agents of the District that are in conformity with the purposes and intent of this resolution are hereby approved, confirmed, and ratified.

Section 6. Severability. If any section, subsection, sentence, clause, or phrase of this Resolution is for any reason held by a court of competent jurisdiction to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of the Resolution. The District Board of Directors hereby declares that it would have passed this Resolution and each section, subsection, sentence, clause, and phrase thereof irrespective of the fact that one or more sections, subsections, sentences, clauses, or phrases may be held invalid or unconstitutional.

Section 7. Supersession and Repeal. Any and all other resolutions or ordinances and parts thereof in conflict with the provisions of this Resolution are superseded and repealed, effective on the effective date of this Resolution.

Section 8. Effective Date. This Resolution shall take effect immediately upon adoption. The water rates set by this Resolution shall become effective on all bills issued on or after July 1, 2023.

PASSED AND ADOPTED this 2nd day of June 2023.

 Tim Lipinski
 President of the Board of Directors

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 June 9, 2023, by the following vote.

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

 Attest: Julie Kenny
 Clerk of the Board of Directors

Sweetwater Springs Water District

Water Service Base Rate, Usage Charges, and Capital Debt Reduction Charge

Effective on all bills issued on or after July 1, 2023

The rates indicated below shall be effective on all bills issued on or after July 1, 2023, and these fees, rates, and charges shall supersede and replace those in Resolution 22-10.

Proposed Bimonthly Water Rates

	Base Rates \$/account	CDRC ¹ \$/account	1 unit of water = 1 hcf = 748 gallons Volumetric Rates (\$/unit)	
			Tier 1	Tier 2
Single Family Residential			\$2.10	\$4.47
All Users	\$81.21	\$14.87	(0-8) hcf	9+ hcf
Multi Family (by # Dwelling Units)²				
2 DU's	\$125.88	\$23.05	(0-12.4)	12.5+
3 DU's	\$170.54	\$31.23	(0-16.8)	16.9+
4 DU's	\$215.21	\$39.41	(0-21.2)	21.3+
Commercial (by Meter Size)²				
5/8"	\$81.21	\$14.87	(0-8)	9+
1"	\$203.03	\$37.18	(0-20)	21+
1 1/2"	\$404.76	\$74.35	(0-40)	41+
2"	\$649.68	\$118.96	(0-64)	65+
1 - Capital Debt Reduction Charge				
2 - Multi Family unit multiplier = 0.55 for every extra unit; no meter multiplier				

The proposed bimonthly water rates represent an overall 7.5% rate increase for fixed rates. Volumetric rates have been restructured to meet the revenue projections of the 2020 Water Rate Study prepared by Bartle Wells Associates.

2 - Multi Family unit multiplier = 0.55 for every extra unit; no meter multiplier

USER CLASSIFICATIONS. For the purposes of assessing water charges provided for in this exhibit; user classifications shall be as follows:

1. Residential Single-Family: Applicable to all accounts serving one detached dwelling unit.
2. Residential Multiple Family: Applicable to all accounts serving two or more living units, as defined by District Policy 3010.70.
3. Commercial and Public: Applicable, without regard to meter size, to all accounts serving mercantile buildings, motels, and other short-term lodging establishments, office buildings, institutional buildings, parks, schools, churches, and other commercial and public agency establishments.

Other District Fees:

This section amends parts of Exhibit 1 of Ordinance 29 which establishes certain District fees and Special Charges.

Charge for turn-ons (new account setup fee): \$50.00
Policy 3020.130

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-B

FROM: Eric Schanz, General Manager

Meeting Date: June 9, 2023

SUBJECT: APPROVAL OF THE FISCAL YEAR 2023-2024 OPERATING AND CAPITAL IMPROVEMENT BUDGET

RECOMMENDED ACTION:

- A. Hold a public hearing on the proposed Fiscal Year 2023-2024 Budget.
- B. Approve Resolution 23-06, which approves the FY 2023-2024 Budget.

FISCAL IMPACT: Provides financial direction for FY 2023-2024 budget.

DISCUSSION: The draft FY 2023-2024 Budget was presented at the April and May Board meetings. At the meetings we discussed budget issues, the proposed water rate increases, and the line-item details of the proposed FY 2023-2024 Budget.

FY 2023-2024 Water Rates

During the April and May Board meetings, after reviewing the purposed budget options, the Board approved and directed staff to adopt a 7.5 percent rate increase with an additional increase to the Tier 1 volumetric rate for the FY 2023-24 budget. The Board took action to adjust the rate structure to be more in line with the 2020 Water Rate Study revenue projections. Water sales and growth have been lower than projected in the Water Rate Study. Also, the current rate of inflation could not be anticipated when the Rate Study was completed.

Fees: In addition to water rates, The Board took action to adjust the District's current New Account Set-up Fee to be increased from \$20 to \$50. This brings the fee more in line with other district fees that require field staff to provide services.

FY 2023-2024 Operating Budget

Items discussed were used to develop the Operating section of the FY 2023-2024 Budget include:

- Water usage has been trending lower and that trend is expected to continue.
- The effects of inflation on operating costs are noticeable, particularly in utilities charges, chemical costs, parts, materials and labor costs.

- The 2020 Water Rate Study does not account for predicted large purchases such as vehicles and equipment. Items that can be capitalized and depreciated have been moved from the operating budget and listed in the capital budget.
- Salaries and Benefits will increase due to a number of factors:
 - The District is in Year 3 of the 2020 Union Memorandum of Understanding, which provides for a 3% cost of living increase.
 - In addition to the cost of living, more than half the staff and the General manager are eligible for merit and/or licensing increases.
 - Succession Planning is critical. Steps to prepare for the future retirement of three (3) key employees as well as the past retirement of two seasoned water operators includes:
 - A. Creation of the Account Clerk/Admin Associate position.
 - B. Filling a vacant Crew Supervisor position.
 - C. Adding one full-time Maintenance Worker position in lieu of filling the Contract Meter Reader position.

Capital Improvement Planning

A new format for the Capital Budget spreadsheet has been adapted for the FY2023-24 Budget. The new spreadsheet covers multiple years and is designed to be a living document, amended as needed to reflect the frequent project and timing changes that can occur with our capital spending. It also includes information about grant funding.

A description of Capital Projects to be all or partially funded in FY 2023-2024 is included in the Budget report. Also, for FY 2023-24 in-house projects and fixed asset purchases – such as vehicles – have been moved from the Operating Budget to the Capital Budget Spreadsheet. In addition, the District has implemented a Sinking Fund to use a portion of grant funding to defray annual debt expenditures in future years. (It should be noted that grant funding will only be added to capital revenue when received; therefore, there is no grant funding included in the FY 2023-2024 budget.) Grant funding that has been approved but not yet received is provided as an information item on the spreadsheet.

Table 1 below recaps the FY 2023-2024 Budget calendar:

Table 1. FY 2023-2024 Budget Calendar	
Introduce Budget Process	March 2, 2023
Budget Committee meetings	March 2023

Draft Budget to Board for Discussion/Action, Including Direction on Water Rates	April 6, 2023
Prop 218 Mailing for Water Rate Increase	April 14, 2023
Draft Budget to Board for Discussion/Action	May 4, 2023
Public Hearing and approval of Final FY 2022-23 Operating and Capital Budget and Water Rate Increase	June 9, 2023

Resolution No. 23-06

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT ADOPTING THE FY 2023-2024 OPERATING AND CAPITAL IMPROVEMENT BUDGET

WHEREAS, the General Manager of the Sweetwater Springs Water District, after consultation with the District Financial Coordinator, has submitted to the Board of Directors a Proposed Budget for the Fiscal Year 2023-2024; and

WHEREAS, the Board of Directors has reviewed the Proposed Budget; and

WHEREAS, the Board of Directors desires to adopt the Proposed Budget as submitted by the General Manager subject to any changes or amendments made by the Board of Directors at its June 9, 2023 regular meeting.

BE IT RESOLVED, that the Board of Directors of the Sweetwater Springs Water District hereby adopts the attached FY 2023-2024 Operating and Capital Improvement Budget and all schedules, exhibits, and policies contained therein.

PASSED AND ADOPTED this 9th day of June 2023.

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 June 9, 2023, by the following vote.

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

Tim Lipinski
President of the Board of Directors

Attest: Julie Kenny
Clerk of the Board of Directors

Sweetwater Springs WATER DISTRICT



Eric Schanz, General Manager

FY 2023-2024

Annual Operating & Capital Improvement Budget

Approved June 9, 2023

Resolution 23-06

Board of Directors

Tim Lipinski, President
Larry Spillane, Vice President
Richard Holmer, Financial Coordinator
Sukey Robb-Wilder
Gaylord Schaap

The annual budget of the Sweetwater Springs Water District (SSWD) allows the District to accomplish its mission which 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 achieves its mission of producing good quality water by pumping Russian River underflow from five wells – 3 located at the Guerneville El Bonita well site and 2 located at the Monte Rio well site. That water is then treated in two separate treatment facilities at the Highlands site for Guerneville and at the Monte Rio well site for Monte Rio and environs, and distributed through approximately 68 miles of distribution pipes and 3500 service laterals of varying lengths, and stored in 26 tanks and reservoirs. This system is managed and its operation administered by the District staff of 9 full time employees and 2 part-time employees.

In addition to annual ongoing operating costs, the District plans for a Capital Improvement Program aimed at maintaining and improving the capital infrastructure to industry standards to deliver high quality water, reduce system water losses, and maintain adequate system pressure and fire flow. It is expected that the Board will – through the budget process – scrutinize expenses and then approve sufficient revenue to operate the District and fund approved capital projects. Most of the District year-to-year revenue is generated from Water Sales but the District also has an annual assessment on the property tax bill. In addition to ongoing sources of revenue, the District actively seeks out grant funding. Absent adequate revenue sources, in the past capital projects have also been financed through debt.

FY 2023-2024 Budget Report
Sweetwater Springs Water District

Below is a table summarizing the FY 2023-2024 Combined Operating and Capital Budget. As shown in the table, total revenue is budgeted at \$4.1 million, and total expenses at \$4.9 million. This budget anticipates more expenses than revenues (approximately \$800,000). The District has been approved for grant funding which may lower this deficit, but grant funding can take time to be received. If it is not received at year end, District reserves will be used to cover expenses that are in excess of revenues.

Detailed spreadsheets of the FY 2022-2023 Operating Budget and of the Capital/Capital Debt Budget are included as attachments to this Budget report.

Combined Operating and Capital Budget Summary FY 2023-2024			
	Budget (FY)	2022-23 (Projected)	2023-24 (Budgeted)
REVENUE			
Operating			
Water Sales		\$2,853,000	\$3,212,285
Other		\$181,500	\$146,300
Total Operating Revenue		\$3,034,500	\$3,358,585
Capital			
Assessments		\$750,000	\$750,000
Grants Received		\$701,360	\$0
Other		\$32,215	\$20,000
Total Capital Revenue		\$1,483,575	\$770,000
Total Operating and Capital Revenue		\$4,518,075	\$4,128,585
EXPENDITURES			
Operating			
Salary & Benefits		\$1,417,695	\$1,548,800
Services and Supplies		\$851,726	\$869,320
Total Operating Expenses		\$2,269,421	\$2,418,120
Capital			
CIP Projects		\$2,029,779	\$1,365,509
Other Projects & Equipment		\$62,174	\$435,821
Capital Debt/Sinking Fund Contributions		\$945,000	\$745,000
Total Capital Expenses		\$3,036,953	\$2,546,330
Total Operating and Capital Expenditures		\$5,306,374	\$4,964,450
Surplus/Deficit		-\$788,299	-\$835,865

Operations Budget

The operating budget encompasses the “expenditures related to the operation, maintenance and repair of water facilities”, as well as the billing, collections, accounting, fiscal management and other overall administration. The total Operating Budget revenue in FY 2023-2024 is projected to be \$3,358,585. The total Operating Budget expenses are projected to be \$2,418,210. The difference -- \$940,465-- will be transferred to the Capital Improvement fund. A water rate increase of 7.5% was approved to meet increasing Operating expenses and to provide for increased allocations to Capital expenses.

FY 2023-2024 Budget Report
Sweetwater Springs Water District

District operating expenses are rising. Inflation has hit the cost of services and supplies and in particular labor costs as the District is in the midst of succession planning to replace an aging staff. It takes money and time to recruit, train, and retain qualified staff. On the administrative side, a promotional opportunity has been approved for FY 2023-2024 to provide in-house training opportunities for the Administrative Manager position. On the field side, an additional field operator is being added to staff in lieu of hiring contract meter readers. With experience, new field hires hired over the last two years are acquiring the licensing needed for promotions. Finally, the District is long overdue for technology investments in both its administrative and field operations. For FY 2023-2024, the District has invested in a new billing system that will provide a number of technological advancements for staff and customers, including a much-requested online customer portal. For the field, the District is beginning capital planning for a GIS system.

Capital/Capital Debt Budget

The Capital Fund is projected to have approximately \$1.1 million in reserves available for spending at the beginning of FY 2023-24. Operating surpluses of just over \$900,000 will assist Capital revenue budgeted at \$770,000 to bring total funds available to about \$2.8 million. Capital expenses including expenditures on capital projects and annual payments on capital debt are budgeted at about \$2.5 million, which will leave just over \$300,000 in reserves available for spending by fiscal year end. Reserves will increase if grants approved are actually received during the year. Grants totaling \$895,450 have been approved but have not yet been received.

The District is moving forward or in the midst of several projects in FY 2023-2024:

Project	Description	FY 2023-24	FY 2024-25	FY 2025-26
Lower Harrison Tank Replacement	Replace existing 130,000 gallon steel tank with new epoxy-coated bolted steel tank, with appurtenances and cathodic protection system	\$500,000		
Moscow Road 2023 slide	Install 15 lf 8" C-900 main that was damaged by mud slide, and 475 lf 8" main outside slide area. Main to be relocated to travel lane furthest from the river.	\$226,000		
Neeley Road Mainline replacement	This is an emergency project in response to a County paving project. Replaces 122 lf 2" galvanized water main with 6" C-900, and replace 17 service lines, plus one new fire hydrant	\$527,509		
Willow Road Drainage	This project is in response to a County infrastructure project. Relocate 100' of 2" main and 2 water services	\$82,000		
Wright Drive Mainline, Tank and Pump Station project	Replace and upgrade approx. 5800' mainline, replace 64 service lines, and replace water tank	\$211,840	TBD	TBD
Other Capital projects	El Bonita well rehab, Lower Summit tank liner, District Master Plan, New utility truck	\$435,821		
TOTAL CAPITAL PROJECTS		\$1,801,330		

The FY 2023-2024 Capital budget will also include in-house projects and capital equipment purchases for the first time. (These expenditures were included in the

FY 2023-2024 Budget Report
Sweetwater Springs Water District

Operating budget in past years). This year the District is also moving forward with a Master Plan to assist in identifying and prioritizing capital projects. The Master Plan will also include identifying wise technological advances to modernize day-to-day field operations.

Finally, the District debt load remains a significant capital expense, with annual payments at around \$780,000/year. When possible, the District will allocate funds to a designated Sinking Fund used to reduce annual payments over a number of years. A total of \$200,000 was allocated to the Sinking Fund in FY 2022-23, lowering the annual budgeted debt load to \$745,000/year in future years.

For more information, please refer to the attached detailed FY 2023-2024 Operating Budget spreadsheet and FY 2023-2024 Capital Projects/Capital Debt Budget spreadsheet.

FY 2023-24 BUDGET WORKSHEET

7.5% Rate Increase plus Tier 1 Adjustment

	YEAR END ACTUAL (CASH)	APPROVED BUDGET	ESTIMATED YEAR END ACTUAL	PROPOSED BUDGET	+/- Change (from last year)
REVENUE	FY 2021-22	FY 2022-23	FY 2022-23	FY 2023-24	
OPERATING REVENUE					
Water Sales					
Base Rate	1,789,021	1,905,526	1,883,000	2,125,436	219,910
Current Charges	693,963	772,346	625,000	697,430	(74,916)
Capital Debt Reduction Charges	328,459	349,022	345,000	389,419	40,397
TOTAL WATER SALES	2,811,443	3,026,894	2,853,000	3,212,285	185,391
Total OPERATING REVENUE	2,811,443	3,026,894	2,853,000	3,212,285	185,391
NON-OPERATING REVENUE					
Grant Proceeds	0	0	20,000	-	-
1700 Interest	3,674	3,500	7,000	6,000	2,500
3600 Construction New Services	16,924	8,000	8,000	8,000	
3601 Construction Service Upgrades	200	6,000	6,000	6,000	
4032 Rent	119,868	121,500	121,500	124,800	3,300
4040 Miscellaneous Income	1,635	1,500	19,000	1,500	-
Total NON-OPERATING REVENUE	142,301	140,500	181,500	146,300	5,800
Total OPERATING INCOME	2,953,744	3,167,394	3,034,500	3,358,585	191,191
EXPENSES					
OPERATING EXPENSES					
SALARY & BENEFITS					
Salary					
5910 Wages	959,019	911,550	920,000	999,600	88,050
5912 Overtime	32,029	37,000	40,000	35,000	(2,000)
5916 On-Call Pay	40,170	37,000	45,000	40,000	3,000
5918 Meter Reader	15,926	37,000	-	-	(37,000)
Total Salary	1,047,144	1,022,550	1,005,000	1,074,600	52,050
Benefits					
5500 Flex Spending	5,995	0	0	0	-
5920 Retirement (District portion)	66,612	72,000	72,000	85,600	13,600
5920.4 Retirement - UL	1,385	1,400	1,385	1,500	100
5922 Payroll Taxes (District share)	17,301	16,000	18,000	18,400	2,400
5930 Health Benefits (District share)	247,681	260,000	282,480	321,600	61,600
5931 Retiree Health	11,760	14,000	14,000	14,100	100
5940 Workers Comp Insurance	22,842	23,000	23,830	32,000	9,000
5941 Life Insurance (GM)	1,000	1,000	1,000	1,000	-
Total Benefits	374,576	387,400	412,695	474,200	86,800
TOTAL SALARY & BENEFITS	1,421,720	1,409,950	1,417,695	1,548,800	138,850
SERVICES & SUPPLIES					
Communications					
6040-I Internet service	3,383	2,700	4,500	4,600	1,900
6040-C Cell Phones/Radios	6,312	6,300	8,200	7,250	950
6040-T Telephones	29,311	30,000	31,000	35,000	5,000
Total Communications	39,006	39,000	43,700	46,850	7,850
Insurances					
6101 Liability & Auto Ins.	40,259	50,000	44,276	50,000	0
Total Insurances	40,259	50,000	44,276	50,000	-
Maintenance - Office & Vehicles					
6140 Vehicle Maintenance	19,103	18,000	17,000	18,000	-
6151 Office Maintenance	4,771	5,000	5,000	5,000	-
Total Maintenance - Office & Vehicles	23,874	23,000	22,000	23,000	-
Maintenance - Facilities					
6085 Janitorial Services	8,302	11,000	11,000	12,000	1,000
6100 SCADA System	3,737	6,500	6,000	8,000	1,500
6180 Distribution System Repairs	28,050	50,000	52,000	60,000	10,000
6235 Treatment Sys/Well Repairs	36,588	75,000	70,000	45,000	(30,000)
6143 Generator Maintenance	7,328	5,000	5,000	5,000	-

SWEETWATER SPRINGS WATER DISTRICT
OPERATING AND CAPITAL BUDGET, 2023-24

	YEAR END ACTUAL (CASH)	APPROVED BUDGET	ESTIMATED YEAR END ACTUAL	PROPOSED BUDGET	+/- Change (from last year)
Total Maintenance - Facilities	84,005	147,500	144,000	130,000	(17,500)
Miscellaneous Expenses					
6280 Memberships	10,307	11,000	11,000	11,500	500
6303 Claims	0	1,500	1,000	1,000	(500)
6593 Governmental Fees	20,985	22,000	30,000	31,755	9,755
Total Miscellaneous Expenses	31,292	34,500	42,000	44,255	9,755
Office Expense					
6410 Postage	18,481	20,000	20,000	20,000	-
6430 Printing Expense	8,147	9,000	9,000	8,200	(800)
6461 Office Supplies	8,711	6,000	6,000	6,000	-
6800 Subscriptions/Legal Notices	3,078	3,000	3,500	1,400	(1,600)
6890 Computers/Software	2,304	4,500	4,000	2,500	(2,000)
6895 Billing System	0	27,600	16,000	15,400	(12,200)
6897 Website	0	2,400	2,400	3,000	13,000
Total Office Expense	40,721	72,500	60,900	53,500	(19,000)
Operating Supplies					
6300 Chemicals	15,541	15,000	15,000	20,000	5,000
6880 Tools and Equipment	6,258	7,500	7,500	7,500.00	-
6881 Safety Equipment	11,948	2,500	3,000	3,000	500
Total Operating Supplies	33,747	25,000	25,500	30,500	5,500
Professional Services					
6514 Lab/Testing Fees	13,532	15,000		16,000	1,000
6570 Consultant Fees	107,885	50,000	30,000	23,000	(27,000)
6590 Engineering	9,326	10,000	10,000	10,000	-
6610 Legal	107,072	60,000	40,000	30,000	(30,000)
6630 Audit/Accounting	37,421	38,000	38,000	45,850	7,850
Total Professional Services	275,236	173,000	118,000	124,850	(48,150)
Rents & Leases & Loans					
6820 Equipment	1,265	3,600	3,600	3,800	200
6840 Building & Warehouse	31,276	32,000	32,000	32,000	-
7913 Policy Reserve Loan	135,000	135,000	135,000	135,000	-
Total Rents, Leases & Loans	167,541	170,600	170,600	170,800	200
Transportation & Travel					
7120 Seminars & related travel	810	5,000	4,000	3,000	(2,000)
7201 Vehicle Gas	37,622	40,000	40,000	42,000	2,000
7300 Travel Reimbursements	4,468	6,500	5,000	4,100	(2,400)
Total Transportation & Travel	42,900	51,500	49,000	49,100	(2,400)
Uniforms					
6021.1 Boots	1,895	1,500	1,500	1,715	215
6021.3 T-shirts	2,675	1,800	500	1,500	(300)
6021.4 Jackets	0	250	250	250	-
Total Uniforms	4,570	3,550	2,250	3,465	(85)
Utilities					
7320 Electricity	126,478	126,000	126,000	139,000	13,000
7321 Propane	1,958	3,500	3,500	4,000	500
Total Utilities	128,436	129,500	129,500	143,000	13,500
Total SERVICES & SUPPLIES	911,587	919,650	851,726	869,320	(50,330)
FIXED ASSET EXPENDITURES					
8517 Field/Office equipment	0	5,000	5,000	-	
8573 Vehicles	0	50,000	0	-	(50,000)
8511.1 Tank/Facilities Sites	1,025	24,000	24,000	-	(24,000)
8511.6 Leasehold Improvements	0	0	0	-	-
Total FIXED ASSET EXPENDITURES	1,025	79,000	29,000	0	(79,000)
Total OPERATING EXPENSES	2,334,332	2,408,600	2,298,421	2,418,120	9,520
TRANSFERS TO OTHER FUNDS					
8620.7 Tfers to CIRF for CDR Revenue	332,402	349,022	349,022	389,419	40,397
8620.3 Tfers to CIRF	430,000	365,000	345,000	535,000	170,000
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)

	YEAR END ACTUAL (CASH)	APPROVED BUDGET	ESTIMATED YEAR END ACTUAL	PROPOSED BUDGET	+/- Change (from last year)
Total TRANSFERS TO OTHER FUNDS	802,402	754,022	734,022	939,419	185,397
OPERATING SURPLUS/DEFICIT AFTER TFERS	-182,990	4,772	2,057	1,046	-3,726

Capital Projects and Capital Debt Budget (Cash)

	2022-23 (Estimate) (Actual)	2023-24 Budget (7.5% incr.)	2024-25 Estimate							
Total CIRF Balance Beginning of Year	\$1,994,980	\$980,692	\$314,781							
REVENUE										
Assessments/New Services	\$750,000	\$750,000	\$750,000							
CDR Transfer from Operations	\$349,022	\$389,419	\$408,890							
Operating Surplus Transfer from Operations	\$365,000	\$535,000	\$545,000							
Interest	\$16,579	\$20,000	\$20,000							
New Construction	\$15,636	\$0	\$0							
Grants Received	\$701,360	\$0	\$0							
Total Revenue	\$2,197,597	\$1,694,419	\$1,723,890							
Total Available for Capital Projects	\$4,192,577	\$2,675,111	\$2,038,671							
EXPENDITURES										
	TOTAL PROJECT COST	PAID (PY)	OBLIGATED BUT NOT YET PAID	GRANT INFORMATION						
				GRANTS APPROVED	GRANTS RECEIVED CY	GRANTS RECEIVED PY	GRANTS APPROVED BUT NOT YET REC'D			
CIP Projects										
CIP 2021	\$1,790,551	\$124,411	\$0	\$1,666,140	\$0	\$0	\$818,280	\$701,360	\$116,920	\$0
Lower Harrison	\$581,675	\$8,200	\$62,255	\$75,000	\$500,000	\$0	\$581,675	\$0	\$0	\$581,675
MR Well 5	\$120,047	\$72,392	\$0	\$37,798	\$0	\$0	\$100,000	\$0	\$0	\$100,000
2023 Emer. Flood Disaster Assist (Moscow	\$17,640	\$0	\$0	\$17,640	\$0	\$0	\$100,000	\$0	\$0	\$100,000
County MR Bridge	\$854,000	\$0	\$25,000	\$25,000	\$30,000	\$0	\$53,325	\$0	\$0	\$53,325
County Willow Rd Drainage (Rio Nido)	\$82,000	\$0	\$0	\$0	\$82,000	\$0	\$0	\$0	\$0	\$0
County Moscow Road 2019 slide	\$50,000	\$4,545	\$12,628	\$293	\$0	\$0	\$0	\$0	\$0	\$0
County Moscow Road 2023 slide	\$240,000	\$0	\$205,672	\$200,000	\$40,000	\$0	\$0	\$0	\$0	\$0
County Neeley Road Emergency Proj	\$527,509	\$0	\$527,509	\$0	\$527,509	\$0	\$0	\$0	\$0	\$0
Wright Drive main pressure zone*		\$0	\$0			\$0	\$160,450	\$0	\$0	\$160,450
Wright Drive upper pressure zone	\$3,087,093	\$0	\$0	\$211,840	\$0	\$0	\$0	\$0	\$0	\$0
Natoma Tank		\$0	\$0			\$0	\$0	\$0	\$0	\$0
Schoeneman pressure zone	\$900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Schoeneman tank	\$600,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total CIP Projects				\$2,233,711	\$1,179,509	\$0				
Other Capital Expenses										
Annual transfer to Policy Reserves				\$8,174	\$35,821	\$0				
In-House Project/Site Improvements				\$25,000	\$120,000	\$0	Lower Summit Tank liner (\$15G); El Bo Well Rehab (\$80G); In-House projects			
District Master Plan				\$0	\$200,000	\$0				
Vehicle				\$0	\$80,000	\$0				
Total Other Capital Projects/Equipment				\$33,174	\$435,821	\$0				
Debt Payments (for next FY)										
Debt tfer (reduced by Sinking Fund adj.)				\$745,000	\$745,000	\$745,000				
Debt Sinking Fund				\$200,000	\$0	\$0				
Total Debt				\$945,000	\$745,000	\$745,000				
Total CIP/Debt Expenditures				\$3,211,885	\$2,360,330	\$745,000				
Total CIRF Balance End of Year (Est.)				\$980,692	\$314,781	\$1,293,671				

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-C

FROM: Eric Schanz, General Manager

Meeting Date: June 9, 2023

Subject: Moscow Road Slide Repair

RECOMMENDED ACTION:

The General Manager will provide an update on the Moscow Road slide repair.

FISCAL IMPACT:

Total Combined District Construction and Construction Management cost:
\$208,400

DISCUSSION:

As of May 25, 2023, the water main installation has been completed with some asphalt patching to be completed the following week.

Piazza Construction started construction on May 4, 2023. The project is expected to be completed on time.

May 5, 2023, FEMA performed a site visit to the Moscow Road repair site.

April 20, 2023, The first FEMA Scoping meeting was held at the Sweetwater Springs Office.

April 6, 2023, the District Board of Directors passed Resolution 23-04 awarding the construction contract to Piazza Construction and the Construction Management to Coastland Engineering.

January 26, 2023, a virtual meeting was held with Sonoma County, Coastland Engineering and Sweetwater Springs Water District to discuss the repair plan for the eight-inch water main.

On January 20, 2023, FEMA, CAL OES, Sonoma County Roads Department and Sweetwater Springs Water District met at the slide. Also in attendance were the County's Engineer and our Engineer (Coastland).

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-D

FROM: Eric Schanz, General Manager

Meeting Date: June 9, 2023

Subject: Neeley Road Emergency Water Main Repair Project

RECOMMENDED ACTION:

The General Manager will provide an update on the project for the Neeley Road Water Main Replacement Project.

FISCAL IMPACT:

Estimated Project Cost: \$527,409.00

DISCUSSION:

Piazza Construction started work on the Neeley Road Project on Tuesday, May 23, 2023.

The project replaces 1200 feet of six-inch C-900 pipe and seventeen new water services. Also, one new fire hydrant will be added to provide additional fire protection to the area.

Construction is expected to start after the boring has been completed at the Moscow Road water main repair project.

On April 20, 2023, the Board of Directors approved Resolution 23-07 awarding contracts for the Neeley Road emergency water main repair to Piazza Construction and Coastland Engineering.

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-E

FROM: Eric Schanz, General Manager

Meeting Date: June 9, 2023

SUBJECT: RES. 23-11 MEMBERSHIP IN THE SONOMA COUNTY CHAPTER OF CSDA

RECOMMENDED ACTION:

Approve Resolution 23-11

FISCAL IMPACT:

Membership is free (for now).

DISCUSSION:

At our May Board meeting, the Board moved to complete the necessary paperwork to join the Sonoma County chapter of CSDA (SCSDA), naming Director Robb-Wilder as our Representative and Director Holmer to serve as Alternate.

Attached for your review and approval before submission are the District's SCSDA completed application materials, including Resolution 23-11, Intent to Participate in SCSDA.

Sonoma County Special Districts Association

Application

Note: Membership is currently free. There are no Chapter dues at this time.

Name of District: Sweetwater Springs Water District

Is your district a member of the California Special Districts Association? yes

Name of Applicant: Eric Schanz, General Manager

Email of Applicant: eschanz@sweetwatersprings.com

Name of individual who will serve as Representative: Sukey Robb-Wilder

Email of individual who will serve as Representative: sukeyw@yahoo.com

Name of individual who will serve as Alternate: Rich Holmer

Email of individual who will serve as Alternate: richandwanda@sbcglobal.net

District Address: PO Box 48, Guerneville, CA 95446

District Telephone Number: (707) 869-4000

Type of membership requested? *Regular or Partner?* Regular

Eligibility for Regular Membership: Any independent special district whose boundaries, in whole or in part, are within the [County/Countries/Region] of Sonoma County may become a regular member of the Chapter upon a majority vote of the regular membership and upon payment of annual Chapter dues (if applicable).

Eligibility or Partner Membership: Any dependent special district whose boundaries, in whole or in part, are within the County of Sonoma may become a partner member upon majority vote of the regular membership and payment of Chapter dues (if applicable).

In addition, any person, government agency or organization that has evidenced interest in the purposes and goals of the Chapter, but is not a special district as defined above, may also become a partner member upon approval of membership and payment of Chapter dues (if applicable).

If applicant is a non-special district, what are your interests and purposes in common with the Chapter?

If applicant is a special district, what are your primary functions and what is your enabling legislation under state law? (Feel free to just provide a link to where this information is located on your district website)

www.sweetwatersprings.com/mission
www.sweetwatersprings.com/history

If applicant is a special district, what are the names of the current governing board members and the General Manager? (Feel free to just provide a link to where this information is located on your district website)

www.sweetwatersprings.com/board-members-general-manager

******Required:** Special districts MUST pass a resolution by their governing boards requesting membership within six months of submitting an application for Membership. If the resolution is not passed within six months, districts may have their membership revoked.

Certificate for Liability Coverage

The undersigned, being duly authorized to execute this Certificate on behalf of the Board of Directors of the Sweetwater Springs Water District (name of special district) (hereinafter the "District") hereby affirm the following:

- 1. That the participation by employees and members of the Board of Directors of District in the meetings and activities conducted by the

Sonoma County Special Districts Association, Chapter of the California Special Districts Association have been authorized by the District's Board of Directors; and that the Board of Directors has found such activities constitute activities in the course and scope of such individual's employment with or position of director with the District.

Eric Schanz, General Manager
Name and Title

June 9, 2023

Signature and Date

Resolution No. 23-11

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT STATING ITS INTENT TO PARTICIPATE IN THE ACTIVITIES OF THE SONOMA COUNTY SPECIAL DISTRICTS ASSOCIATION

WHEREAS, the Sweetwater Springs Water District is a special district formed under the Local Agency Formation Commission (LAFCO) and approved by the Sonoma County Board of Supervisors and

WHEREAS, the Sweetwater Springs Water District is a member of the California Special Districts Association (CSDA); and

WHEREAS, the Board of Directors deems that the participation by employees and members of the Board of Directors in the meetings and activities conducted by the Sonoma County Chapter of the California Special Districts Association, known as the Sonoma County Special Districts Association, would provide a benefit to Sweetwater Springs Water District.

NOW, THEREFORE, BE IT RESOLVED that the Sweetwater Springs Water District intends to be a member of the Sonoma County Special Districts Association; and

BE IT FURTHER RESOLVED that the Sweetwater Springs Water District Board of Directors has selected Sukey Robb-Wilder, a Board member of the Sweetwater Springs Water District, to be the district's voting representative to Sonoma County Special Districts Association and has selected Rich Holmer, a Board member of the Sweetwater Springs Water District, to be the district's alternate voting representative to Sonoma County Special Districts Association.

The foregoing Resolution was duly and regularly passed and adopted by the Board of Directors of the Sweetwater Springs Water District at a regular meeting of said Board duly noticed and held on the 9th day of June, 2023.

PASSED AND ADOPTED this 9th day of June 2023.

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 June 9, 2023, by the following vote.

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

Tim Lipinski
President of the Board of Directors

Attest: Julie Kenny
Clerk of the Board of Directors

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-F

FROM: Eric Schanz, General Manager

Meeting Date: June 9, 2023

SUBJECT: MUNI-LINK BILLING SYSTEM UPDATE

RECOMMENDED ACTION:

(Discussion item only.)

FISCAL IMPACT:

\$11,000 implementation fee (paid); \$1,195 monthly cost.

DISCUSSION:

At past meetings, the District approved moving forward with the Muni-Link billing system. Staff has added line items to our budget for the costs to implement the billing system, as well as the monthly software fees.

Since our last meeting staff was looking forward to going live with the new billing system on May 16. Unfortunately, the GoLive date was postponed to June 16 due to data conversion issues staff and Muni-Link personnel identified that were too large to resolve prior to May. As of the date this staff report is being written, Muni-Link is working to iron out these last data issues.

While disappointing, the delay was wise. The District's existing billing system has no contract expiration date, and is the better choice to serve the District until the new billing system can smoothly take over the reins.

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-G

FROM: Eric Schanz, General Manager

Meeting Date: June 9, 2023

Subject: Board Vacancy

RECOMMENDED ACTION:

Discussion of future Board vacancy.

FISCAL IMPACT:

None

DISCUSSION:

Director Spillane submitted an official letter of resignation effective July 20. Staff notified the County and prepared a Notice of Vacancy (attached) which will be posted in our normal posting locations and has also been posted on our website. The District has 60 days from this date to appoint a new director to fill Director Spillane's term which expires in December 2024.



SWEETWATER SPRINGS WATER DISTRICT

NOTICE OF BOARD VACANCY

May 25, 2023 -- The Sweetwater Springs Water District has a vacancy on its Board of Directors effective July 20, 2023, to serve until December 2024.

Interested persons should apply to the Board of Directors no later than July 27, 2023. The Board of Directors will review all applications, then interview candidates and appoint a director at their August 3, 2023 Board meeting, to be held at the Monte Rio Community Center, 20488 Highway 116, Monte Rio California, starting at 6:30 p.m.

To apply, please submit a letter of interest stating why you are interested in serving on the Board, and attach a resume. Applications should be submitted to:

**Mail: Sweetwater Springs Water District
Board of Directors
P.O. Box 48
Guerneville, California 95446**

Email: eschanz@sweetwatersprings.com

Applications can also be dropped off at the District office, located at 17081 Highway 116, Guerneville. Information about the District is on our website at www.sweetwatersprings.com. Please direct questions to Eric Schanz, General Manager, at 707-869-4000 or by email (eschanz@sweetwatersprings.com).

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-H

FROM: Eric Schanz, General Manager

Meeting Date: June 9, 2023

Subject: Board subcommittee reports

RECOMMENDED ACTION:

Receive updates from active Board subcommittees.

FISCAL IMPACT:

Varies.

DISCUSSION:

This item is a standing placeholder for any Board subcommittee updates that have not been addressed in a separate item.

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. VI

FROM: Eric Schanz, General Manager

Meeting Date: June 9, 2023

Subject: GENERAL MANAGER'S REPORT

RECOMMENDED ACTION: Receive report from the General Manager.

FISCAL IMPACT: None

DISCUSSION:

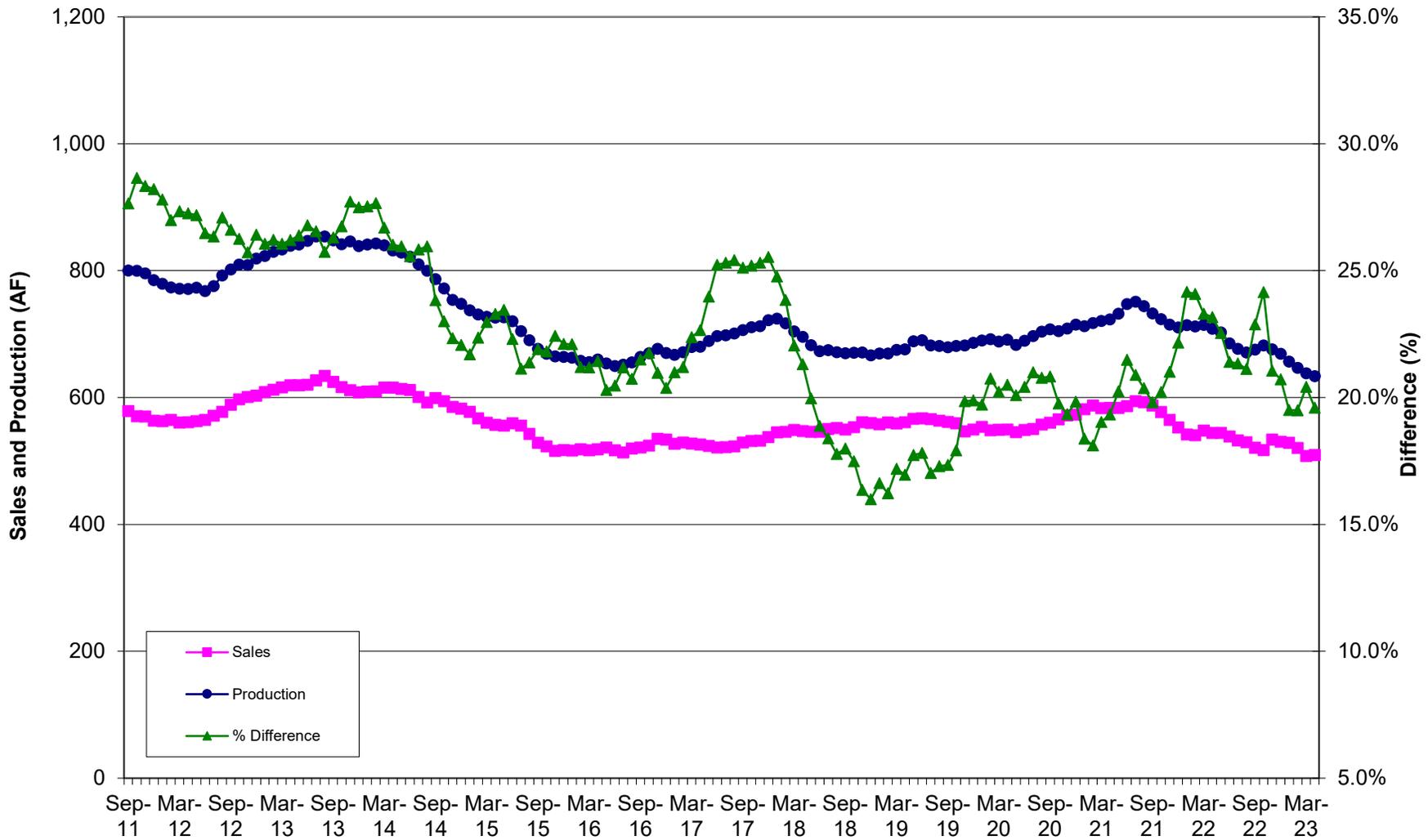
- 1. Laboratory Testing/ Regulatory Compliance:** Water quality tests confirm that all SSWD water meets all known State and Federal water quality standards.
- 2. Water Production and Sales:** Water sales in April were 16685 Units (Guerneville Cycle) and in May were 12,354 units (Monte Rio cycle). April water sales this year are more stable than previous years. Total combined Monte Rio and Guerneville water production for April was 50.53 AF.
- 3. Leaks:** There were a total of 3 water main repairs in April requiring 17 work hours total, and 5 service line leaks requiring 19 work hours total. (Figure2).
- 4. Guerneville Rainfall:** Cumulative rainfall for April was 52.39 inches compared to last year, the cumulative rainfall was only 29.58 inches in April (Figure 3).
- 5. In-House Construction Projects:** In-house projects included the upgrade of a $\frac{3}{4}$ inch water service to a one-inch water service at 21908 Mesa Grande Terrace.
- 6. Grants:** On May 5, 2023, FEMA conducted a site visit at the Moscow Road Repair with CA OES to see the damage.

The CDWR grant first disbursement is still under review.

- 7. Willow Road Drainage Project:** Jack and I met with the county Engineer and the Construction Supervisor on site to discuss the final design of the project that involves the Districts infrastructure. Sonoma County Infrastructure plans to start the project in June or July.

8. Gantt Chart: The Gantt Chart is updated for May 2023 (Figure 4).

**Figure 1. Water Production and Sales 12 Month Moving Averages
 Sweetwater Springs Water District Since September 2011**



**Figure 2. Sweetwater Springs Water District Main and Service Pipeline Breaks
Moving Annual Average Since April 2012**

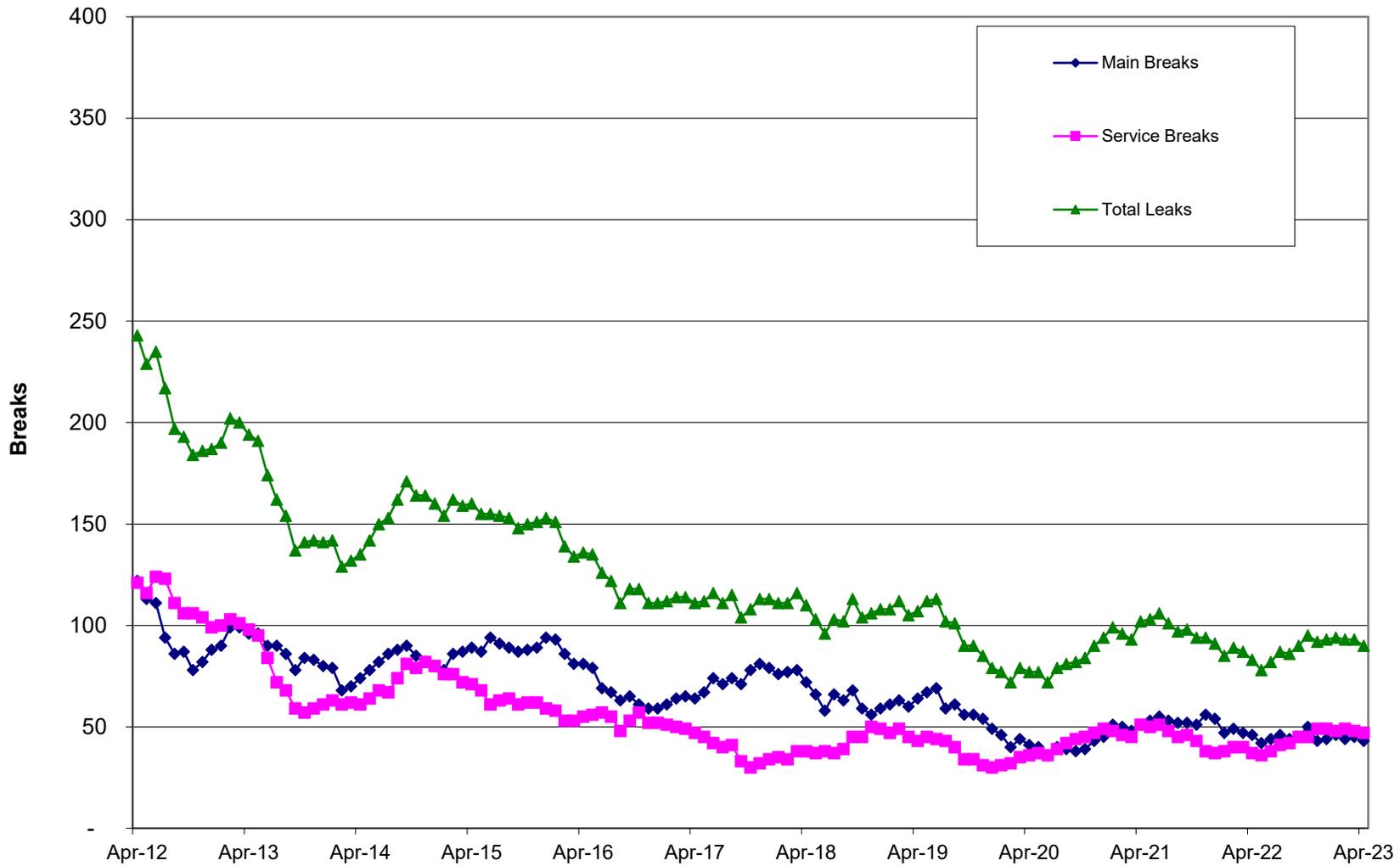
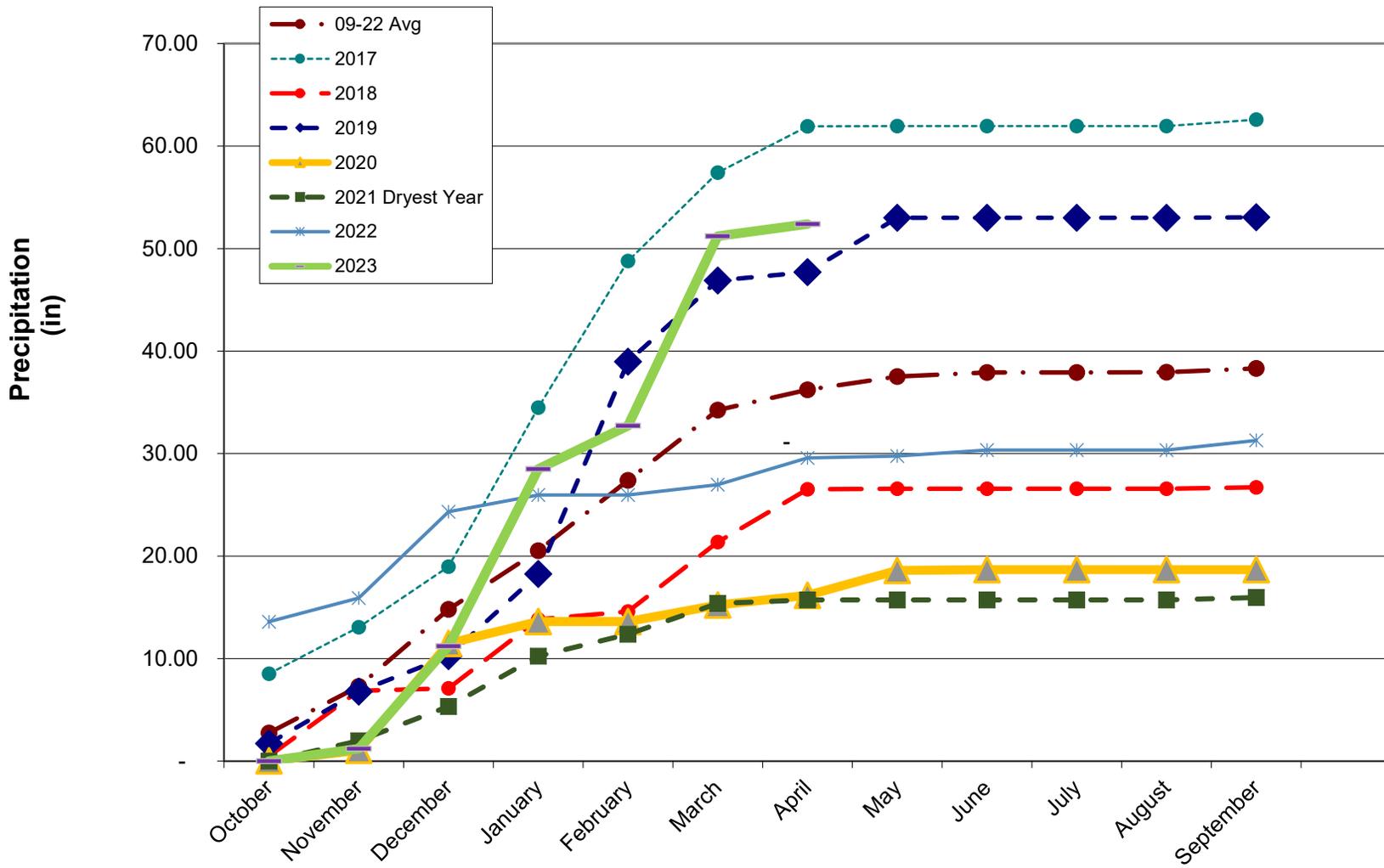
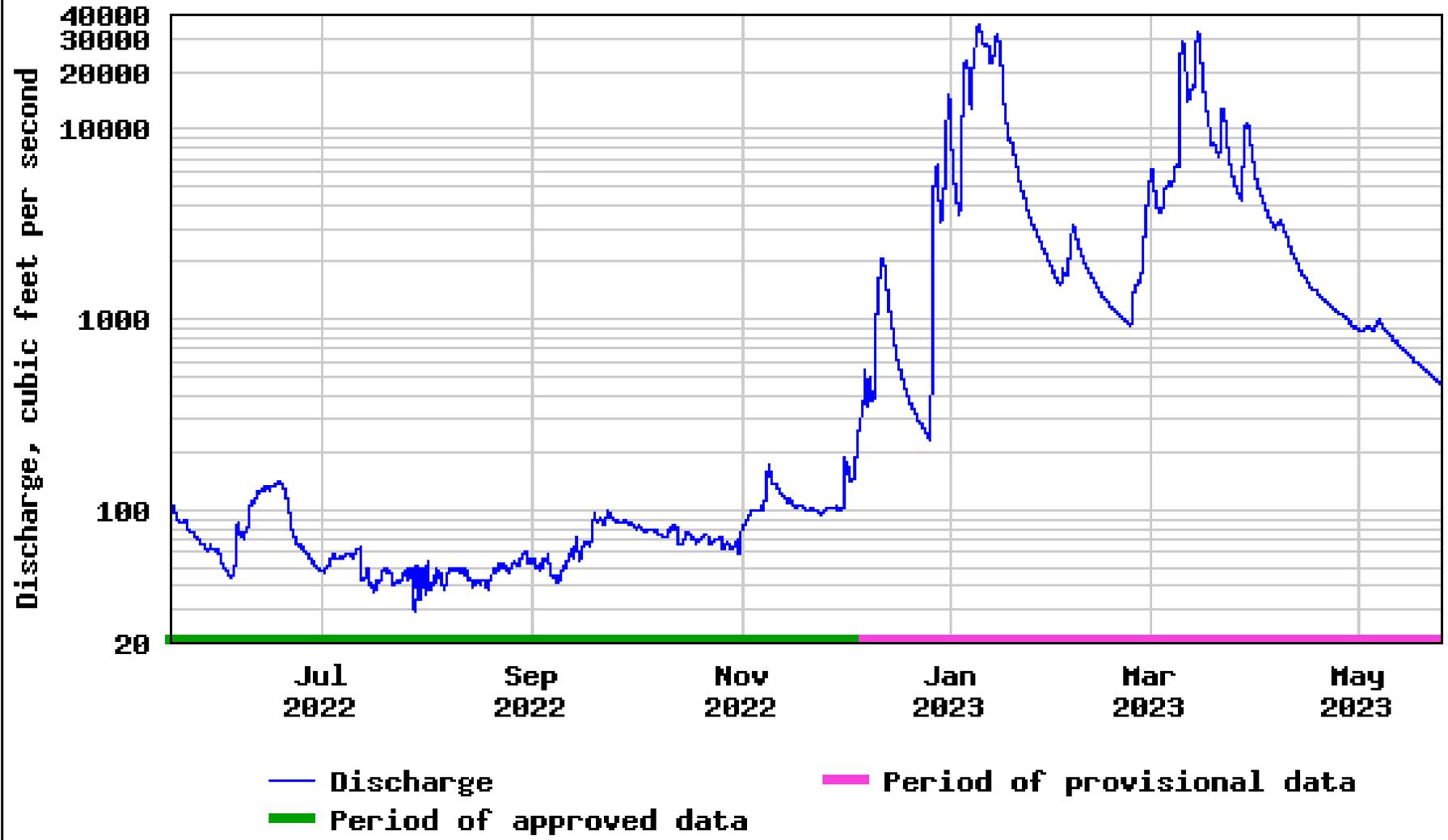


Figure 3. Guerneville Cumulative Monthly Rainfall



USGS 11467000 RUSSIAN R A HACIENDA BRIDGE NR GUERNEVILLE CA



Graph courtesy of the U.S. Geological Survey

NUMBER OF WATER UNITS SOLD FY 22 - 23

	FY01-02	FY02-03	FY03-04	FY04-05	FY05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11	FY 11-12	FY 12-13	FY 13-14	FY 14-15	FY 15-16	FY 16-17	FY 17-18	FY 18-19	FY 19-20	FY 20-21	FY 21-22	FY 22-23
JULY	34,371	26,447	26,355	33,578	22,195	27,469	27,147	28,091	21,035	17,808	20,061	22,850	25,890	22,074	16,377	19,044	19,608	20,255	19,273	22,297	21,558	20,306
AUGUS	39,803	37,750	42,080	41,615	37,799	41,863	37,202	37,907	34,878	32,328	28,486	33,190	29,163	32,208	26,070	26,811	29,485	28,325	27,419	28,582	26,302	22,555
SEPTE	33,723	34,532	36,056	35,309	29,823	35,984	31,721	32,753	30,320	29,673	26,091	29,829	26,157	24,091	21,678	22,893	24,037	25,805	24,886	27,175	22,746	21,271
OCTOB	40,672	34,063	37,008	38,553	38,707	37,900	36,493	34,938	32,282	32,334	32,091	33,727	31,628	27,724	24,606	29,333	29,495	32,827	27,310	30,099	24,731	31,859
NOVEM	28,272	28,729	26,973	27,839	26,680	24,076	24,444	25,746	23,111	24,160	21,350	22,218	20,729	19,489	20,101	19,462	21,884	21,351	22,640	23,173	17,984	16,472
DECEM	25,380	27,758	27,283	25,508	23,925	25,550	21,556	24,762	21,116	20,802	20,299	22,818	23,452	21,256	20,873	18,070	21,297	20,468	22,288	25,982	21,110	20,372
JANUA	16,091	19,287	16,799	15,416	16,127	15,862	13,309	14,631	14,764	13,734	14,645	16,242	16,316	11,914	12,727	13,676	14,146	15,335	12,925	15,529	15,062	11,588
FEBRU	21,697	23,010	20,689	19,695	22,716	20,963	18,647	21,199	19,233	18,386	16,641	18,372	20,967	17,770	17,189	16,504	17,693	16,950	17,284	15,506	18,727	13,139
MARCH	17,207	15,092	17,374	14,985	15,456	16,693	14,556	14,417	14,414	12,387	12,569	13,884	13,772	12,351	13,058	12,315	11,657	12,653	12,827	12,846	11,236	11,980
APRIL	17,728	19,527	21,406	21,089	18,825	21,047	19,227	18,414	17,611	17,129	17,936	17,914	17,053	16,636	17,748	16,809	16,279	18,547	16,886	17,038	17,024	16,685
MAY	19,118	16,237	19,793	16,372	13,921	15,402	15,721	15,861	14,273	14,134	14,880	15,075	14,514	16,120	14,217	13,083	13,011	13,319	14,602	15,866	13,375	12,354
JUNE	29,799	27,074	28,882	22,512	24,108	25,457	29,211	26,259	19,143	20,871	23,765	26,850	22,092	20,436	19,020	19,198	21,220	20,612	21,453	24,720	21,975	
Total	323,861	309,506	320,698	312,471	290,282	308,266	289,234	294,978	262,180	253,746	248,814	272,969	261,733	242,069	223,664	227,198	239,812	246,447	239,793	258,813	231,830	198,581