



BOARD OF DIRECTORS MEETING AGENDA

**September 1, 2022 Regular Meeting
6:30 p.m.**

Meeting link:

<https://sweetwaterspringswaterdistrict.my.webex.com/sweetwaterspringswaterdistrict.my/j.php?MTID=m12b340372acac0af84373d7f4e139e96>

Meeting number: 2564 659 8871

Password: 93662597

OR

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

Access code: 2564 659 8871

Password: 93662597

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 following Minutes of the August 4, 2022 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.
- 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 Returning to in-person Board meetings *(Est. time 10 min.)*
- B. Discussion/Action re New billing system and website *(Est. time 10 min.)*
- C. Discussion/Action re FY 2020-21 CalPERS Valuation Report and District Unfunded Liability report *(Est. time 10 min.)*
- D. Discussion/Action re Board Subcommittee Reports (standing item) *(Est. time 5 min.)*

VI. GENERAL MANAGER’S REPORT
(Discussion/Action (if any) for each item listed on the report.)

VII. BOARD MEMBERS’ ANNOUNCEMENTS

VIII. ITEMS FOR NEXT AGENDA

IX. CLOSED SESSION

- A. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6)

Agency Designated Representative: Eric Schanz
Employee Organization: Stationary Engineers, Local 39

- B. CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code § 54957.6)
Agency Designated Representative: Eric Schanz
Unrepresented positions: Field Manager
Administrative Manager
Senior Crew Supervisor

- C. Pursuant to Gov. Code Section 54957(b)(1) – PUBLIC EMPLOYEE
PERFORMANCE EVALUATION AND MEYERS NAVE LABOR NEGOTIATIONS
Agency Designated Representative: Eric Schanz
Title: District Counsel

V. ADMINISTRATIVE (con't.)

- E. Discussion/Action re Resolution 22-19, Ratifying Union Agreement to provide a one-time mid-contract bonus and Resolution 22-20 to provide the same bonus to unrepresented employees

- F. Discussion/Action re Resolution 22-21, Approving Contract with Meyers Nave et al. for Legal Services

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

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BOARD MEETING MINUTES*

Meeting Date: August 4, 2022

(*In order discussed)

August 4, 2022
6:30 p.m.

Board Members Present:

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

Board Members Absent:

(None)

Staff in Attendance:

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

Others in Attendance:

Rachel Hundley, District Counsel
Mark O'Flynn

I. CALL TO ORDER (6:32 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 (6:33 p.m.)

Director Schaap requested that certain warrants be removed from the Consent calendar for discussion. There were no objections.

III. CONSENT CALENDAR (6:34 p.m.)

President Schaap reviewed the items on the Consent Calendar. Director Robb-Wilder moved to approve the Consent Calendar. The GM requested that Regional Government Services (RGS) invoices and warrants be pulled for discussion. There were no objections. Director Robb-Wilder moved to approve the Consent Calendar as amended. Director Holmer seconded. Motion carried 5-0 on the following items:

- A. Approval of the following Minutes of the July 7, 2022 Regular Board Meeting
- B. Approval of Operations Warrants/Online payments/EFT payments except for those associated with RGS
- C. Receipt of items of Correspondence

(1) Email dated July 29, 2022 from Lloyd Guccione re Public Records Act Request

- D. Action to Reconfirm findings of Resolution 21-18 re continuation of remote meetings

At 6:37 p.m. discussion ensued regarding bills and warrants associated with RGS. The GM provided an overview of the issues regarding their invoices. Comments were made by Legal Counsel Rachel Hundley. Discussion ensued. Director Robb-Wilder moved to approve only those RGS warrants associated with services of Senior Advisor John Haig. Director Holmer seconded. Motion carried 5-0.

IV. PUBLIC COMMENT (6:44 p.m.)

None.

V. ADMINISTRATIVE (6:44 p.m.) *

**in the order discussed*

- V-A. (6:44 p.m.) Public Hearing; Discussion /Action re Resolution 22-18, Overruling Protests and Confirming Report on Annual Flat Charge for Sweetwater Springs Water District.** The GM provided an overview of this item. There were no public comments. President Schaap opened the Public Hearing at 6:46 p.m. There were no public comments. He then closed the hearing. Board discussion ensued. Director Spillane moved to approve Resolution 22-18, Overruling Protests and Confirming Report on Annual Flat Charges for Sweetwater Springs Water District. Director Lipinski seconded. Motion carried 5-0.
- V-B. (6:51 p.m.) Discussion/Action re Actual vs. Budgeted report – FYE 2021-22.** Administrative Manager Julie Kenny provided an overview of this item. Board discussion ensued. No action was taken.
- V-C. (7:07 p.m.) Discussion/Action re Resolution 22-16, Ratifying General Contract with Eric Schanz.** Legal Counsel Rachel Hundley provided an overview of this item. Discussion ensued. Director Robb-Wilder moved to approve Resolution 22-16, Memorializing Ratification of General Manager Employment Agreement. Director Lipinski seconded. Motion carried 5-0.
- V-D. (7:12 p.m.) Discussion/Action re Resolution 22-17, Adding and Deleting Signers to WestAmerica Accounts.** Administrative Manager Julie Kenny provided an overview of this item. Director Robb-Wilder moved to approve Resolution 22-17, Authorizing and Revoking Signers to the WestAmerica Bank Accounts, subject to WestAmerica approval of resolution language. Director Holmer seconded. Brief discussion ensued. Motion carried 5-0.

VI. GENERAL MANAGER'S REPORT (7:20 p.m.)

The GM provided a report on the following items:

1. Laboratory testing / Regulatory Compliance
2. Water production and sales
3. Leaks
4. In-House Construction Projects
5. CIP 2020-21 Old River Road/Woodland Drive
6. Gantt Chart
7. Other charges (not updated)

Discussion ensued.

VII. BOARD MEMBERS' ANNOUNCEMENTS/COMMENTS
(7:32 p.m.)

Director Holmer announced he filed papers for Board member candidacy.
Director Robb-Wilder announced that she filed papers for Board member candidacy.
Director Lipinski inquired about whether the County fire committee was meeting

Discussion ensued.

VIII. ITEMS FOR THE NEXT AGENDA (7:40 p.m.)

1. Billing system
2. Website
3. Live vs. virtual meetings
4. New id cards

IX. CLOSED SESSION (7:50 p.m.)

President Schaap announced the items in Closed Session.

At 7:50 p.m. the Board took a brief recess.

At 7:55 p.m. the meeting reconvened and the Board went into Closed Session. At 8:45 p.m. the meeting reconvened. The following action was announced:

- A. **CONFERENCE WITH LABOR NEGOTIATOR (Gov. Code Section 54957.6)**
Agency Designated Representative: Rachel Hundley
Employee Organization: Stationary Engineers, Local 39
 Direction was given to staff.

ADJOURN

The meeting adjourned at 8:47 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: September 1, 2022

Subject: Returning to In-Person Board Meetings

RECOMMENDED ACTION:

Discussion item.

FISCAL IMPACT:

None.

DISCUSSION:

The District moved to virtual meetings for Coronavirus-related safety reasons in 2020 and continues to meet virtually. This item is a placeholder for discussion if desired of whether future meetings should continue to be virtual, return to in-person, or be hybrid (Board meets in-person, public participates virtually).

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-B

FROM: Eric Schanz, General Manager

Meeting Date: September 1, 2022

Subject: New billing system and website

RECOMMENDED ACTION:

Receive report from ad hoc committee and provide recommendation to staff.

FISCAL IMPACT:

Up to \$2,000/month for Muni-Link billing system and Streamline website.

DISCUSSION:

The District has discussed upgrading the billing system and website at prior meetings. The FY 2022-23 Operating Budget was amended to provide for new billing software. The proposed new website was forwarded to all Board members for review last month.

An ad hoc committee was formed to look into the proposed software upgrades in more detail, particularly the billing system. On Monday, August 29 staff and the ad hoc committee will attend a Zoom meeting with Muni-Link personnel to review features of the Muni-Link billing software and have any questions answered. The ad hoc committee will report and make recommendations to the Board at the Thursday Board meeting.

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-C

FROM: Eric Schanz, General Manager

Meeting Date: September 1, 2022

Subject: Discussion/Action re CalPERS Valuation Report and District Unfunded Liability

RECOMMENDED ACTION:

None. Information only.

FISCAL IMPACT:

No additional impact. For FY 2022-23, the District's mandatory payment for CalPERS Unfunded Liability (UL) is \$2,260 (for the 2% at 55 Plan).

DISCUSSION:

This staff report reviews the UL portion of the annual retirement valuation we receive in August from PERS. This year's report provides final UL figures for FY 2020-21 and preliminary figures for FY 2021-22. Discussion is limited to the District's 2%@55 plan.

What is UL? Unfunded Liability (UL) represents the shortfall between the District's assets at PERS and the present value of estimated retirement costs for current and future District retirees. As a simple example, if PERS estimates it will cost \$3,000,000 (adjusted for present value) to fund the retirement of existing and future District retirees, but our assets with PERS are only \$2,500,000, the UL would be \$500,000:

$$\text{Example: } \$3,000,000 - \$2,500,000 = \$500,000$$

These figures can also be used to determine a retirement plan's "funded status". In the example above, the District would be considered 83.3% funded:

$$\text{Example: } \$2,500,000 / \$3,000,000 = .833, \text{ or } 83.3\%$$

The District's recent UL history. To address a UL that was rising to a level approaching \$1 million, District Operations borrowed money from the District's Policy Reserve funds to make extra payments beyond the mandatory payment required by PERS. Extra payments were made in the sum of \$500,000 in FY 2019-20 and \$500,000 in FY 2020-21. The Policy Reserve funds are being reimbursed at a rate of \$135,000/year for seven years. This year (FY 2022-23) will be the third year.

UL information in this year's annual valuation report, which covers FY 2020-21. The attached Unfunded Liability Table shows how the extra payments have decreased our UL, which

in turn increases our funded status. FY 2020-21 reflects the full impact of our extra payments. The extra payments were further boosted by CalPERS investment returns of 21.3%. **The happy result is that as of FYE 2020-21 we no longer have a UL, and in fact are running a surplus of -\$615,525**, a significant improvement from UL of \$614,627 in FY 2019-20. **With this surplus, the District's funded status as of FY 2020-21 is 110.3%**, up from 88.8% at the end of FY 2019-20. This compares favorably to the funded status of PERS as a whole, which is 80.2% as of FY 2020-21. (See, PERS' Investment and Pension Funding Facts at a Glance for FY 2020-21 attached.)

The surplus would have been even larger, but was offset by two (2) assumption changes in FY 2020-21. First, the good investment returns triggered the CalPERS Risk Mitigation Plan, which calls for lowering the assumed investment return in years investment returns are at least 4% more than expected. Expected investment returns were 7% in FY 2020-21. Actual returns were 21.3%. Per the Risk Mitigation Plan, CalPERS lowered the investment return to 6.8%, which cost the District \$142,829. The second assumption change cost the District \$17,424, and consisted of several minor changes to demographic assumptions.

UL information for FY 2021-22. Since the FY 2020-21 report was prepared, we now know that PERS achieved an investment return of **-6.1%** in FY 2021-22, missing the assumed return of 6.8% by 12.9%. We don't know yet how much that will cost the District, but staff is projecting that our FY 2020-21 surplus will cover most of the cost of the FY 2021-22 investment shortfall.

A Recent History of Sweetwater's Unfunded Liability - 2% @ 55 Plan

Source: PERS Annual Valuation Report

	U/L at Start of FY	Minimum Required Payment	Extra Payment	Total UL Payments	Net toward principal	Unpaid interest (added to UL)	Initial FYE UL (Balance - Principal Pymts + Unpd Interest)	Plus/Minus Impact on UL of Investment Returns	Inv. Return	Plus/Minus Impact on UL of Assumption Changes	U/L Carried to Next FY Year	Notes:
FY 2013-14	\$575,549.00	\$16,715.00	\$0.00	\$16,715.00	\$0.00	\$25,835.00	\$601,384.00	-\$252,743.00	18.4%	\$152,063.00	\$500,704.18	Assumed age of death increased
FY 2014-15	\$500,704.00	\$22,170.00	\$0.00	\$22,170.00	\$0.00	\$14,566.00	\$515,270.00	\$155,419.00	2.4%	\$0.00	\$670,689.02	
FY 2015-16	\$670,689.00	\$19,980.00	\$0.00	\$19,980.00	\$0.00	\$29,587.00	\$700,276.00	\$201,792.00	0.6%	\$63,905.00	\$965,973.01	Assumed investment return lowered from 7.5% to 7.375%
FY 2016-17	\$965,973.00	\$28,871.00	\$60,000.00	\$88,871.00	\$15,792.00	\$0.00	\$950,181.00	-\$129,223.00	11.2%	\$73,504.00	\$894,462.11	Assumed investment return lowered from 7.375% to 7.25%
FY 2017-18	\$894,462.00	\$36,120.00	\$75,883.00	\$112,003.00	\$39,578.00	\$0.00	\$854,884.00	-\$20,698.00	8.6%	\$159,193.00	\$993,379.09	Assumed investment return lowered from 7.25% to 7%. : \$123,964 Impact of PERS methodology change: \$35,229.
FY 2018-19	\$993,379.00	\$46,731.00	\$78,720.00	\$125,451.00	\$47,745.00	\$0.00	\$945,634.00	\$40,679.00	6.7%	\$0.00	\$986,313.07	
FY 2019-20	\$986,313.00	\$55,031.00	\$500,000.00	\$555,031.00	\$504,391.00	\$0.00	\$481,922.00	\$132,706.00	4.7%	\$0.00	\$614,628.05	
FY 2020-21	\$614,627.00	\$33,694.00	\$500,000.00	\$533,694.00	\$514,695.00	\$0.00	\$99,932.00	-\$875,710.00	21.3%	\$160,253.00	-\$615,524.79	Risk Mitigation Plan triggered: Assumed investment return lowered from 7% to 6.8%: \$125,000 est. Actual: \$142,829. Assumption Change: \$17,424.
FY 2021-22	-\$615,525.00	\$1,385.00	\$0.00	\$1,385.00	\$0.00	\$0.00	-\$615,525.00	\$750,000 est.	-6.1%	\$0.00		
FY 2022-23		\$2,260.00	\$0.00	\$2,260.00	\$0.00	\$0.00	#VALUE!					
TOTALS:						\$69,988.00		-\$747,778.00		\$608,918.00		

Joined 2% @ 55 in May 2011

Investments (PERF*)

Total Fund Market Value & Fund Returns by Fiscal Year** (for FY end 6/30)

	(in billions)	(%)
2021	\$477.3	21.3%
2020	\$392.5	4.7%
2019	\$372.6	6.7%
2018	\$354.0	8.6%
2017	\$326.4	11.2%
2016	\$302.0	0.6%
2015	\$301.9	2.4%
2014	\$300.3	18.4%
2013	\$257.9	13.2%
2012	\$233.4	0.1%

* Public Employees' Retirement Fund (PERF)

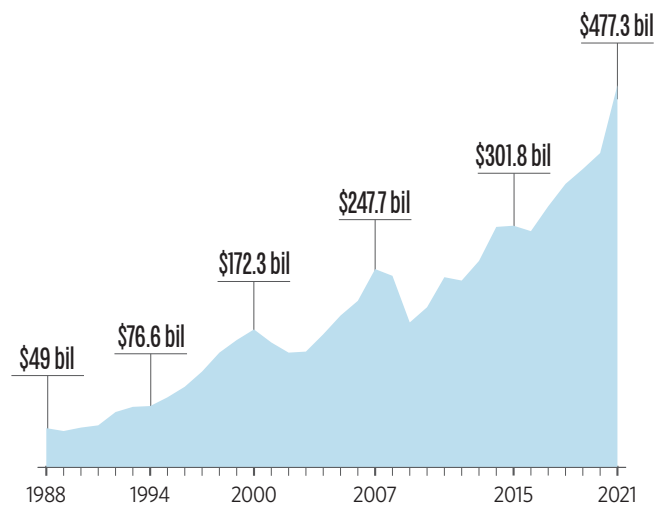
** Time-weighted rate of return net of investment expenses

Annualized Investment Returns* (for FY end 6/30)

FY to date	21.3%
3 years	10.7%
5 years	10.3%
10 years	8.5%
20 years	6.9%
30 years	8.4%

* Time-weighted rate of return net of investment expenses

Total Fund Market Value 1988 - 2021 (for FY end 6/30)



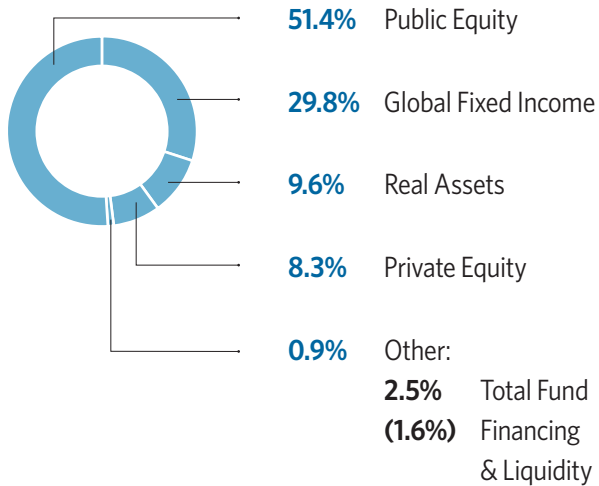
Discount Rate Changes

2022-23* (State/School)	7.0%	→	6.8%
2023-24* (PA)	7.0%	→	6.8%
<hr/>			
2019-20* (State)	7.25%	→	7.0%
2020-21* (School/PA)	7.25%	→	7.0%
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2018-19* (State)	7.375%	→	7.25%
2019-20* (School/PA)	7.375%	→	7.25%
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2017-18* (State)	7.5%	→	7.375%
2018-19* (School/PA)	7.5%	→	7.375%

* FY required contribution

Investments (cont'd)

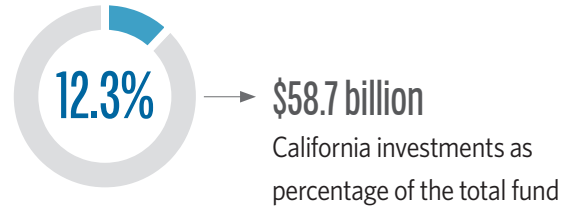
Current Asset Allocation



Asset Allocation

	Current Allocation	Strategic Asset Allocation
Public Equity	51.4%	50.0%
Global Fixed Income	29.8%	28.0%
Real Assets	9.6%	13.0%
Private Equity	8.3%	8.0%
Total Fund	2.5%	—
Financing & Liquidity	(1.6%)	1.0%

California Investments



	Fair Value (in millions)
Total California Investments	\$58,656
Public Equity*	\$34,074
Global Fixed Income**	\$8,980
Real Assets***	\$13,150
Private Equity***	\$2,452

* Includes listed public equities corporate bonds.

** Fixed income also includes a portion of MBS & ABS, which have significant geographical exposure to CA & MHLA.

*** As of March 31, 2021

Sustainable Investing

CalPERS actively engages with the companies we own to **protect the long-term sustainability of our investment.**

From issues regarding environmental responsibility to safe labor practices, we keep an open dialog with company leaders and vote our proxies.

13,000+

Number of companies where CalPERS cast proxy votes in 2021 worldwide (calendar year)

Pension Funding

Funded Status of Retirement Plans by Member Category

	State	School	PA	Total
2019-20	70.6% *	68.6% *	71.1% *	70.6%*
2018-19	70.0% *	68.5% *	70.8% *	70.2%*
2017-18	69.5% *	68.6% *	70.4% *	69.8%*
2016-17	65.8% *	68.7% *	69.5% *	68.0%*
2015-16	62.3%	67.8%	66.2%	68.3%
2014-15	69.4%	77.5%	74.5%	73.1%
2013-14	72.1%	82.0%	77.9%	76.3%
2012-13	66.1%	76.2%	70.5%	69.8%
2011-12	66.1%	75.4%	70.1%	69.6%

* Based on a 7.0% discount rate and includes the terminated agency pool and 1959 survivor benefit plan.

Contributions, 10-Year Review (in thousands)

	Employer Contributions	Member Contributions	Investment & Other Income
2020-21	\$20,034,757	\$4,757,000	\$88,059,909
2019-20	\$22,039,561	\$4,901,000	\$18,516,994
2018-19	\$15,612,678	\$4,664,618	\$22,969,664
2017-18	\$19,917,796 *	\$4,415,129	\$27,448,098
2016-17	\$12,329,837	\$4,214,578	\$32,977,020
2015-16	10,892,489	4,015,754	1,548,442
2014-15	9,997,705	3,826,072	6,702,997
2013-14	8,777,602	3,775,038	45,598,044
2012-13	8,123,833	3,897,078	30,291,983
2011-12	7,772,913	3,598,437	(196,014)

* Amount includes an additional \$6 billion dollar contribution by the state.

Funded Status Total PERF



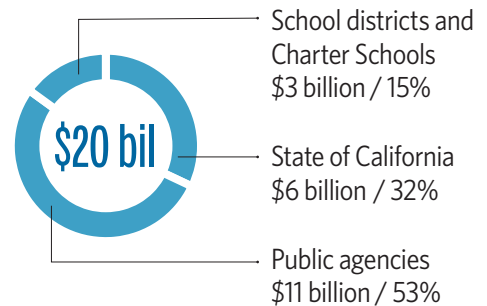
2019-20*

2020-21**

* The PERF is the Public Employees' Retirement Fund. This percentage includes the terminated agency pool and the 1959 survivor benefit plan. Percentage based on a 7.0% discount rate.

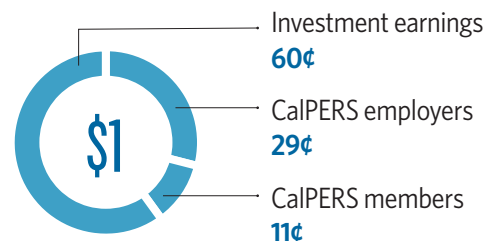
** The 82% estimate is based on the 7% discount rate as of 6/30/2021. On 7/1/2021, the risk mitigation event was triggered due to the 21.3% investment return for FY 2020-21 and the 80% estimate is based on the new 6.8% discount rate.

Total Employer Contributions



Shared Responsibility

Every dollar paid to CalPERS retirees comes from three sources*:



* Income over the last 20 years.

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-D

FROM: Eric Schanz, General Manager

Meeting Date: September 1, 2022

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. V-E

FROM: Eric Schanz, General Manager

Meeting Date: September 1, 2022

SUBJECT: APPROVAL OF RESOLUTIONS 22-19 & 22-20 WILL APPROVE A ONE - TIME BONUS FOR DISTRICT EMPLOYEES IN RECOGNITION OF THEIR ONGOING EFFORTS AND WORK FOR THE DISTRICT.

RECOMMENDED ACTION: Approve Resolution 22-19 which approves a Side Letter of agreement between Sweetwater Springs Water District and International Union of Operating Engineers, Stationary Local 39 providing for a one-time bonus for Union employees. Approve Resolution 22-20 that will approve the same bonus for unrepresented employees except for the General Manager.

FISCAL IMPACT: \$25,000.00

DISCUSSION:

International Union of Operating Engineers, Stationary Local 39 (Union) represents 7 District employees. The current MOU with the Union was approved on July 1, 2020 and is effective through June 30, 2025.

The District and the Union Local 39 negotiated a one-time lump sum employee bonus of \$2,500 dollars per employee to recognize their ongoing efforts and work for the District.

The General Manager was authorized to sign the Letter of Agreement between the District and Local 39 at the August 4, 2022, Board meeting.

The District also wants to recognize the unrepresented employees of the District by providing the same bonus of \$2,500 dollars per employee.

The Bonus payments will be made on the payday after Labor Day pending approval of resolution.

RESOLUTION 22-19

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT APPROVING A SIDE LETTER WITH INTERNATIONAL UNION OF OPERATING ENGINEERS, STATIONARY LOCAL 39 (UNION) THAT EVERY UNION-REPRESENTED EMPLOYEE EMPLOYED BY DISTRICT ON AUGUST 14, 2022, SHALL RECEIVE A ONE-TIME, NON-PENSIONABLE LUMP SUM BONUS OF TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) IN RECOGNITION OF EMPLOYEES' ONGOING EFFORTS AND WORK FOR THE DISTRICT.

WHEREAS, the Sweetwater Springs Water District (District) and the International Union of Operating Engineers, Stationary Local 39 (Union) have had a longstanding representational relationship regarding District employees which relationship is reflected, in part, in the terms and conditions of the five-year Memorandum of Understanding (MOU) which was approved on July 1, 2020, and is effective through June 30, 2025; and

WHEREAS, the District members of the Union petitioned to become an agency shop in accordance with California Government Code 3502; and

WHEREAS, the District General Manager has met and conferred with Union representatives to develop appropriate agency shop language for inclusion in a Side Letter to the 2020 MOU ; and

WHEREAS, the District Board of Directors finds that approving the proposed Side Letter is in the best interest of the District, its customers and its employees.

NOW, THEREFORE, BE IT RESOLVED, that:

The Side Letter, attached as Exhibit A, is hereby approved and the provisions of the Side Letter shall be effective as stated in the Letter.

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 1, 2022, by the following vote.

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

Gaylord Schaap
President of the Board of Directors

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

Letter of Agreement
Between
Sweetwater Springs Water District
And
International Union of Operating Engineers, Stationary Local 39

1. The Sweetwater Springs Water District (District) and the International Union of Operating Engineers, Local 39 (Union) agree that every Union-represented employee employed by District on August 4, 2022, the date the District Board of Directors approved this Letter of Agreement and authorized signature by the District General Manager, shall receive a one-time, non-pensionable lump sum bonus of two thousand five hundred dollars (\$2,500) in recognition of employees' on-going efforts and work for the District.
2. Payments shall be made on the payday after Labor Day: September 15, 2022.
3. This letter of agreement shall be effective upon signature of both the authorized District and Union representatives below and approval by the District's Board of Directors.

For IUOE, Local 39:



Chung Park, Business Representative

Dated: 23 Aug 2022

For Sweetwater Springs Water District:



Eric Schanz, General Manager

Dated: 8/24/2022



Amanda Skibby, Business Representative

Dated: 8/23/22

RESOLUTION 22-20

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT APPROVING A CONTRACT ADDENDUM TO EACH UNREPRESENTED EMPLOYEE OF THE DISTRICT EXCEPT THE GENERAL MANAGER, PROVIDING FOR A ONE-TIME, NON-PENSIONABLE LUMP SUM BONUS OF TWO THOUSAND FIVE HUNDRED DOLLARS (\$2,500) IN RECOGNITION OF EMPLOYEES' ON-GOING EFFORTS AND WORK FOR THE DISTRICT.

WHEREAS, the Sweetwater Springs Water District (District) and the International Union of Operating Engineers, Stationary Local 39 (Union) have agreed to a Side Letter that provides a one-time non-pensionable lump sum bonus of \$2,500 dollars for represented employees; and

WHEREAS, the District Board of Directors wishes to also recognize the unrepresented employees of the District for their on-going efforts and work for the District; and

WHEREAS, the District Board of Directors finds that approving the proposed Resolution is in the best interest of the District, its customers and its employees.

NOW, THEREFORE, BE IT RESOLVED, that:

The Addendum, attached as Exhibit A, is hereby approved and the provisions of the Addendum shall be effective as stated in the Addendum.

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 1, 2022, by the following vote.

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

Gaylord Schaap
President of the Board of Directors

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

August, 2022

**Contract Addendum
Between
Sweetwater Springs Water District
And**

The Following Unrepresented Employees:

**Jack Bushgen, Field Manager
Julie Kenny, Administrative Manager
Keith McDonald, Senior Crew Supervisor**

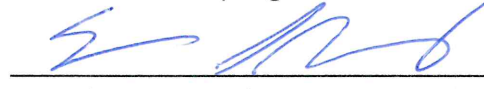
1. The Sweetwater Springs Water District (District) and the Unrepresented Employees named above agree that each of the Unrepresented Employees named above shall receive a one-time, non-pensionable lump sum bonus of two thousand five hundred dollars (\$2,500) in recognition of employees' ongoing efforts and work for the District.
2. Payment shall be made on the payday after Labor Day: September 15, 2022
3. This Addendum shall be effective upon signature of both the District and Unrepresented Employees below and approval by the District's Board of Directors.

Unrepresented Employees:

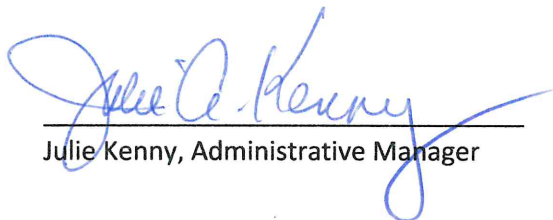


Jack Bushgen, Field Manager

For Sweetwater Springs Water District



Eric Schanz, General Manager
Date: 8/25/2022



Julie Kenny, Administrative Manager

Keith McDonald, Senior Crew Supervisor

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. V-F

FROM: Eric Schanz, General Manager

Meeting Date: September 1, 2022

Subject: DISCUSSION/ACTION APPROVAL OF RESOLUTION 22-21 APPROVING AMENDMENT TO AGREEMENT FOR LEGAL SERVICES WITH MEYERS NAVE.

RECOMMENDED ACTION: Approve Resolution 22-21, Amendment 2 to the Agreement for Legal Services with Meyers Nave which changes the fee schedule for Meyers Nave services.

FISCAL IMPACT: Will increase the hourly rate for Legal Counsel Rachel Hundley's services from her current rate of \$220/hr. to \$260/hr. for the remainder of 2022 and \$285 for 2023. After 2023, rates will be adjusted annually by 3% or the CPI, whichever is greater. These rates do not include fees for other services, such as online legal research.

2022-2023 RATE SHEET

GENERAL LEGAL SERVICES		
Personnel	2022 Hourly Rate (eff. Sept. 1, 2022)	2023 Hourly Rate (eff. March. 1, 2023)
Principal	\$300	\$325
Of Counsel	\$280	\$300
Sr. Associate	\$260	\$285
Associate	\$220	\$230
Law Clerk	\$125	\$130
Paralegal	\$125	\$135

DISCUSSION:

The District entered into its agreement for legal services with Meyers Nave in 2006 and there has not been a change to the rate schedule since April 1, 2013. The new agreement would take effect September 1, 2022, pending approval of Resolution 22-21 by the Board.

Resolution No. 22-21

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT APPROVING AMENDMENT NO. 2 TO THE AGREEMENT FOR LEGAL SERVICES DATED OCTOBER 1, 2006, BETWEEN THE SWEETWATER SPRINGS WATER DISTRICT AND MEYERS NAVE, A PROFESSIONAL CORPORATION.

WHEREAS, the Sweetwater Springs Water District ("District") entered into an Agreement in 2006 ("Original Agreement") with Meyers Nave to provide legal services for the District; and

WHEREAS, there has been one rate change in 2013 to the Meyers Nave fee structure since that time; and

WHEREAS, Meyers Nave has requested that the District approve the fee schedule attached as Attachment 1 to the proposed Second Amendment; and

WHEREAS, the Board of Directors desires to amend the Agreement with Meyers Nave in the manner described herein and as further described in Exhibit A attached.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Sweetwater Springs Water District, Sonoma County, California, that:

1. Amendment No. 2 to the Original Agreement is approved (Exhibit A).
2. All other terms of the Original Agreement, except as otherwise set forth in Amendment No. 2 shall remain the same.

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 1, 2022, by the following vote:

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

Gaylord Schaap
President of the Board of Directors

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

Exhibit A

**AMENDMENT TO THE
AGREEMENT FOR LEGAL SERVICES BETWEEN
SWEETWATER SPRINGS WATER DISTRICT
AND MEYERS NAVE**

This Second Amendment ("Second Amendment") to the Agreement for Legal Services dated October 1, 2006, as amended by the First Amendment dated April 1, 2013 ("Agreement"), is made and entered into this ___ day of September, 2022 by and between the Sweetwater Springs Water District, ("District") and Meyers Nave, a professional corporation, and is effective as of the commencement date of this Amendment.

RECITALS

WHEREAS, on October 1, 2006, the Sweetwater Springs Water District and Meyers Nave Riback Silver & Wilson, now known as Meyers Nave (collectively, the "Parties"), entered into the Agreement; and

WHEREAS, on April 2013, the Parties amended the Agreement by the First Amendment to revise the fee schedule for legal services; and

WHEREAS, the Parties wish to amend the Agreement to revise the fee schedule and make other such changes as described herein.

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

1. Name Change. Effective January 8, 2021, Meyers Nave changed its name from Meyers, Nave, Riback, Silver & Wilson, a professional corporation, to Meyers Nave, a professional corporation. Effective January 8, 2021, all references to "Meyers, Nave, Riback, Silver & Wilson" and "MNRSW" are hereby amended to read, respectively, "Meyers Nave" and "MN."

2. Attachment 1 to the Agreement is hereby amended by deleting the existing Attachment 1 entitled "Fee Schedule" in its entirety and replacing it with the Attachment 1 attached to this Second Amendment.

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

MEYERS NAVE

By: _____
Gaylord Schaap
Board President

By: _____
Richard Pio Roda

ATTACHMENT 1

MEYERS, NAVE

2022-2023 RATE SHEET

GENERAL LEGAL SERVICES		
Personnel	2022 Hourly Rate (eff. Sept. 1, 2022)	2023 Hourly Rate (eff. March. 1, 2023)
Principal	\$300	\$325
Of Counsel	\$280	\$300
Sr. Associate	\$260	\$285
Associate	\$220	\$230
Law Clerk	\$125	\$130
Paralegal	\$125	\$135

Beginning January 1, 2024, the rates will be adjusted every January 1 by the greater of 3% or the relevant local CPI increase over the prior 12 month period, rounded to the nearest \$5.

Specialized services, including litigation, eminent domain, and labor & employment advice shall be compensated at the Meyers nave then-current standard public agency rates for the applicable practice.

District shall reimburse Meyers Nave for customary costs and disbursements, including deposition and witness fees, court costs, telephone, photocopying, facsimile charges, computer research on-line fees and messenger services. Meyers nave shall bill District at least on a monthly basis, and District agrees to pay Meyers Nave within 30 days of such bill or statement.

Notwithstanding anything to the contrary in this Agreement, the District shall have the right to retain counsel other than Meyers Nave in particular matters.

SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors

AGENDA NO. VI

FROM: Eric Schanz, General Manager

Meeting Date: September 1, 2022

Subject: GENERAL MANAGER'S REPORT

RECOMMENDED ACTION: Receive report from the General Manager.

FISCAL IMPACT: None

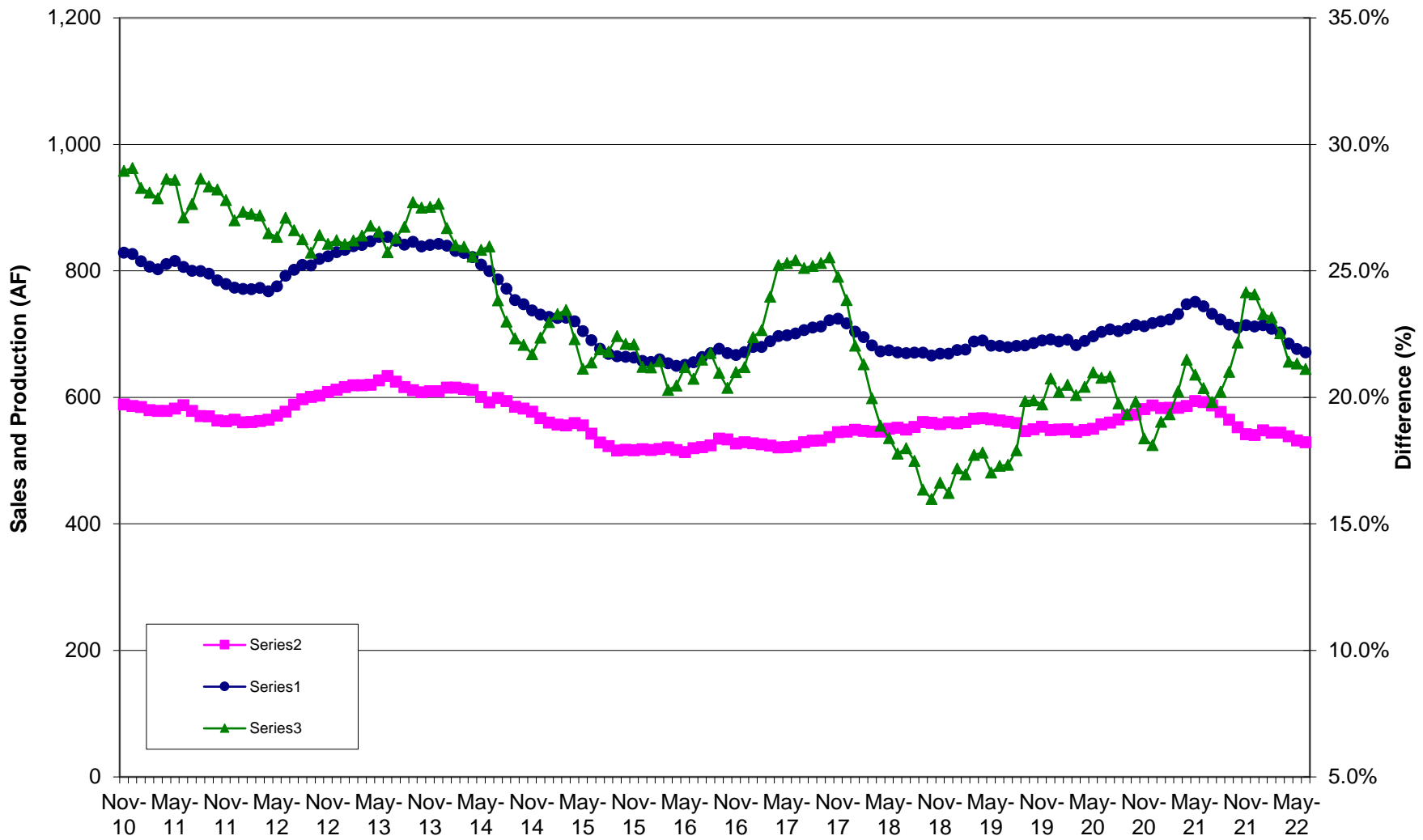
DISCUSSION:

- 1. Laboratory Testing/ Regulatory Compliance:** Water quality tests confirm that all SSWD water meets all known State and Federal water quality standards.
- 2. Water Production and Sales:** Water sales in July were 20,306 units (19 AF Monte Rio cycle). Compared to this time last year water sales were higher, and production was higher (Sales 49.49 and Production 19,92 AF Monte Rio). Total combined water production for July was 72.09 AF. Compared to previous years water production is in normal range for the month.
- 3. Leaks:** Water main breaks and service breaks continue to trend down (Figure2) for July and can be attributed to Capital Projects. There were a total of two watermain leak repairs in July requiring ten work hours total, and six service leaks requiring eighty-six work hours total.
- 4. In-House Construction Projects:** Monte Rio, Main Street, raised fire hydrant valve and main line valve boxes after county road paving overlay (8/13/2022). Project required a total of 69 manhours to complete.
- 5. CIP 20-21 Old River Road/Woodland Drive:** Piazza Construction is finishing up mainline Installation on Woodland Drive.
- 6. Grants: CAL OES/FEMA Grant:** This grant is for Covid testing and testing supplies is in final FEMA approval process for payment.
- 7. Curtailments Update:** The Division of Water Rights has added our License A024929 to the list of curtailments on the lower Russian River. The districts two Pre-1914 Water Rights

S009054 and S009055 are not curtailed and are still in effect. The License was curtailed based on insufficient flows on the river and on the priority of the license. Fortunately, the district has the two Pre-1914 Water Rights and can continue direct diversions to meet demand. I spoke with our water rights attorney Matthew Emrick about the curtailment of the license, and he agreed that the water rights are sufficient to meet the current demand for the water system and added that if further curtailments are instated that we can file for certain exemptions to the curtailment for "Minimum Human Health and Safety".

- 8. Canyon 6 Tank Liner Installation:** Canyon 6 Tank is a 15,000-gallon redwood tank located in Rio Nido. On August 11,2022, due to the age and condition of the redwood tank a liner was installed to prevent further water loss. See Attached Project Report.
- 9. Gantt Chart:** The Gantt Chart is currently being updated for 2022-23 and will return to the Managers Report in October.

**Figure 1. Water Production and Sales 12 Month Moving Averages
Sweetwater Springs Water District Since November 2010**



**Figure 2. Sweetwater Springs Water District Main and Service Pipeline Breaks
Moving Annual Average Since September 2009**

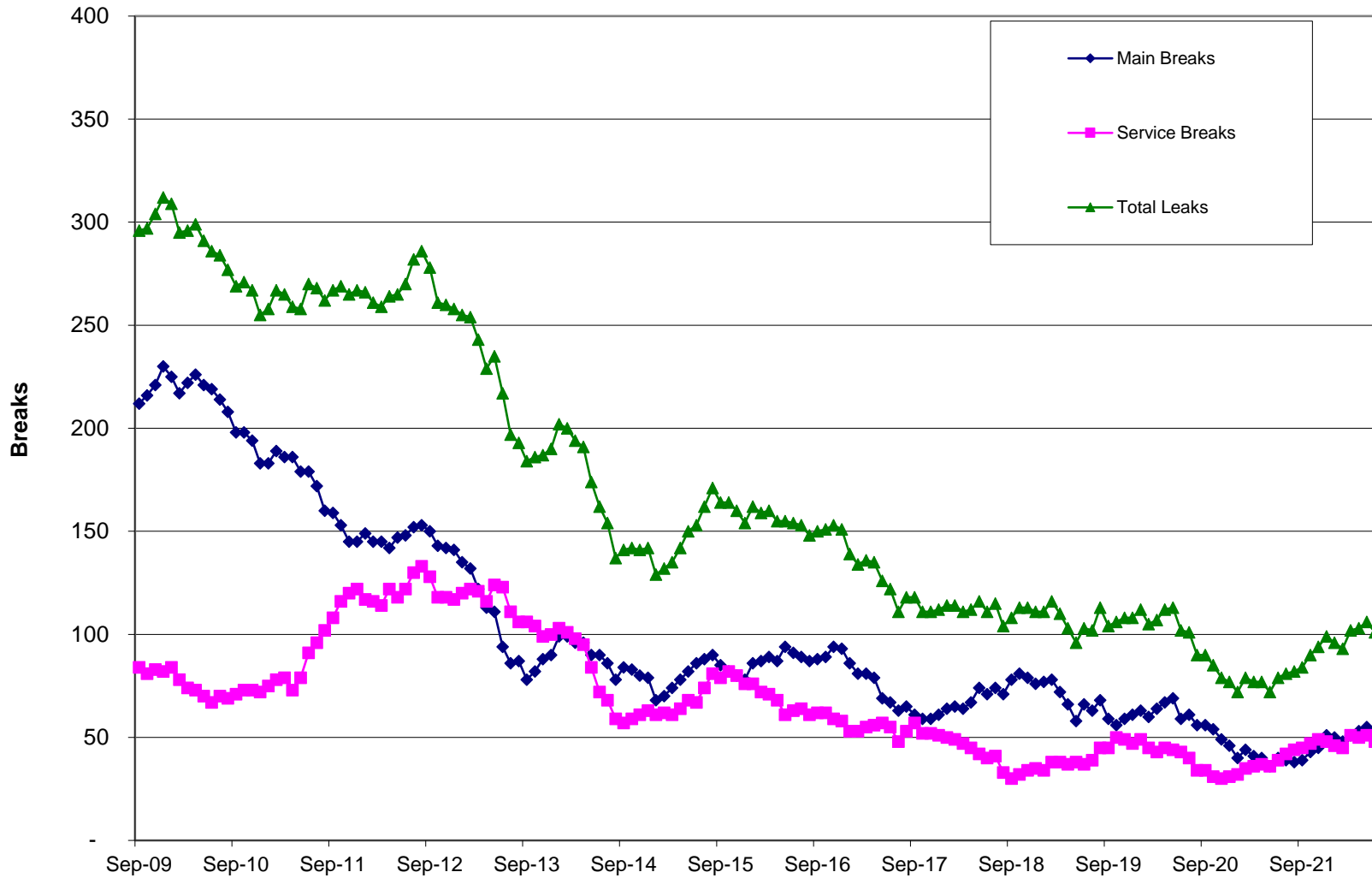
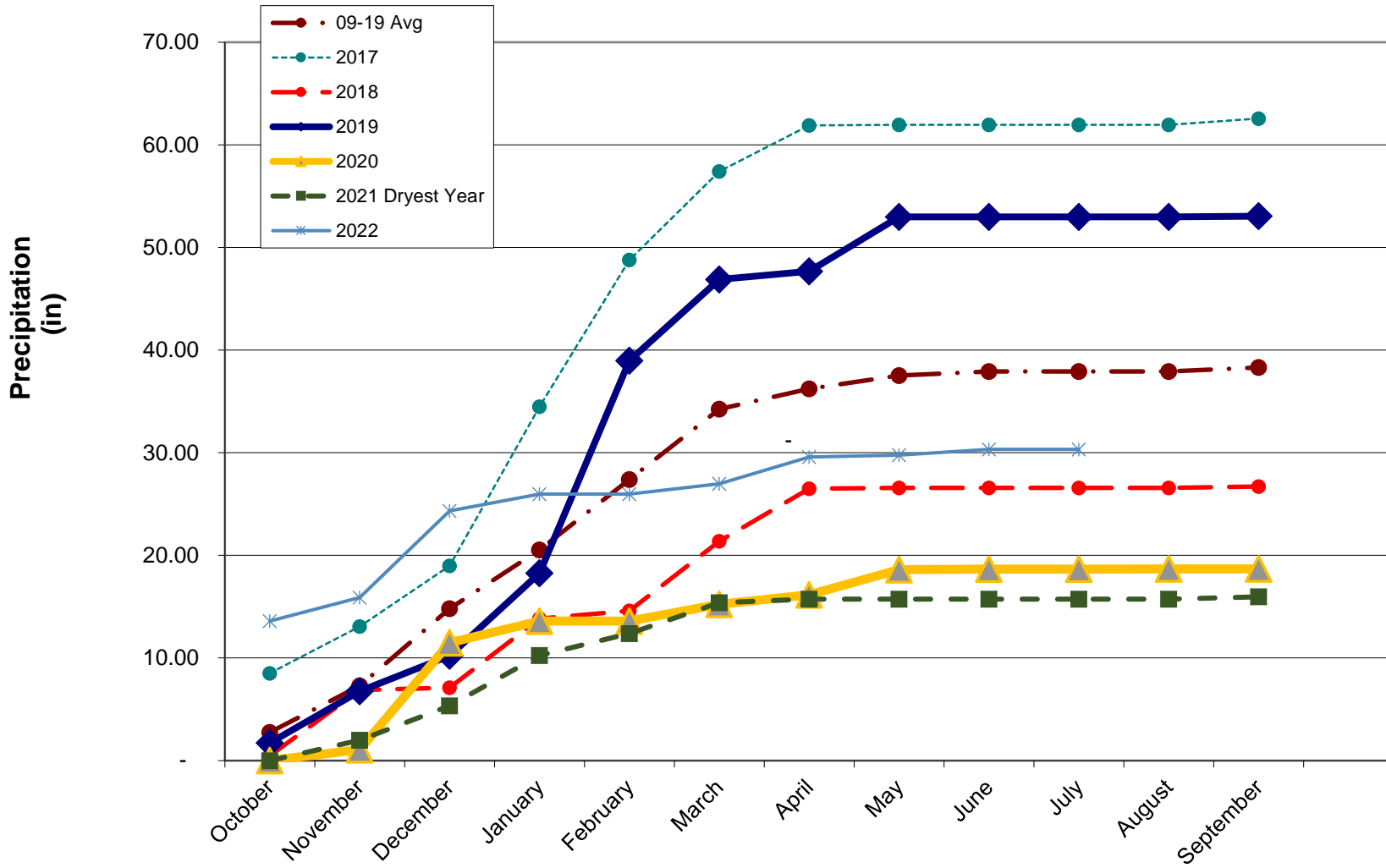
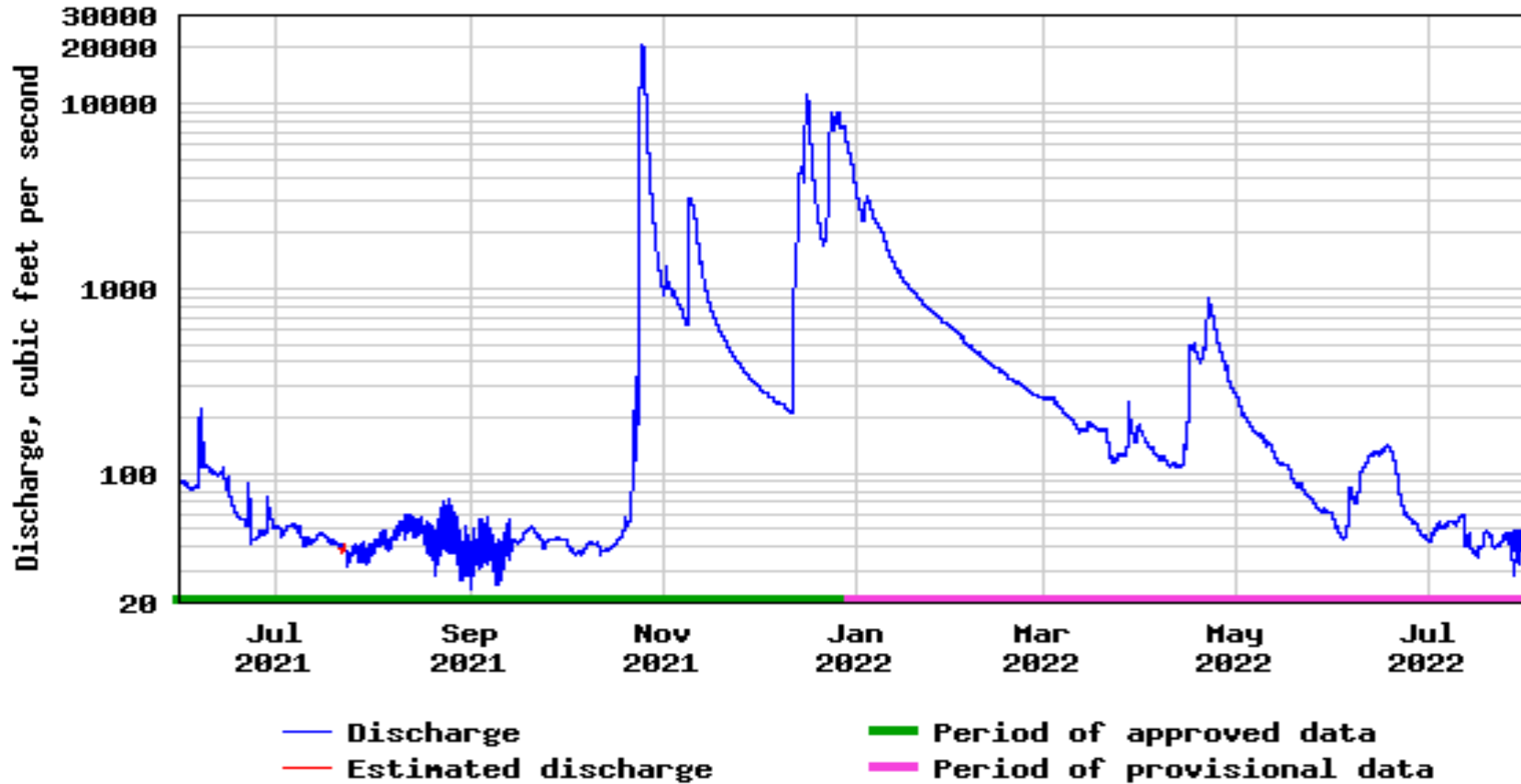


Figure 3. Guerneville Cumulative Monthly Rainfall





USGS 11467000 RUSSIAN R A HACIENDA BRIDGE NR GUERNEVILLE CA



NUMBER OF WATER UNITS SOLD

	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	22,850	25,890	22,074	16,377	19,044	19,608	20,255	19,273	22,297	21,558	20,306
AUGUST	33,190	29,163	32,208	26,070	26,811	29,485	28,325	27,419	28,582	26,302	
SEPTEMBER	29,829	26,157	24,091	21,678	22,893	24,037	25,805	24,886	27,175	22,746	
OCTOBER	33,727	31,628	27,724	24,606	29,333	29,495	32,827	27,310	30,099	24,731	
NOVEMBER	22,218	20,729	19,489	20,101	19,462	21,884	21,351	22,640	23,173	17,984	
DECEMBER	22,818	23,452	21,256	20,873	18,070	21,297	20,468	22,288	25,982	21,110	
JANUARY	16,242	16,316	11,914	12,727	13,676	14,146	15,335	12,925	15,529	15,062	
FEBRUARY	18,372	20,967	17,770	17,189	16,504	17,693	16,950	17,284	15,506	18,727	
MARCH	13,884	13,772	12,351	13,058	12,315	11,657	12,653	12,827	12,846	11,236	
APRIL	17,914	17,053	16,636	17,748	16,809	16,279	18,547	16,886	17,038	17,024	
MAY	15,075	14,514	16,120	14,217	13,083	13,011	13,319	14,602	15,866	13,375	
JUNE	26,850	22,092	20,436	19,020	19,198	21,220	20,612	21,453	24,720	21,975	

Sweetwater Springs Water District- Canyon 6 Tank

Sweetwater Springs Water District
PO Box 48
Guerneville, CA 95446

PROJECT PICTURES
TANK LINER INSTALLATION



BY
NEW WORLD MFG., INC.
P O BOX 248, 27627 DUTCHER CREEK RD
CLOVERDALE CA 95425
1-800-523-8853

This is a true and correct depiction of the tank liner installation for Sweetwater Springs Water District.

Compiled by Stephanie N. Burton

Approved by Installation Supervisor David J. Moore

date

8-17-22

date

8-17-22

Sweetwater Springs Water District- Canyon 6 Tank

Description of tanks

- 15,314 gallon wood water tank
- 13' 8½" inside diameter, 14' outside diameter
- 13' 9¼" inside height, 13' 11½" outside height
- 43' 11½" outside circumference
- 20" X 20" size of entrance
- Flat roof
- Stave thickness 1¾"

Description of Plumbing

- 2" pipe inlet
- 2" pipe overflow
- 2" tank nipple outlet
- 4" flange drain/test outlet



2" pipe inlet & overflow



2" pipe outlet



4" flange outlet/test port

Sweetwater Springs Water District- Canyon 6 Tank

Tank Preparation

Upon arrival a small amount of remaining water and sediment we removed from the tank. The inner flange and the 2" outlet were removed. Geo-textile underlayment (Submittal No. 12 & 13) was then hung in sectioned panels and nailed into place, along the top perimeter of the tank. Underlayment was removed from around each piece of wall plumbing.



**Note: this picture was not taken inside the Canyon 6 water tank. It is from a prior installation job and is shown here to depict the temporary tacking of geo-textile underlayment in the installation process.*

Liner Installation

The tank liner was manufactured in two sections to make it easier for the installers to handle during installation. The wall panel measured 45' long x 9'2" high and weighed 144 lbs. The floor section weighed 128 lbs. All pre-welded panels were fabricated at New World Mfg. Inc.'s factory in Cloverdale, CA.



D. Moore, T. Moore & J. Burton hanging the wall panel.

The CSPE (Submittal No. 8) wall panel was pulled into place using a series of pulleys and temporarily tacked up using stainless steel ring shank nails.

Sweetwater Springs Water District- Canyon 6 Tank

The CSPE floor panel was then laid into place. In preparation for wedge welding, spring clamps were used to temporarily attach the floor panel to the wall panel. Two welds were needed to complete the liner; one up the wall, connecting the wall panel and one around the circumference of the tank, connecting the floor and wall panels.



Wall panel and floor panel spring clamped together.



D. Moore & T. Moore wedge welding the wall panel together.

Welding the liner together was the next step. When welding the wall panel together, the first two installers begin the weld and guide the welder up the lower section of wall, while the other two adjust the material as needed and finish the weld on the upper portion of the wall.

Next the wall panel and floor panel were wedge welded together around the circumference of the tank.



D. Moore & J. Burton hanging stainless steel bar.

When the welding was completed the liner was permanently secured using stainless steel ring shank nails and a series of stainless steel bars which were attached at the top of the liner, around the circumference of the tank.

Sweetwater Springs Water District- Canyon 6 Tank

The plumbing was the next task to be completed. The 4" flange was abandoned and a 1" hole was drilled for a new drain/test line. A 1" tank nipple kit was installed which is composed of a galvanized steel nipple, two Neoprene (Submittal No. 15) rubber washers, three galvanized hard washers and two galvanized nuts. A copper elbow was installed to aid in draining the tank. The pipe nipple for the 2" overflow was not replaced but the remaining components of the tank nipple kit were installed.



Pictured is the 2" outlet and 1" drain/test line.



Pictured is the 2" overflow and inlet.

The 2" outlet was replaced with a new tank nipple kit. All the plumbing was given a coating of Rector Seal (Submittal No. 17) to ensure a water tight seal was formed.

A small amount of gluing was done using liquid CSPE (Submittal No. 10), a hot air gun and a silicon rubber roller. CSPE welding solution was used to provide a homogeneous material bond when joining two pieces of CSPE membrane. It is used whenever bonding cannot be made with wedge welding equipment such as at the end of a wedge welded seam, making a repair, bonding a shroud to the liner, etc. A shroud kit was installed on the 2" inlet. The shroud was heat

welded around the pipe and then a gasket and stainless steel hose clamp were installed to create a water tight seal.

Once finished, all equipment was removed from the tank and the liner was disinfected using a bleach solution (Submittal No. 18).

Sweetwater Springs Water District- Canyon 6 Tank



Pictured is the completed liner.