



# BOARD OF DIRECTORS MEETING AGENDA

**February 4, 2021 Regular Meeting  
6:30 p.m.**

Meeting link:

<https://sweetwaterspringswaterdistrict.my.webex.com/sweetwaterspringswaterdistrict.my/j.php?MTID=medc6da13468b0955d510dee2e8b82359>

Meeting number: 126 505 7744

Password: RivW5K3TjM7

OR

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

Access code: 126 505 7744

Password: 74895538

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

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

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

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

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

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

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

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

- A. Approval of the Minutes of the January 7, 2021 Board Meeting
- B. Approval of Operations Warrants/Online payments/EFT payments
- C. Receipt of Item(s) of Correspondence. *Please 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. Discussion/Action re FY 2020-21 2nd Quarter Actual vs. Budgeted (Operations and Capital) Report thru December 31, 2020 *(Est. time 10 min.)*
- B. Discussion/Action re Discussion re Piazza Construction contract for Emergency Work to Remove Debris from the Mt. Jackson Site update *(Est. time 10 min.)*
- C. Discussion/Action re CIP FY 2020-21 and Community Development Block Grant (CDBG) Funding Status update. *(Est. time 15 min.)*
- D. Discussion/Action re Approval of Res 21-02 Re Adopting the FY 2020-21 thru FY 2025-26 Capital Improvement Program *(Est time 15 min.)*
- E. Discussion/Action re FY 2020-21 Budget *(Est. time 15 min.)*
- F. Discussion/Action re Local Hazard Mitigation Plan Update/Timeline *(Est. time 10 min.)*

VI. GENERAL MANAGER'S REPORT

VII. BOARD MEMBERS' ANNOUNCEMENTS

VIII. ITEMS FOR NEXT AGENDA

IX. CLOSED SESSION

- A. Conference with Legal Counsel – Significant exposure to litigation pursuant to subdivision (d)(2) and (e)(4) of Section 54956.9 regarding 17448 River Lane property (one case)

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
- Guerneville Park
- Villa Grande
- Monte Rio

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

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

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

**GOAL 4: DEVELOP AND MAINTAIN A QUALITY WORKFORCE**

**GOAL 5: PROVIDE EXCELLENT PUBLIC OUTREACH, INFORMATION AND EDUCATION**

**GOAL 6: ENHANCE BOARD COMMUNICATIONS AND INFORMATION**



## BOARD MEETING MINUTES\*

Meeting Date: January 7, 2021

(\*In order discussed)

January 7, 2021  
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:**

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

**Others in Attendance:**

Rachel Hundley, Legal Counsel  
Michael Celentano, Auditor  
Mark O'Flynn

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

The properly agendized meeting was called to Order by President Holmer at 6:30 p.m.

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

(None.)

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

President Robb-Wilder reviewed the items on the Consent Calendar. Director Holmer moved to approve the Consent Calendar. Director Lipinski seconded. Motion carried 5-0. following items were approved:

- A. Approval of the Minutes of the December 7, 2020 Board Meeting and the December 10, 2020 Special Board Meeting
- B. Approval of Operations Warrants/Online payments/EFT payments.
- C. Correspondence (None).

#### IV. PUBLIC COMMENT (6:34 p.m.)

(None.)

#### V. ADMINISTRATIVE (6:35 p.m.) \*

*\*in the order discussed*

**V-A. (6:35 p.m.) Discussion/Action re Resolution 21-01, Accepting the Audit for the Fiscal Year Ending June 30, 2020.** The GM provided an overview of this item. Discussion ensued. Director Schaap noted a correction on p. 7, Section IV of the Audit as follows:

The column titled "PRINCIPAL OWED FYE 2019" was corrected to be "PRINCIPAL OWED FYE 2020".

Director Holmer moved to approve Resolution 21-01, Accepting the Audit for the Fiscal Year Ending June 30, 2020 as corrected. Director Lipinski seconded. Motion carried 5-0.

**V-B. (6:39 p.m.) Discussion/Action re Resolution 20-24 re FEMA Grant Applications for the Walbridge Fire Damage.** The GM provided an overview of this item. Discussion ensued. No action was taken.

**V-C. (6:45 p.m.) Discussion/Action re Discussion re FY 2021-22 Budget process.** The GM provided an overview of this item. Discussion ensued. Director Lipinski volunteered to serve on the 2021-22 Budget Committee. Director Robb-Wilder also appointed Director Spillane to serve on the 2021-22 Budget Committee.

**V-D. (6:59 p.m.) Discussion/Action re Draft FY 2022-27 Capital Improvement Program.** The GM provided an overview of this item. Discussion ensued. No action was taken.

**V-E. (7:55 p.m.) Discussion/Action re CIP 2021 update.** The GM provided an overview of this item. Discussion ensued. No action was taken.

**V-F. (8:11 p.m.) Discussion/Action re Local Hazard Mitigation Plan Update/Timeline.** The GM provided an overview of this item. Discussion ensued. No action was taken.

**V-G. (8:17 p.m.) Discussion/Action re 17448 River Lane property sale.** The GM provided an overview of this item. Board discussion ensued. Public comment was made by Mark O'Flynn. Direction was given to staff to look into the possibility that the zoning will be changed on the property and whether a survey was done that would affect the property and whether that survey was done erroneously.

**\*\* At 8:43 p.m. the Board took a break. The meeting reconvened at 8:50 p.m.**

#### VI. GENERAL MANAGER'S REPORT (8:50 p.m.)

The GM provided a report on the following items:

1. Laboratory testing
2. Water production and sales
3. Leaks
4. Guerneville rainfall
5. In-House Construction Projects
6. Watershed Recovery Task Force
7. Monte Rio Recreation and Parks District Trail

8. Lower Russian River Community Advisory Group Governance Meeting
9. Guernwood Park Resort update
10. Grants Update
11. Property Tax Lien Policy Change
12. Gantt Chart
13. Covid update
14. Economic Impact of No Disconnects for Non-payment

Discussion ensued.

VII. BOARD MEMBERS' ANNOUNCEMENTS/COMMENTS  
(9:07 p.m.)

None.

VIII. ITEMS FOR THE NEXT AGENDA (9:07 p.m.)

1. Actual vs. Budgeted – 2Q
2. 5-year Capital Improvement Program
3. FY 2020-21 CIP update
4. Closed Session – Potential litigation
5. LHMP update

IX. CLOSED SESSION

(No items.)

ADJOURN

The meeting adjourned at 9:14 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. A**

**FROM:** Ed Fortner, General Manager

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**Meeting Date: February 4, 2021**

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

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**RECOMMENDED ACTION:**  
(Discussion item only.)

**FISCAL IMPACT:**  
(None.)

## **DISCUSSION:**

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

### **Operating Budget:**

#### **2Q Revenue is greater than 50% of budgeted amount.**

Water Sales, the largest revenue line item, came in at 1.89% ahead of the 50% schedule. This is better than last quarter but comparing revenues to last year at this time staff believes that's still lower than it should be. That is to say, our Water Sales revenues thru the 2Q are 4.3% higher than last year's revenues thru the 2Q – great! – but shouldn't they be even higher considering we raised rates by 5% and sold 9% more water?

Theories on why this might be include (1) invalid assumptions from the rate restructure, (2) some lag in water sales receipts due to the pandemic, and (3) a growing misalignment of water billings to cash receipts due to the increasing popularity of our Autopay Program. (Customers in the Autopay Program all pay in the month following the billing date.) Staff is leaning towards the third possibility, which would mean the numbers will continue to align better as the year progresses.

Overall revenues are 9.6% (\$349,062) more than budgeted, skewed favorably by the receipt of \$500,000 in policy reserve proceeds used to pay down District UL. All revenue line items are ahead of budgeted amounts except for interest earnings.



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

As of the 2Q expenditures are 13.4% (\$370,269) more than budgeted. As was discussed last quarter, three large operating expenses were paid in the 2Q. These large line items paid as a lump sum skewed results favorably in the 1Q and unfavorably in the 2Q:

- (1) \$500,000 UL extra payment;
- (2) \$44,049 for a new truck;
- (3) \$135,000 Policy Reserve loan payment

The unfavorable impact of larger expenses paid in full including the ones noted above and others which are paid at the beginning of the year – such as insurance -- will diminish as the fiscal year draws to a close.

The only expense of note this quarter is the budgeted purchase of a new copier (\$6,170).

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

**Capital Budget:**

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

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

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

**FUNDS AT THE COUNTY**

Attached is the County Fund Balances for the second Quarter. Fund and Loan Balances show a comparison of the budgeted and 1st Quarter balances. Also attached is the County Fund Balances for the 1st Quarter. County Fund Balances include the funds at PARS and CERBT. At the end of the quarter, Total District Reserves were \$2,316,368 and Reserves Above Policy were \$1,778,707.

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

## Sweetwater Springs Water District

### FY 2020-21 Operating Budget Variances as of December 31, 2020 (50%)

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

	FY 2020-21 Actual	2020-21 Budget	\$ Over Budget for the Year	% of Budget	Notes (Underlined notes reflect changes since last report)	*= Ch ged
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
<b>OPERATING REVENUE</b>						
4031 - Water Sales						
4031.10 - Base Rate	850,291	1,728,369	-878,078	49.2%		
4031.11 - Current Charges	418,673	700,541	-281,868	59.76%		
4031.12 - Capital Debt Reduction Charge	155,784	316,573	-160,789	49.21%		
<b>Total 4031 - Water Sales</b>	<u>1,424,748</u>	<u>2,745,483</u>	<u>-1,320,735</u>	<u>51.89%</u>	This is a cash water sales figure.	
<b>Total OPERATING REVENUE</b>	<u>1,424,748</u>	<u>2,745,483</u>	<u>-1,320,735</u>	<u>51.89%</u>		
<b>NON-OPERATING REVENUE</b>						
1700 - Interest	3,416	16,000	-12,584	21.35%		
4448 - Policy Reserve Loan Proceeds	500,000	500,000	0	100.0%		
3600 - Construction New Services	16,793	7,000	9,793	239.9%	This line item was underbudgeted this year.	
3601 - Construction - Service Upgrades	8,916	3,000	5,916	297.21%	<u>This line item was underbudgeted this year.</u>	*
4032 - Rent	62,217	110,810	-48,593	56.15%		
4040 - Miscellaneous Income	1,063	1,500	-437	70.88%		
<b>Total NON-OPERATING REVENUE</b>	<u>592,406</u>	<u>638,310</u>	<u>-45,904</u>	<u>92.81%</u>		
<b>Total Income</b>	<u>2,017,154</u>	<u>3,383,793</u>	<u>-1,366,639</u>	<u>59.61%</u>		
<b>Expense</b>						
<b>OPERATING EXPENSES</b>						
<b>SALARY &amp; BENEFITS</b>						
<b>Salary</b>						
5910 - Wages	413,100	835,000	-421,900	49.47%		
5912 - Overtime	24,217	37,000	-12,783	65.45%		
5916 - On-Call Pay	19,815	37,000	-17,185	53.56%		
5918 - Extra help - Contract	18,565	36,000	-17,435	51.57%		
<b>Total Salary</b>	<u>475,696</u>	<u>945,000</u>	<u>-469,304</u>	<u>50.34%</u>		
<b>Benefits</b>						
5500 - Flex Spending (Flex spending monies)	-846	0	-846	100.0%		
5920 - Retirement net employee share	33,507	87,000	-53,493	38.51%	<u>This line item was overbudgeted this year.</u>	*
5920.4 - Retirement - UL Mandatory	34,552	34,854	-302	99.13%	In the 1Q, the mandatory UL payment was paid for the year.	
5920.5 - Retirement - UL Extra payment	500,000	500,000	0	100.0%		
5922 - Payroll Taxes - Employer Paid	6,476	16,000	-9,524	40.48%		
5930 - Health/Dental/Vision/AFLAC Ins.	118,479	240,000	-121,521	49.37%	In the 1Q, Health ins. Pd thru October.	
5931 - Retiree Health	6,753	9,800	-3,047	68.91%	In the 1Q, annual contribution to CERBT (\$3,000) made.	
5941 - Life insurance - GM	0	1,000	-1,000	0.0%		
5940 - Workers Comp Insurance	20,508	38,000	-17,492	53.97%	In the 1Q, workers' compensation insurance was paid for the year. This item was overbudgeted this year.	
<b>Total Benefits</b>	<u>719,429</u>	<u>926,654</u>	<u>-207,225</u>	<u>77.64%</u>		
<b>Total SALARY &amp; BENEFITS</b>	<u>1,195,125</u>	<u>1,871,654</u>	<u>-676,529</u>	<u>63.85%</u>		
<b>SERVICES &amp; SUPPLIES</b>						
<b>Communications</b>						
6040-I - Internet service	1,691	2,700	-1,009	62.63%		
6040-C - Cell Phones	2,130	4,600	-2,470	46.31%		
6040-P - Pagers & Radios	106	200	-94	53.16%		

**Sweetwater Springs Water District**  
**FY 2020-21 Operating Budget Variances as of December 31, 2020 (50%)**

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

	<b>FY 2020-21 Actual</b>	<b>2020-21 Budget</b>	<b>\$ Over Budget for the Year</b>	<b>% of Budget</b>	<b>Notes (Underlined notes reflect changes since last report)</b>	<b>*=Ch ged</b>
6040-T · Telephones	11,584	24,000	-12,416	48.27%	-	
<b>Total Communications</b>	<b>15,511</b>	<b>31,500</b>	<b>-15,989</b>	<b>49.24%</b>		
<b>Insurances</b>						
6101 · Gen. Liability	64,397	46,000	18,397	139.99%	In the 1Q, paid for the year. Underbudgeted this year.	
<b>Total Insurances</b>	<b>64,397</b>	<b>46,000</b>	<b>18,397</b>	<b>139.99%</b>		
<b>Maint/Rep - Office &amp; Vehicles</b>						
6140 · Vehicle Maintenance	8,922	21,000	-12,078	42.49%	-	
6151 · Office Maintenance	2,980	6,000	-3,020	49.66%		
<b>Total Maint/Rep - Office &amp; Vehicles</b>	<b>11,902</b>	<b>27,000</b>	<b>-15,098</b>	<b>44.08%</b>		
<b>Maint/Repair - Facilities</b>						
6085 · Janitorial Services	2,636	9,000	-6,364	29.29%		
6100 · SCADA system	1,313	5,000	-3,687	26.26%		
6180 · Distribution System Repairs	13,372	50,000	-36,628	26.74%	-	
6235 · Treatment Sys/Well Repairs	10,582	75,000	-64,418	14.11%		
6143 · Generator Maintenance	1,800	4,000	-2,200	45.01%		
<b>Total Maint/Repair - Facilities</b>	<b>29,704</b>	<b>143,000</b>	<b>-113,296</b>	<b>20.77%</b>		
<b>Miscellaneous Expenses</b>						
6280 · Memberships	8,334	11,000	-2,666	75.76%		
6303 · Claims	0	1,500	-1,500	0.0%		
6593 · Governmental Fees	17,297	19,000	-1,703	91.04%		
<b>Total Miscellaneous Expenses</b>	<b>25,631</b>	<b>31,500</b>	<b>-5,869</b>	<b>81.37%</b>		
<b>Office Expense</b>						
6410 · Postage	9,264	19,000	-9,736	48.76%		
6430 · Printing Expense	4,367	8,000	-3,633	54.59%	-	
6461 · Office Supplies	2,960	6,000	-3,040	49.33%	-	
6800 · Subscriptions/Legal Notices	1,005	1,100	-95	91.4%		
6890 · Computers/Software	3,407	2,500	907	136.28%	In the 1Q the District purchased laptops and VPN equipment to prepare for the possibility of working at home during Covid. (\$2,644). These expenses were not budgeted.	*
<b>Total Office Expense</b>	<b>21,003</b>	<b>36,600</b>	<b>-15,597</b>	<b>57.39%</b>		
<b>Operating Supplies</b>						
6300 · Chemicals	4,008	20,000	-15,992	20.04%	-	
6880 · Tools and Equipment	2,821	7,000	-4,179	40.3%		
6881 · Safety Equipment	41	2,000	-1,959	2.04%		
<b>Total Operating Supplies</b>	<b>6,870</b>	<b>29,000</b>	<b>-22,130</b>	<b>23.69%</b>		
<b>Professional Services</b>						
6514 · Lab/Testing Fees	4,972	12,500	-7,528	39.77%		
6570 · Consultant Fees	40,123	52,000	-11,877	77.16%		
6590 · Engineering	1,290	0	1,290	100.0%	In the 2Q, the District contracted with Coastland for task-related engineering services.	*
6610 · Legal	6,541	30,000	-23,459	21.8%		
6630 · Audit/Accounting	20,814	35,000	-14,186	59.47%		
<b>Total Professional Services</b>	<b>73,740</b>	<b>129,500</b>	<b>-55,760</b>	<b>56.94%</b>		

## Sweetwater Springs Water District

### FY 2020-21 Operating Budget Variances as of December 31, 2020 (50%)

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

	FY 2020-21 Actual	2020-21 Budget	\$ Over Budget for the Year	% of Budget	Notes (Underlined notes reflect changes since last report)	*= Ch ged
<b>Rents &amp; Leases</b>						
7913 · Policy Reserve Loan	135,000	135,000	0	100.0%		
6820 · Equipment	606	3,300	-2,694	18.36%		
6840 · Building & Warehouse	18,120	32,000	-13,880	56.63%	1Q Bldg. rent paid thru October.	
<b>Total Rents &amp; Leases</b>	<b>153,726</b>	<b>170,300</b>	<b>-16,574</b>	<b>90.27%</b>		
<b>Transportation &amp; Travel</b>						
7120 · Seminars & related travel	925	5,000	-4,075	18.5%		
7201 · Vehicle Gas	11,448	24,000	-12,552	47.7%		
7300 · Travel Reimbursements	3,259	7,000	-3,741	46.55%		
<b>Total Transportation &amp; Travel</b>	<b>15,632</b>	<b>36,000</b>	<b>-20,368</b>	<b>43.42%</b>		
<b>Uniforms</b>						
6021.1 · Boots	930	1,500	-570	62.0%		
6021.3 · T-shirts	1,597	1,800	-204	88.69%	In the 1Q, t-shirts were purchased for the year.	
6021.4 · Jackets	93	240	-147	38.61%		
<b>Total Uniforms</b>	<b>2,619</b>	<b>3,540</b>	<b>-921</b>	<b>73.99%</b>		
<b>Utilities</b>						
7320 · Electricity	69,441	115,000	-45,559	60.38%		
7321 · Propane	559	3,000	-2,441	18.63%		
<b>Total Utilities</b>	<b>70,000</b>	<b>118,000</b>	<b>-48,000</b>	<b>59.32%</b>		
<b>Total SERVICES &amp; SUPPLIES</b>	<b>490,734</b>	<b>801,940</b>	<b>-311,206</b>	<b>61.19%</b>		
<b>Total OPERATING EXPENSES</b>	<b>1,685,859</b>	<b>2,673,594</b>	<b>-987,735</b>	<b>63.06%</b>		
<b>FIXED ASSET EXPENDITURES</b>						
8511.1 · Tank/Facilities Sites	12,737	24,000	-11,263	53.07%		
8511.2 - Leasehold Improvements	0	0	0	0.0%		
8517 · Field/office equipment	6,170	9,500	-3,330	64.95%	In the 2Q the District purchased a (budgeted) color copier (\$6,170)	*
8573 · Vehicles	44,049	50,000	-5,951	88.1%		
<b>Total FIXED ASSET EXPENDITURES</b>	<b>62,957</b>	<b>83,500</b>	<b>-20,543</b>	<b>75.4%</b>		
<b>Total Expense</b>	<b>1,748,816</b>	<b>2,757,094</b>	<b>-1,008,278</b>	<b>63.43%</b>		
<b>Net Ordinary Income</b>	<b>268,338</b>	<b>626,699</b>	<b>-358,361</b>	<b>42.82%</b>		
<b>Other Income/Expense</b>						
<b>Other Expense</b>						
<b>TRANSFERS TO OTHER FUNDS</b>						
8620.7 · Tfers to CIRF for CDR Revenue	316,573	316,573	0	100.0%		
8620.3 · Tfers to CIRF	0	270,000	-270,000	0.0%		
8620.5 · Tfers to Building Fund	0	15,000	-15,000	0.0%		
8620.2 · Tfers to In-House Constr	0	25,000	-25,000	0.0%		
<b>Total TRANSFERS TO OTHER FUNDS</b>	<b>316,573</b>	<b>626,573</b>	<b>-310,000</b>	<b>50.53%</b>		

**Sweetwater Springs Water District**  
**FY 2020-21 Capital Budget Variances as of December 31, 2020 (50%)**

	<u>Jul 20 - Sept 20</u>	<u>Budget</u>	<u>\$ Over Budget</u>	<u>% of Budget</u>	<u>Notes</u>
<b>Income</b>					
New Construction flat charges revenue	14,330.90	27,000.00	-12,669.10	53.08%	
CY Direct Charges	405,616.91	710,000.00	-304,383.09	57.13%	
PY Direct Charges	11,254.93	40,000.00	-28,745.07	28.14%	
Interest Revenue	5,008.15	25,000.00	-19,991.85	20.03%	
Tfer from Operations - CDR	316,573.00	316,573.00	0.00	100.0%	
Tfer from Operations - In House Constr.	0.00	25,000.00	-25,000.00	0.0%	
Tfer from Operations - Surplus Income	0.00	270,000.00	-270,000.00	0.0%	
<b>Total Income</b>	<u>752,783.89</u>	<u>1,413,573.00</u>	<u>-660,789.11</u>	<u>53.25%</u>	
<b>Expense</b>					
In-House Construction	21,993.39	25,000.00	-3,006.61	87.97%	
CIP 2021 (Main repl: Old River Rd; Woodland)	55,222.69	1,326,000.00	-1,270,777.31	4.17%	
Principal - State Loans	282,726.61	139,298.00	143,428.61	202.97%	
Principal Pymt -USDA Bonds	53,278.00	54,278.00	-1,000.00	98.16%	
Principal - Priv. Placemnt Loan	86,061.50	167,650.00	-81,588.50	51.33%	
Principal-2013 Cap One Rev Bond	368,000.00	368,000.00	0.00	100.0%	
Capital Interest	152,086.57	319,908.00	-167,821.43	47.54%	
<b>Total Expense</b>	<u>1,019,368.76</u>	<u>2,400,134.00</u>	<u>-1,380,765.24</u>	<u>42.47%</u>	
<b>Net Capital Income</b>	-266,584.87	-986,561.00	719,976.13	27.02%	

## Non-Operating Balances FY 2020-21 and Reserves Above Policy

Beginning balances: (Note: Warrants requested in FP 12 for last fiscal year are not subtracted from Cash until FP 1 of the next year. They are instead recorded as "Vendors Payable")												TOTAL at COUNTY ↓	GRAND TOTAL: COUNTY + USDA + PARS/CERBT	FY 2020-21 Policy Reserves: \$1,402,661  Reserve Loans Outstanding: \$365,000 (Oct. 2019) \$500,000 (Nov 2020)
NAME	CERBT (Contributions are part of Reserves)	PARS (Contributions are part of Reserves)	Operations	Bldg Fund (part of Policy Reserves)	FY 2020-21 POLICY RESERVES: \$1,402,661  (\$257,293)	In-house Construction	Capital Improvements	Guernewood Project Escrow Funds	State Loan 58340	Cap One Bonds and Citizens Bank Loan Debt	USDA Bond Debt (at WestAmerica)			POLICY RESERVES NET RESERVE LOANS: \$537,661
Fund	CONTRIBUTIONS: \$39,518	CONTRIBUTIONS: \$200,000	76751	76752	76753	76755	76756	76757	76759	76762				
Dep't			7106 0100	7106 0200	7106 0300	7106 0500	7106 0600	7106 0700	7106 0900	7106 1200				Reserves Above Policy:
FP1-Jul	\$47,203.17	\$221,675.97	\$15,691.50	\$40,850.00	\$622,991.00	\$39,096.86	\$884,672.93	\$0.00	\$147,272.38	\$622,604.65	\$149,334.66	\$2,373,179.32	\$2,791,393.12	\$1,888,732.12
FP2-Aug	\$47,203.17	\$236,316.81	\$15,691.50	\$40,850.00	\$622,991.00	\$38,738.55	\$884,672.93	\$0.00	\$147,272.38	\$115,478.23	\$149,337.19	\$1,865,694.59	\$2,298,551.76	\$1,395,890.76
FP3-Sept	\$52,881.70	\$231,619.37	\$15,691.50	\$40,850.00	\$622,991.00	\$38,738.55	\$877,819.43	\$0.00	\$73,963.37	\$182,229.44	\$85,054.97	\$1,852,283.29	\$2,221,839.33	\$1,319,178.33
FP4-Oct	\$52,881.70	\$228,921.10	\$67,758.39	\$40,850.00	\$757,991.00	\$38,738.55	\$730,910.55	\$0.00	\$214,646.84	\$182,229.44	\$85,056.36	\$2,033,124.77	\$2,399,983.93	\$1,362,322.93
FP5-Nov	\$52,881.70	\$246,276.17	\$214,758.39	\$40,850.00	\$257,991.00	\$38,738.55	\$709,447.15	\$0.00	\$0.00	\$182,229.44	\$85,057.80	\$1,444,014.53	\$1,828,230.20	\$1,290,569.20
FP6-Dec	\$58,694.23	\$253,019.12	\$23,185.39	\$40,850.00	\$257,991.00	\$17,103.47	\$1,440,505.27	\$0.00	\$0.00	\$182,229.44	\$42,789.77	\$1,961,864.57	\$2,316,367.69	\$1,778,706.69
FP7-Jan														
FP8-Feb														
FP9-Mar														
FP10-Apr														
FP11-May														
FP12-Jun														
FP 13 (FINAL)														

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

# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V-B**

**FROM:** Ed Fortner, General Manager

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**Meeting Date:** February 4, 2021

**SUBJECT:** Discussion/ Action re Contract for Debris Removal at Mt. Jackson Site with Piazza Construction

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**RECOMMENDED ACTION:** Receive report on status of Emergency Contract with Piazza Construction for the Mt. Jackson Debris Removal Project.

**FISCAL IMPACT:** \$128,735.00

**DISCUSSION:**

The Walbridge Wildfire in August of 2020 burned the Mt. Jackson site owned by the District. A portion of the site is leased to AT&T and other entities and is critical infrastructure for communications for West Sonoma County. CA DR 4558 is a Federally declared disaster with 75% up to a potential 100% reimbursement from FEMA. FEMA and CalOES have not finalized the window of completion from the start date that would qualify the project as 100%. There is the potential that the District would have to match the project cost at 25%.

The Mt. Jackson site is critical infrastructure for both the District and the County as all of West Sonoma County's radio and cellular communications towers and equipment is located at the site. This infrastructure includes County emergency personnel radio communications. The District also collects over \$8,000 a month as rental income from the communications tower lessees.

The District solicited bids for debris removal at the Mt. Jackson site.

Piazza Construction was the low bidder for constructing the project at \$128,735.00. This lowered amount is due to Cal Fire undertaking approximately 40% of the original area for debris removal. They rely on the radio tower and volunteered to clear that portion of the site at no cost to the District. Piazza Construction can respond quickly to the Mt. Jackson site location to complete debris removal.

EMERGENCY CONTRACT WITH PIAZZA CONSTRUCTION FOR DEBRIS  
REMOVAL AT MT JACKSON SITE

2

February 4, 2021

The Board approved the Piazza contract at the December 10<sup>th</sup> Special Board meeting. Unfortunately, FEMA informed me on January 12, 2021, that the District's approval to proceed (with reimbursement) with the Debris Removal work only has preliminary approval. There are five steps of approval at FEMA, and we are at step two. I informed FEMA that the District would not proceed with this project without FEMA funding fully approved. We hope to get our final approval soon. Piazza has been notified of the delay.

CalFire is proceeding with its work on the site.



# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V-C**

**FROM:** Ed Fortner, General Manager

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**Meeting Date:** February 4, 2021

**SUBJECT:** FY 2020-2021 CIP and Community Development Block Grant (CDBG) Funding Status Update

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**RECOMMENDED ACTION:** Receive status report for FY 2020-2021 CIP and CDBG funding update.

**FISCAL IMPACT:** N/A

## **DISCUSSION:**

The FY 2020-2021 CIP includes ~5,600 linear feet of 6" HDPE water main replacement along Old River Rd and Woodland Drive. The existing water mains consist of 4" and 6" galvanized pipe and has 20-25 lead goosenecks connected to the service lines. These lead materials are required to be removed as soon as possible by the State Water Resources Control Board (SWRCB). Sweetwater Springs Water District included this lead material removal in a plan submitted to the SWRCB. The removal of these lead materials will remove all known lead materials in both the Guerneville and Monte Rio systems. The galvanized lines have had numerous leaks and failures over the years and represent a bottleneck in the Guerneville system between earlier Capital upgrade projects. The grant funding for this project was based, in part, on replacing these substandard materials.

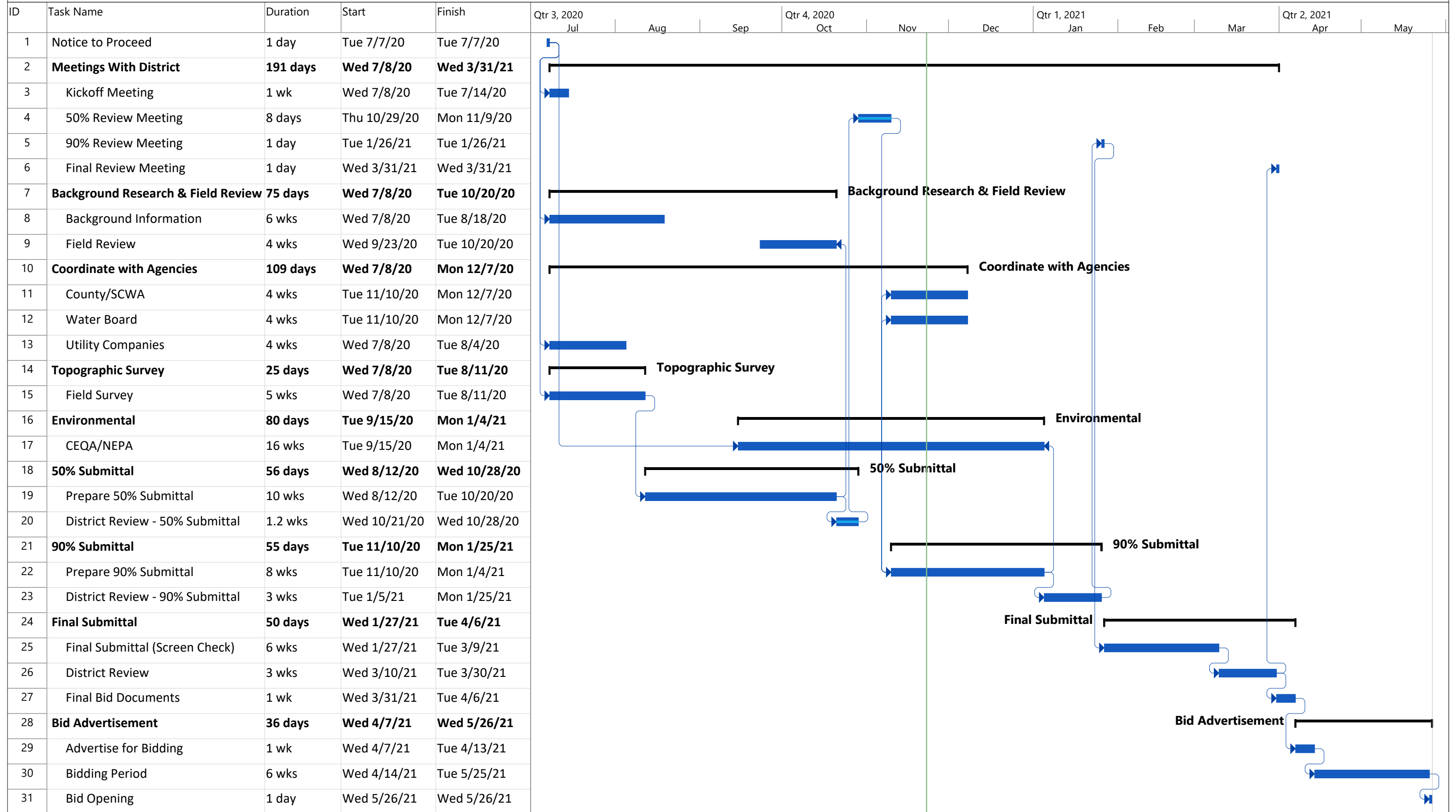
John Wanger and Steve Van Saun, from Coastland, met virtually with the Field managers and me on November 2<sup>nd</sup> to discuss the 50% design plans. Coastland submitted 90% design plans for the project in early January 2021. Staff and the Engineer should finalize the plans very soon. Coastland submitted the final Environmental Report to the District on January 26<sup>th</sup>. Attached are the updated timelines and payment schedule for the project.

The Board will need to approve the next step of advertising the project for bids in the next few months. My recommendation is to wait before bidding the project to clarify the CDBG funding.

Another potential project for FY 2020-2021 has become a priority due to Sonoma County's paving schedule. Main Street in Monte Rio is scheduled for paving for late Summer or early Fall. There is 800-100 feet of four-inch failing steel water main that

should be replaced with six-inch HDPE before the paving. This project will need to be undertaken under emergency procurement policy to complete it before the paving. Staff is currently working out the details of the project and coordinating with Piazza for quotes.

President Robb-Wilder and I met with Tina Rivera and others with the Community Development Commission Wednesday, January 20<sup>th</sup>, and again on January 28<sup>th</sup>. We now have received the grant agreement and have clarity on the grant draw processes for the \$115,920.00 the District was granted in mid-2020. The District has incurred approximately \$90,000.00 in expenses to date on the FY 2020-2021 CIP design and planning. We intend to submit a grant draw request for this amount right away. We are now proceeding with the re-submittal of the construction phase of the CDBG application.



**Sweetwater Springs Water District  
2021 CIP  
Anticipated Monthly Expenditure**

	2020						2021	
	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.
<b>Task</b>								
Meetings with District		\$ 1,420.00		\$ 1,420.00		\$ 1,420.00	\$ 1,420.00	
Background Information	\$ 240.00	\$ 1,668.00	\$ 2,862.00					
Coordinate with Agencies	\$ 1,240.00			\$ 3,680.00	\$ 4,920.00			
Topographical Survey	\$ 21,965.00	\$ 14,647.00						
Environmental	\$ 120.00	\$ 1,258.10	\$ 2,756.20	\$ 11,024.80	\$ 12,401.90			
50% PS&E		\$ 3,360.00	\$ 15,680.00	\$ 3,360.00				
90% PS&E				\$ 876.75	\$ 16,658.25			
Final PS&E						\$ 12,375.00		
Bid Support							TBD	TBD
Direct Costs				\$ 592.33	\$ 592.33	\$ 592.33		
<b>Monthly Expenditure</b>	\$ 23,565.00	\$ 22,353.10	\$ 21,298.20	\$ 20,953.88	\$ 34,572.48	\$ 14,387.33	\$ 1,420.00	\$ -
<b>Cumulative Expenditure</b>	\$ 23,565.00	\$ 45,918.10	\$ 67,216.30	\$ 88,170.18	\$ 122,742.67	\$ 137,130.00	\$ 138,550.00	\$ 138,550.00

**FUNDING AGREEMENT**  
**FOR USE OF FY 2020–2021 CDBG FUNDS**

The following is an agreement, dated as of the date of execution, by and between the Sweetwater Springs Water District, a political subdivision of the State of California, hereinafter referred to as “MUNICIPALITY,” and the Sonoma County Community Development Commission, a public body corporate and politic, hereinafter referred to as “COMMISSION.”

WITNESSETH:

WHEREAS, on behalf of the County of Sonoma, COMMISSION administers certain housing and community development activities pursuant to the Housing and Community Development Act of 1974 and 1987 as amended, known as the Community Development Block Grant Program (CDBG); and

WHEREAS, the Sonoma County Board of Supervisors did on July 10, 2018, approve the use of \$115,920 in fiscal year 2020–2021 CDBG funds for the Old River Road and Woodland Drive Water Line Improvement Project(PROJECT); and

WHEREAS, MUNICIPALITY will provide funding from other sources for the project; and

WHEREAS, COMMISSION and MUNICIPALITY wish to enter into an agreement for partial funding of the PROJECT,

NOW, THEREFORE, it is mutually agreed as follows:

**PART A – SPECIFIC PROVISIONS**

1. Activities Funded by COMMISSION. For an amount not to exceed \$115,920 of the allocated CDBG funds, COMMISSION shall reimburse MUNICIPALITY for the activities set forth in Exhibit A, attached hereto and incorporated herein by specific reference, after documentation satisfactory to COMMISSION that MUNICIPALITY has made proper disbursement.
2. Adoption of Action Plan. The annual adoption by the Board of Supervisors of the Consolidated Plan, which includes the Annual Action Plan, shall serve as authorization and direction to COMMISSION to implement the PROJECT included in COMMISSION’s final budget, within the budgeted appropriations.
3. Term of Agreement. This Agreement shall commence on the date of execution of this Agreement, and shall terminate 18 months from that date unless extended by mutual written agreement of the parties hereto or terminated pursuant to paragraph 8.

4. Scope of Services. MUNICIPALITY shall, in a manner satisfactory to COMMISSION, perform the services set forth in Exhibit A, Scope of Services, attached hereto and incorporated herein by specific reference.
5. Payment. COMMISSION agrees to pay to MUNICIPALITY amounts not to exceed the costs incurred by MUNICIPALITY consistent with the budget and other terms contained in Exhibit B attached hereto and incorporated herein by specific reference, and with other provisions of this Agreement. Reimbursement payment will be made in installments in accordance with Exhibit B, Budget, after MUNICIPALITY submits adequate written documentation of the expenses incurred in a form specified by COMMISSION. Reimbursement requests should be submitted to COMMISSION at least quarterly.
6. Federal Award. All or part of this agreement will be paid with Federal awards. As a CDBG grantee, the Commission is required to provide certain information regarding Federal award(s) to MUNICIPALITY. In signing this Agreement, MUNICIPALITY acknowledges receipt of the following information regarding Federal award that will be used to pay for this Agreement:

**CFDA Title:Community Development Block Grants/Entitlement Grants**

**CFDA Number:14.218**

**Award Name:Community Development Block Grant**

**Award Number:B-20-UC-06-0008**

**Award Year: 2020-2021**

**Federal Agency: U.S. Department of Housing & Urban Development**

**Pass-Through Agency:Sonoma County Community Development Commission**

**Federal Tax Identification Number:94-2158408**

7. Subcontracts: MUNICIPALITY shall cause all of the provisions of this Agreement in its entirety to be included in and made a part of any subcontract executed in the performance of this Agreement. MUNICIPALITY shall monitor all subcontracted services on a regular basis to ensure contract compliance. MUNICIPALITY shall undertake to ensure that all subcontracts let in the performance of this Agreement are awarded on a fair and open competition basis. Executed copies of all subcontracts shall be forwarded to COMMISSION along with a summary description of the selection process.
8. Indemnification: Each party shall indemnify, defend, protect, hold harmless, and release the other, its officers agents, and employees, from and against any and all claims, loss, proceedings, damages causes of action, liability, costs, or expense (including attorneys' fees and witness costs) arising from or in connection with, or

caused by, any act, omission, or negligence of such indemnifying party or its agents employees, subcontractors, or invitees. This indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages or compensation payable to or for the indemnifying party under worker's compensation acts, disability benefit acts, or other employee benefit acts.

9. Merger: This writing is intended both as the final expression of the Agreement between the parties hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to California Code of Civil Procedure § 1856. No modification of this Agreement shall be effective unless and until such modification is evidenced by a writing signed by both parties.

10. Termination: At any time with or without cause, COMMISSION shall have the right in its sole discretion, to terminate this Agreement by giving written notice to MUNICIPALITY. For termination without cause, MUNICIPALITY shall be entitled to receive full payment and reimbursement for all services rendered and expenses incurred to the date of termination. If MUNICIPALITY fails to perform any of its obligations hereunder, within the time and in the manner herein provided or otherwise violate any of the terms of this Agreement, COMMISSION may terminate this Agreement by giving MUNICIPALITY written notice of such termination. In such event, MUNICIPALITY shall be entitled to receive full payment for all services satisfactorily rendered and expenses incurred hereunder.

COMMISSION will give MUNICIPALITY thirty (30) days written notice of termination of the Agreement. MUNICIPALITY shall have the right to initiate the cure for the default within thirty (30) days of the date of the written notice of termination of the Agreement and shall complete said cure within ninety (90) days of the date of the written notice of termination.

Both parties have entered into this Agreement in reliance on the representation of the federal government that the program funding will continue. Notwithstanding any other provision of this Agreement, COMMISSION retains the right in its sole discretion and without notice to terminate or reduce the amount payable to MUNICIPALITY under this Agreement in the event that the Federal government does not fund in the amount projected at the time this Agreement is executed. MUNICIPALITY agrees that maximum amount payable under this Agreement by COMMISSION shall not exceed the amount actually funded by the federal government.

11. Reporting: MUNICIPALITY agrees to provide a written quarterly report five (5) days after the end of each quarter. Each quarterly report shall describe the progress of the project.

Within fifteen (15) days after the termination date of this Agreement, MUNICIPALITY agrees to submit to COMMISSION a final report that will address the accomplishments made during the funding period. All quarterly and final reports shall be submitted in a form specified by COMMISSION.

12. Amendments: COMMISSION or MUNICIPALITY may amend this Agreement at any time providing that such amendments make specific reference to this Agreement, and are executed in writing, signed by duly authorized representatives of both organizations and, when required, approved by COMMISSION's governing body. Such amendments shall not invalidate this Agreement, nor relieve or release COMMISSION or MUNICIPALITY from its obligations under this Agreement.

COMMISSION may, in its discretion, amend this Agreement to conform to federal, state or local governmental guidelines, policies, and changes in available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both COMMISSION and MUNICIPALITY.

## **PART B – GENERAL TERMS AND CONDITIONS**

### 1. Equal Opportunity Certifications

MUNICIPALITY hereby assures and certifies that it will comply with the following Acts and/or Executive Orders:

#### a) Civil Rights Act of 1964 (Title VI)

Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.; P.L. 88-352) and regulations pursuant thereto (Title 24 CFR Part I) states that no person in the United States shall, on the basis of race, color, or national origin, be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity receiving Federal financial assistance extended to MUNICIPALITY. This assurance shall obligate MUNICIPALITY, or in the case of any transfer, the transferee, for the period during which the real property and structure(s) are used for a purpose for which the Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits.

#### b) Fair Housing Act of 1968

The Fair Housing Act (42 U.S.C. 3601-3620; P.L. 90-284) states that it is the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States and prohibits any person from discriminating in the sale or rental of housing, the financing of housing, or the provision of brokerage services, including in any way making unavailable or denying a dwelling to any person, because of race, color, religion, sex, national origin, handicap or familial status. MUNICIPALITY shall administer all programs and activities assisted under this Agreement in a manner to affirmatively further the policies of the Fair Housing Act.



c) Executive Order 11063 -- Equal Opportunity in Housing

Executive Order 11063, as amended by Executive Order 12259, and regulations pursuant thereto (24 CFR Part 107), prohibits discrimination because of race, color, creed, sex, or national origin in the sale, leasing, rental or other disposition of residential property and related facilities (including land to be developed for residential use), or in the use or occupancy thereof, if such property and related facilities are provided with Federal financial assistance.

d) Executive Order 11246 – Equal Employment Opportunity

Executive Order 11246, 11375, 11478, 12086 and 12107, 13665, and 13672, as may be amended, and all regulations pursuant thereto (41 CFR Chapter 60) states that no person shall be discriminated against on the basis of race, color, religion, sex, sexual orientation, gender identity, or national origin in all phases of employment during the performance of federal or federally assisted construction contracts and affirmative action shall be taken to ensure equal employment opportunity. MUNICIPALITY will incorporate, or cause to be incorporated, into any contract for construction work or modification thereof, as defined in the regulations of the Secretary of Labor at 41 CFR Chapter 60, which is paid for in whole or in part with funds obtained from the federal government or borrowed on the credit of the federal government pursuant to a grant, contract, loan, insurance, or guarantee, the following equal opportunity clause:

“During the performance of this contract, the contractor agrees as follows:

1. The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this nondiscrimination clause.
2. The contractor will, in all solicitations or advancements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
3. The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee

who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.

4. The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the agency contracting officer, advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
5. The contractor will comply with all provisions of Executive Order No. 11246 of Sept. 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
6. The contractor will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
7. In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of such rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of Sept. 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
8. The contractor will include the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as may be directed by the Secretary of Labor as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the contractor may request the United States to enter into such litigation to protect the interests of the United States."

e) Executive Order 13166 – Limited English Proficiency

The Limited English Proficiency (LEP) Guidelines, based upon Title VI of the Civil Rights Act of 1964 (24 CFR 1.4 Executive Order 13166) requires recipients of federal funding to provide language translation or interpreter services to its clients and potential clients who are limited in English proficiency.

A person with Limited English Proficiency (LEP) is a person who does not speak English as their primary language and who has a limited ability to read, write, speak, or understand English. Affirmative steps must be taken to communicate with people who need services or information in a language other than English. A policy must be developed to serve applicants, participants, and/or persons eligible for housing assistance and support services.

MUNICIPALITY must analyze the various kinds of contacts it has with the public, to assess language needs and decide what reasonable steps should be taken. In order to determine the level of access needed by LEP persons, the following four factors must be balanced:

1. The number or proportion of LEP persons eligible to be served or likely to be applying for program services;
2. The frequency with which LEP persons utilize these programs and services;
3. The nature and importance of the program, activity, or service provided; and
4. The benefits of providing LEP services and the resources available and costs to MUNICIPALITY for those services.

Balancing these four factors will ensure meaningful access by LEP persons to critical services while not imposing undue burdens on MUNICIPALITY. MUNICIPALITY shall develop and implement a LEP policy consistent with the above guidelines and provide COMMISSION with copies of its LEP Policy.

f) Executive Orders 11625, 12432, 12138 - Minority and Women-Owned Business Opportunities

These Executive Orders state that program participants shall take affirmative action to encourage participation by businesses owned and operated by minority groups and women.

MUNICIPALITY shall take all reasonable steps necessary to encourage the participation of minority and female-owned businesses in work under this Agreement.

With regard to any work of construction funded under this Agreement, such steps may include, without limitation, the following:

1. Obtaining the minority and Women’s Business Registry and list of contractors registered with the State of California Supplier Clearinghouse from the COMMISSION MBE/WBE Coordinator to ensure such contractors receive an invitation to bid.
2. Advertising the invitation to bid or to submit proposals in Spanish language publications and in a newspaper of general circulation in Sonoma County.
3. Reviewing the telephone directory or professional organization membership lists, or making direct contact with minority- or female-owned businesses for specialized trades and services, and inviting such firms to bid.
4. MUNICIPALITY shall include the Minority and Women’s Business Enterprise requirements, in the form prescribed by the COMMISSION, in all contracts for use of funds under this Agreement, and MUNICIPALITY shall coordinate purchases of goods and services over \$10,000 with the COMMISSION’s MBE/WBE Coordinator.

MUNICIPALITY shall maintain documentation of outreach efforts to minority and/or female-owned businesses. Additionally, MUNICIPALITY shall maintain documentation of contract awards for the Quarterly Reports submitted to the COMMISSION.

g) Architectural Barriers Act

MUNICIPALITY shall comply with the Architectural Barriers Act of 1968 (42 USC § 4151), as applicable, which Act requires that the design of any facility, except a private residence, that is constructed, renovated, remodeled or rehabilitated with funds received pursuant to this Agreement shall comply with the “American Standard Specification for Making Buildings and Facilities Accessible, and Usable by, the Physically Handicapped”, as described in 41 U.S.C.F.R. 10119.6, and MUNICIPALITY shall cooperate with the COMMISSION in its inspections pursuant to such provisions.

h) Section 109 of the Housing and Community Development Act of 1974

Section 109 of the Housing and Community Development Act of 1974 provides that no person in the United States shall on the basis of race, color, national origin, religion or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

Section 109 further provides that any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.) or discrimination on the basis of disability as provided in section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) shall also apply to any program or activity funded in whole or in part with funds made available pursuant to Section 109.

i) Section 3 Requirements

Compliance with the provisions of Section 3 of the Housing and Urban Development Act of 1968, as amended, and with the implementing regulations set forth in 24 CFR Part 135, shall be a condition of the assistance provided under this contract. MUNICIPALITY shall comply with these Section 3 requirements and with the Section 3 Affirmative Action Plan attached as Exhibit C.

All Section 3 covered contracts shall include the following clause (referred to as the “Section 3 Clause”):

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low- income persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD’s regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers’ representative of the contractor’s commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the contractor is in violation of the regulations in, 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the

contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.

F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

j) Section 504 of the Rehabilitation Act of 1973

Section 504 of the Rehabilitation Act of 1973, as amended, prohibits discrimination on the basis of disability in federally assisted and conducted programs and activities, which provides in part that no otherwise qualified individual shall be denied the opportunity to participate in a program or activity because of their disability, may not be required to accept a different kind or lesser program or service than what is provided to others without disabilities, may not be denied access to locations where services are offered because of physical impairments, and may not be required to participate in separate programs and services from those available to persons without disabilities. Generally, an otherwise qualified individual with a disability shall not, solely by reason of a disability, be excluded from the participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance extended to MUNICIPALITY.

k) Age Discrimination Act of 1975

The Age Discrimination Act of 1975, as amended, prohibits discrimination because of age in programs and activities receiving Federal financial assistance.

2. Other Federal and Local Requirements

a) Audit Requirements - Compliance with 2 CFR Part 200

MUNICIPALITY shall comply with the requirements of 2 CFR Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, except as otherwise specified herein.

Specifically, MUNICIPALITY shall obtain an annual program specific or single audit, as required by 2 CFR, Part 200, Subpart F. MUNICIPALITY shall provide a copy of such audit together with any management letters and supplementary or related audit letters or reports to COMMISSION within the earlier of 30 calendar days after receipt of the auditor's report(s), or nine months after the end of MUNICIPALITY's fiscal year. The audit shall include a supplementary schedule showing all revenues and expenditures of CDBG funds and other federal funds for the fiscal year.

b) Research and Development (R & D)

Funds may not be used for R & D. R & D means all research and development related activities, both basic and applied, that are performed by non-Federal entities. See 2 CFR §200.87 for additional information on R & D.

c) Costs

All costs must be necessary and reasonable for the performance of the federal award and be allocable thereto under these principles per 2 CFR §§ 200.403 and 404. Classifying a particular cost as direct or indirect depends on whether it can be identified directly with a cost objective (such as a project or activity) without disproportionate effort. All costs must comply with 2 CFR Part 200, Subpart E- Cost Principles (2 CFR §§ 200.420-200.475)

The MUNICIPALITY may elect but is not required, to charge for indirect costs. If the MUNICIPALITY chooses to charge for indirect costs, the maximum indirect cost rate is 10% (*de minimis*), unless an indirect cost rate has been previously negotiated with and approved by the agency which is the federal agency responsible for reviewing, negotiating and approving cost allocation plans or indirect cost rate proposals. The negotiated rate must be accepted by all federal awarding agencies.

d) Food, Travel, and Entertainment

Travel costs may include expenses for transportation, lodging, and subsistence, and are only allowable for employees who are in travel status on official business and approved as part of this Agreement or with prior written approval and are specifically related to this Agreement. Costs must be considered reasonable and must not exceed charges allowed by MUNICIPALITY's Out of Town Travel Policy. See 2 CFR § 200.474 for additional information on travel costs.

The costs of entertainment, including amusement, diversion and social activities and any associated costs are not allowed except where specific costs that might otherwise be considered entertainment have a programmatic purpose and are authorized either in the approved budget for the federal award or with prior written approval. All entertainment costs must comply with 2 CFR §200.438. In addition, the costs of alcoholic beverages are not allowed under 2 CFR §200.423.

e) Records

MUNICIPALITY shall retain all project development records, books, papers, and documents for a period of not less than five (5) years after the completion of construction. MUNICIPALITY shall grant COMMISSION the option of retention of the project records, books, papers, and documents if MUNICIPALITY elects to dispose of said documents following the mandatory retention period.

MUNICIPALITY agrees to make available for inspection and audit to representatives of COMMISSION, federal, state, and/or local county governments, their employees or agents, all books, financial records, program information, and other records pertaining to the overall operation of MUNICIPALITY, and this Agreement. MUNICIPALITY further agrees to allow said representatives to review and inspect its facilities and program operations. Said representatives may monitor the operation of this Agreement to assure compliance with all applicable local, state, and/or federal regulations.

In addition to the reports specified in this Agreement, MUNICIPALITY shall retain the records required by the applicable provisions of 24 CFR §570.506 and provide the COMMISSION with the reports required pursuant to 2 CFR § § 200.328, 200.333, and 200.343, and such other records and reports as the COMMISSION may reasonably require in the administration of this Agreement. MUNICIPALITY shall keep all other necessary books and records, including priority, personnel, loan documentation, and financial records, in connection with the operation and services performed under this Agreement in accordance with the provisions of Executive Order 11246 and 2 CFR §200.333.

All provisions of this Agreement that require availability of records or reporting shall survive termination of this Agreement.

f) Conflict of Interest

1. *Interest of Members of a City or County:* No members of the governing body of a city or county and no other officer, employee, or agent of the city or county who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Agreement; and MUNICIPALITY shall take appropriate steps to assure compliance.
2. *Interest of Other Local Public Officials:* No members of the governing body of the locality and no other public official of such locality, who exercises any function or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Agreement; and MUNICIPALITY shall take appropriate steps to assure compliance.
3. *Interest of MUNICIPALITY and Employees:* MUNICIPALITY understands that as a recipient of federal funds that certain federal laws relating to conflict of



interest apply to MUNICIPALITY, its officers, agents, employees, and constituents; specifically, those laws are contained in 24 CFR Section 85.36 and 84.42 and can generally be summarized as follows:

Except for approved eligible administrative or personnel costs, the general rule is that no employee, agent, consultant or officer of a recipient who has exercised or would exercise any functions or responsibilities with respect to CDBG activities or who is in a position to participate in a decision making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any respect thereto, or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one (1) year thereafter.

g) Program Income

“Program income” means amounts received by MUNICIPALITY generated from the use of federal funds as defined at 24 CFR 570.500. Program income includes, but is not limited to, the following: 1) proceeds from the disposition by sale or long-term lease of real property purchased or improved with federal funds; 2) proceeds from the disposition of equipment purchased with federal funds; 3) gross income from the use or rental of real or personal property acquired by MUNICIPALITY with federal funds, less costs incidental to generation of the income; 4) gross income from the use or rental of real property, owned by MUNICIPALITY, that was constructed or improved with federal funds, less costs incidental to generation of the income; 5) payments of principal and interest on loans made using federal funds; 6) proceeds from the sale of loans made with federal funds; 7) proceeds from the sale of obligations secured by loans made with federal funds; 8) interest earned on program income pending its disposition; and 9) funds collected through special assessments made against properties owned and occupied by households, not of low and moderate income, where the assessments are used to recover all or part of the federally funded portion of a public improvement.

Any program income received by MUNICIPALITY shall be immediately returned to COMMISSION. This provision shall survive the termination or expiration of this Agreement.

h) Equipment

In cases where equipment purchased with federal funds is sold, the proceeds shall be program income. Equipment not needed by MUNICIPALITY for federally funded activities shall be transferred to COMMISSION for the federally funded program or shall be retained by MUNICIPALITY after compensating COMMISSION.

i) Compliance with 2 CFR 200 and 24 CFR 570.502

In cases where MUNICIPALITY is a non-profit organization, MUNICIPALITY shall comply with the requirements and standards of 2 CFR §200.70 and Appendix VIII to 2 CFR Part 200, “Cost Principles for Non-Profit Organizations” and with the applicable sections of 2 CFR §§ 200,52,200,55, and Appendix VIII to 2 CFR Part 200, “Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations,” as listed in 24 CFR 570.502(b)(1) through (4), except as otherwise specified herein.

In cases where MUNICIPALITY is a governmental entity, MUNICIPALITY shall comply with the requirements and standards of 2 CFR §§ 200.416 and 200.417 “Cost Principles for State, Local and Indian Tribal Governments” and with the applicable sections of 2 CFR §§ 200, “Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments,” as listed in 24 CFR 570.502(a)(1) through (20), except as otherwise specified herein.

j) Reversion of Assets

Upon expiration of this Agreement, MUNICIPALITY shall transfer to COMMISSION any federal funds on hand at the time of expiration and any accounts receivable attributable to the use of federal funds.

k) Real Property

Real property shall be acquired in accordance with Title III, Uniform Relocation Assistance, and Real Property Acquisition Policies Act of 1970 (at 24 CFR Part 42).

MUNICIPALITY may not change the use of any real property acquired or improved in whole or in part with CDBG funds from that for which the acquisition or improvement was made until and unless MUNICIPALITY provides COMMISSION with at least 60 days’ notice of the proposed change in the use of the property, in order to allow COMMISSION to provide affected persons with reasonable notice of and an opportunity to comment on any proposed change.

MUNICIPALITY agrees that any proposed change shall meet one of these two criteria:

1. The new use of the property qualifies as meeting one of the national objectives established in 24 CFR Part 570.208 (formerly 24 CFR Part 570.901) and is not a building for the general conduct of government, or
2. If, after consultation with affected persons COMMISSION determines that it is appropriate to change the use of the property to a use which does not qualify under paragraph 1 above, MUNICIPALITY may retain or dispose of the property for the changed use if MUNICIPALITY reimburses COMMISSION in the amount of the then-current fair market value of the

property, less any portion of the value attributable to expenditures of non-CDBG funds for acquisition of, and improvements to, the property.

l) Political Activity Prohibited

CDBG funds shall not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration. However, a facility originally assisted with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.

m) Lobbying Restrictions

MUNICIPALITY agrees, to the best of its knowledge and belief:

No federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement;

If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress, in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and the language of this paragraph shall be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all MUNICIPALITIES and SUBRECIPIENTS shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

n) Religious Activity Prohibited

There shall be no religious worship, instruction, or proselytization as part of, or in connection with, the performance of this Agreement, which prohibition is described in 24 CFR §§ 5.109(d) & (e).

o) Federal Labor Standards: Davis-Bacon Act and Related Acts

MUNICIPALITY agrees to comply with the requirements of the Secretary of Labor in accordance with the Davis-Bacon Act as amended (40 USC §3142) , the provisions of Contract Work Hours and Safety Standards Act (40 USC Sections 3701-3708), the Copeland “Anti-Kickback” Act (Title 18 USC Section 874)) and all other applicable federal, state, and local laws and regulations pertaining to labor standards insofar as those acts apply to the performance of this Agreement. As applicable, MUNICIPALITY shall maintain documentation that demonstrates compliance with hour and wage requirements of this paragraph. Such documentation shall be made available to COMMISSION for review upon request.

MUNICIPALITY agrees that, except with respect to rehabilitation or construction of residential property containing less than eight (8) units, all contractors engaged under contracts in excess of \$2,000 for construction, renovation or repair work financed in whole or in part with assistance provided under this Agreement, shall comply with Federal requirements pertaining to such contracts and with the applicable requirements of the regulations of the Department of Labor, under 29 CFR Parts 1, 3, 5 and 7 governing the payment of wages and ratio of apprentices to journey workers; provided, that if wage rates higher than those required under the regulations are imposed by state or local law, nothing hereunder is intended to relieve MUNICIPALITY of its obligation, if any, to require payment of the higher wage. MUNICIPALITY shall cause or require to be inserted in full, in all such contracts subject to such regulations, provisions meeting the requirements of this paragraph.

To the extent that the use of these funds or other funding sources may require, MUNICIPALITY also shall comply with the applicable prevailing wage laws of the State of California, specifically including Labor Code section 1720, in which case prevailing wages shall be the higher of either the Davis-Bacon wages or the State prevailing wages, as determined by trade.

Prior to starting Project construction, MUNICIPALITY must obtain the Department of Labor General Wage Decision for Sonoma County. Ten days prior to the bid opening date, the MUNICIPALITY shall lock in applicable prevailing wage rates through the construction phase. This shall serve as the MUNICIPALITY’s federally-required ten (10) day call.

p) Child Support Compliance Act

If this Agreement is an amount that exceeds \$100,000, the following is acknowledged and agreed to by the MUNICIPALITY: MUNICIPALITY shall (1) comply with all applicable state and federal laws relating to child and family support enforcement orders, including but not limited to Chapter 8 of Part 5 of Division 9 of the California Family Code, and (2) comply with the earnings assignment orders of all employees and provide names of all new employees to the New Hire Registry, maintained by the California Employment Development Department.

q) Drug-Free Workplace

MUNICIPALITY must comply with the Drug-Free Workplace Act of 1988 (final rule published on May 25, 1990) and COMMISSION's policies and rules promulgated under the Act. MUNICIPALITY must obtain such policies and rules from the COMMISSION. The Commission is subject to Sonoma County [Civil Service Rule 10](#) (A) (10), covering Disciplinary Action, and Personnel Policies of Sonoma County Water Agency, Sonoma County Fair & Exposition, Inc., and Community Development Commission. The rule prohibits the use or possession of drugs or alcohol while on the job or reporting to work while under the influence of drugs or alcohol. The Commission is also subject to the Sonoma County Community Development Commission Personnel Policy.

r) Flood Disaster Protection

In accordance with the requirements of the Flood Disaster Protection Act of 1973 (42 USC 4001), MUNICIPALITY shall assure that for activities located in an area identified by FEMA as having special flood hazards, flood insurance under the National Flood Insurance Program is obtained and maintained as a condition of financial assistance for acquisition or construction purposes (including rehabilitation).

s) Displacement, Relocation, Acquisition, and Replacement of Housing

MUNICIPALITY agrees to comply with (a) the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (URA), and implementing regulations at 49 CFR Part 24 and 24 CFR 570.606 (b); (b) the requirements of 24 CFR 570.606 (c) governing the Residential Anti-displacement and Relocation Assistance Plan under section 104 (d) of the Housing and Community Development Act; and (c) the requirements in 24 CFR 570.606 (d) governing optional relocation policies. MUNICIPALITY shall provide relocation assistance to persons that are displaced as a direct result of acquisition, rehabilitation, demolition, or conversion for a CDBG-assisted project. MUNICIPALITY also agrees to comply with the Sonoma County Residential Anti-Displacement and Relocation Assistance Plan, as amended. MUNICIPALITY hereby agrees to pay and to indemnify COMMISSION from and against, any and

all claims and liabilities for relocation benefits required by federal statutes and regulations in connection with activities undertaken pursuant to this Agreement.

t) Lead-Based Paint

MUNICIPALITY agrees that any activities carried out with assistance provided under this Agreement shall be subject to HUD Lead-Based Paint Regulations at 24 CFR 570.608, and 24 CFR Part 35. Such regulations pertain to all HUD-assisted housing and require the proper disclosure of any known or possible presence of lead-based paint (LBP) and LBP hazards, and the notification, evaluation and reduction of lead-based paint hazards in all residential structures constructed prior to 1978 according to Sections 1012/1013 of Title X, Residential Lead-Based Paint Hazard Reduction Act of 1992, as referenced.

u) Historic Preservation

MUNICIPALITY agrees to comply with the Historic Preservation requirements set forth in the National Historic Preservation Act of 1966, as amended (16 U.S.C. 470) and the procedures set forth in 36 CFR, Part 800, Advisory Council on Historic Preservation Procedures for Protection of Historic Properties, insofar as they apply to the performance of this Agreement. In general, this requires concurrence from the State Historic Preservation Office for all ground-disturbing activities and for all rehabilitation and demolition of historic properties that are fifty years or older or that are included on or are eligible for a federal, state, or local historic property list.

v) Environmental Standards

COMMISSION will engage an environmental consultant to complete the appropriate National Environmental Policy Act (NEPA) environmental review process for the project. MUNICIPALITY will be required to commit a portion of the requested funds for this purpose, or to provide evidence that sufficient funds are available from another source to pay for this work. COMMISSION staff will prepare all documentation required by HUD, publish any required notices, and obtain releases from HUD, as appropriate.

w) Clean Air Act and Federal Water Pollution Control Act

MUNICIPALITY shall comply with and require each subcontractor to comply with all applicable standards of the Clean Air Act of 1970, the Clean Air Act of 1990, the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.), as amended, and the regulations of the Environmental Protection Agency with respect thereto, at 40 CFR Part 15, as amended from time to time. (Applicable to Contracts and Subcontracts Which Exceed \$100,000)

x) Use of Debarred, Suspended or Ineligible Contractors

MUNICIPALITY and its subcontractors agree that assistance provided under this Agreement shall not be used directly or indirectly to employ, award contracts to,

or otherwise engage the services of, or fund any contractor or subcontractor during any period of debarment, suspension, or placement in ineligible status (24 CFR Part 570). MUNICIPALITY will verify that the Federal Debarred List Registry does not include any contractor or subrecipient prior to awarding contracts and that they will record the date that the Registry was consulted. MUNICIPALITY acknowledges this requirement by initialing here:

                     Initials of Responsible Party

y) Publication Rights and Copyrights

If this Agreement results in any copyrightable material or inventions, COMMISSION reserves the right to royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use and to authorize others to use, the work or materials for government purposes.

IN WITNESS WHEREOF, the parties hereto have executed this instrument or caused this Agreement to be executed by their duly authorized agents this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

**SONOMA COUNTY COMMUNITY DEVELOPMENT  
COMMISSION**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Barbie Robinson, Interim Executive Director

**Sweetwater Springs Water District**

Dated: \_\_\_\_\_

By: \_\_\_\_\_  
Ed Fortner, General Manager

## **EXHIBIT A**

### **Scope of Work**

Phase 1 will include completion of all engineering and environmental work associated with completing the construction documents and filing of the appropriate Notice of Intent and other documents as may be required for obtaining environmental clearances. Tasks to be included in the work include, but are not limited to:

- Meetings with District Representatives
- Collection of Background Information
- Coordination with Agencies (utility companies, Sonoma County, and other agencies that may be involved in the project)
- Surveying
- Development of plans, specifications and estimates necessary to publicly bid the project and construct the improvements.
- Environmental work for CEQA and NEPA clearances.
- Obtain the necessary encroachment permit from Sonoma County.
- Bid the project in accordance with the Public Contract Code and District policies.

**Scope of work is within CDBG guidelines**



**EXHIBIT B**

**Budget**

**ACTIVITY**

Grant funds will be used to pay for \$115,920 of Phase 1 of the Project

**TOTAL:**

**\$115,920**

## EXHIBIT C

### SECTION 3 AFFIRMATIVE ACTION PLAN

Responsibilities and procedures for carrying out the requirements of Section 3 of the Housing and Urban Development Act of 1968 in connection with certain housing rehabilitation, housing construction and public construction projects assisted with funds from the U.S. Department of Housing and Urban Development (HUD).

1. Purpose

To ensure that employment and other economic opportunities generated by Section 3 covered projects shall, to the greatest extent feasible, and consistent with existing federal, state and local laws and regulations, be directed to low- and very low-income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low- and very low-income residents of the Sonoma County project area.

2. Policy

It shall be the policy of Sonoma County:

- (a) To comply with federal regulations in 24 CFR Part 135 as required by Section 3 of the Housing and Urban Development Act of 1968.
- (b) To provide an on-going program which assures the opportunity for recruitment, training, and employment of low- and very low-income persons residing in the Section 3 project area.
- (c) To assure that contracts for work in connection with Section 3 covered projects be awarded to Section 3 business concerns which are located in the Section 3 project area.
- (d) To ensure that Section 3 business concerns which are located in the Section 3 project area receive affirmative consideration to the greatest extent feasible in the awarding of contracts in the fields of planning, consulting, design, architecture, engineering, maintenance, construction and repairs.
- (e) To encourage firms outside the County Section 3 project area to joint venture project proposals with local Section 3 business concerns in the bidding and negotiation process.

3. Definitions and Terms

- (a) Low-income person is defined as a person whose household income does not exceed 80% of the median income of the Santa Rosa-Petaluma Metropolitan Statistical Area (SMSA).

- (b) Section 3 business concern is defined as a business entity formed in accordance with state law, and which is licensed under state, county or municipal law to engage in the type of business activity for which it was formed and:
    - (1) that is 51% or more owned by low- or very low-income persons residing in the Section 3 project area; or
    - (2) whose permanent, full-time employees include persons, at least 30% of whom are currently low- or very low-income persons residing in the Section 3 project area, or within three years of the date of first employment with the business concern were low or very low-income persons residing in the Section 3 project area; or
    - (3) that provides evidence of a commitment to subcontract in excess of 25% of the dollar amount of all subcontracts to be awarded to business concerns that meet the qualifications in paragraphs (1) and (2) above.
  - (c) Section 3 covered project means the construction, reconstruction, conversion or rehabilitation of housing, and other public construction which includes buildings or improvements (regardless of ownership), when the level of HUD assistance to the project is at least \$200,000. For such projects, the recipient of the HUD funds shall comply with Section 3 requirements for all work arising in connection with the project. If any contract or subcontract for work generated by the expenditure of Section 3 covered HUD funds is at least \$100,000, the contractor or subcontractor shall also comply with Section 3 requirements.
  - (d) The Section 3 project area is defined as Sonoma County.
  - (e) Very low-income person is defined as a person whose household income does not exceed 50% of the median income of the SMSA.
4. Contractual Requirements

In all contracts for work in connection with a Section 3 covered project, the following clause (referred to as the Section 3 Clause) will be included:

Section 3 Clause

- (a) The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and

very low- income persons who are recipients of HUD assistance for housing.

- (b) The parties to this contract agree to comply with HUD’s regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers’ representative of the contractor’s commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the contractor is in violation of the regulations in, 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor’s obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD’s regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD-assisted contracts.
- (g) With respect to work performed in connection with section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and

employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

## 5. Section 3 Compliance

Assurances required by HUD have been made by the Sonoma County Community Development Commission that, to the greatest extent feasible, contracts/subcontracts for work on Section 3 covered projects will be awarded to eligible project area Section 3 business concerns and that, to the greatest extent feasible, vacancies in the recipient's/contractor's/subcontractor's work force will be filled with low- and very low-income project area residents.

To attain this goal, the recipient of HUD funds shall develop an affirmative action plan for utilizing eligible project area Section 3 business concerns and low- and very low-income residents or adopt the following Community Development Commission Affirmative Action Plan. The following requirements are in accordance with the Commission's Plan:

For purposes of this Paragraph 5, the term "contractor" refers to the recipient of Section 3 covered assistance, as well as to any contractors and subcontractors entering into Section 3 covered contracts.

- (a) For all Section 3 covered work to be sub-contracted, the contractor shall solicit bids from local project area Section 3 business concerns.
- (b) Contractor shall establish a goal for awarding contracts for building trades work arising in connection with Section 3 covered housing rehabilitation, housing construction and public construction of not less than 10% of the total dollar amount of all contracts to be awarded.
- (c) The contractor shall notify all union or labor organizations with which it has collective bargaining agreements of the contractor's commitment to comply with the Section 3 requirements, and shall request union cooperation in utilizing low- and very low-income project area residents.
- (d) The contractor shall attempt to recruit eligible low- and very low-income project area residents to fill all vacancies in its work force by advertising in a local newspaper, by placing signs at the project site, by contacting the local State Employment Office and by requesting unions to refer lower-income project area residents.
- (e) The contractor shall include with its proposal, a list of the names and addresses and the dollar amounts of the sub-contracts that the contractor proposes to award to eligible project area Section 3 business concerns.

- (f) Prior to construction on a Section 3 covered project, the selected contractor shall submit to the Construction Services and Affordable Housing Finance Manager the following documents:
- The bidder's affirmative action plan (if applicable).
  - Copies of contractor's notices or advertisements for soliciting bids for sub-contracts from eligible project area Section 3 business concerns.
  - Copies of contractor's notice to unions requesting low- and very low-income project area residents.

6. The contractor shall determine the maximum number of trainee and employee positions that can be utilized on the project by the following methods:

Trainees:

For building construction, the number of trainees should be that which can reasonably be used in each trade during each phase of the project. However, this number MAY NOT be less than the minimum number of trainees determined appropriate by the Secretary of Labor for each building construction trade or occupation.

For non-construction occupations (or building construction occupations where the Secretary of Labor has not set a ratio for trainees) the contractor must set the maximum number of trainees feasible for this number.

Employees:

Identify the number of employees needed (skilled, semi-skilled, un-skilled), including management and administrative support jobs directly related to the Section 3 covered activities, by occupational categories.

Identify the number of positions currently occupied by permanent employees by occupational categories.

Establish a goal for the number of vacant positions to be filled by low- and very low-income project area residents of not less than 30% of the aggregate number of new hires during the fiscal year in which HUD assistance is received.

7. The contractor shall submit to the Construction Services and Affordable Housing Finance Manager the following documents:
- (a) An up-to-date list of names, addresses and phone numbers of all project area residents seeking employment with the contractor, indicating those that were employed and if not employed, the reason why they were not employed.
- (b) An up-to-date list of the contractor's work force.

- (c) An up-to-date list of eligible project area Section 3 business concerns contacted and those utilized on the project, including the dollar amount of work performed or materials supplied.
- (d) A statement describing contractor’s good faith efforts in recruiting low- and very low-income project area residents and soliciting bids from Section 3 business concerns located in the project area.

**Exhibit D**

**Insert completed Form HUD-50071**

<https://www.hud.gov/sites/documents/50071.PDF>

# Certification of Payments to Influence Federal Transactions

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (Exp. 01/31/2017)

Applicant Name

Program/Activity Receiving Federal Grant Funding

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

**Warning:** HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title

Signature

Date (mm/dd/yyyy)



## **EXHIBIT F**

### **Insurance Requirements for Capital Projects**

#### **Section I – Insurance to be Maintained by MUNICIPALITY**

MUNICIPALITY shall maintain insurance as described below unless such insurance has been expressly waived by the attachment of a *Waiver of Insurance Requirements*. The insurance shall be maintained for one (1) year after all funds have been disbursed.

COMMISSION reserves the right to review any and all of the required insurance policies and/or endorsements, but has no obligation to do so. COMMISSION's failure to demand evidence of full compliance with the insurance requirements set forth in this Agreement or COMMISSION's failure to identify any insurance deficiency shall not relieve MUNICIPALITY from, nor be construed or deemed a waiver of, its obligation to maintain the required insurance at all times during the performance of this Agreement.

#### **1. Workers Compensation and Employers Liability Insurance**

- a. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
- b. Employers Liability with minimum limits of \$1,000,000 per Accident; \$1,000,000 Disease per employee; \$1,000,000 Disease per policy.
- c. Required Evidence of Insurance: Certificate of Insurance.

#### **2. General Liability Insurance**

- a. Commercial General Liability Insurance on a standard occurrence form, no less broad than Insurance Services Office (ISO) form CG 00 01.
- b. Minimum Limits: \$1,000,000 per Occurrence; \$2,000,000 General Aggregate; \$2,000,000 Products/Completed Operations Aggregate. The required limits may be provided by a combination of General Liability Insurance and either Commercial Excess or Commercial Umbrella Liability Insurance. If MUNICIPALITY maintains higher limits than the specified minimum limits, COMMISSION requires and shall be entitled to coverage for the higher limits maintained by MUNICIPALITY.
- c. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000 it must be approved in advance by COMMISSION. MUNICIPALITY is responsible for any deductible or self-insured retention and shall fund it upon COMMISSION's written request, regardless of whether MUNICIPALITY has a claim against the insurance or is named as a party in any action involving the COMMISSION.
- d. Sonoma County Community Development Commission and the County of Sonoma, their officers, agents, and employees, 1440 Guerneville Road, Santa Rosa, CA 95403 shall be endorsed as additional insureds for liability arising out of MUNICIPALITY's ongoing operations. (ISO endorsement CG 20 26 or equivalent).
- e. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
- f. The policy definition of "insured contract" shall include assumptions of liability

arising out of both ongoing operations and the products-completed operations hazard (broad form contractual liability coverage including the “f” definition of insured contract in ISO form CG 00 01, or equivalent).

- g. The policy shall cover inter-insured suits between COMMISSION and MUNICIPALITY, and shall include a “separation of insureds” or “severability” clause which treats each insured separately.
- h. Required Evidence of Insurance:
  - i. Copy of the additional insured endorsement or policy language granting additional insured status;
  - ii. Copy of the endorsement or policy language indicating that insurance is primary and non-contributory; and
  - iii. Certificate of Insurance.

### 3. Automobile Liability Insurance

- a. Minimum Limit: \$1,000,000 combined single limit per accident. The required limit may be satisfied by a combination of Automobile Liability Insurance and either Commercial Excess or Commercial Umbrella Liability Insurance.
- b. Insurance shall cover all owned vehicles if MUNICIPALITY owns vehicles.
- c. Insurance shall cover hired and non-owned vehicles.
- d. Required Evidence of Insurance: Certificate of Insurance.

### 4. Standards for Insurance Companies

Insurers, other than the California State Compensation Insurance Fund, shall have an A.M. Best's rating of at least A:VII.

### 5. Documentation

- a. The Certificate of Insurance must include the following reference: Old River Rd & Woodland Dr Water Line Improvement Project.
- b. MUNICIPALITY shall submit required Evidence of Insurance prior to the execution of this Agreement. MUNICIPALITY agrees to maintain current Evidence of Insurance on file with COMMISSION for the required period of insurance.
- c. The name and address for Additional Insured endorsements and Certificates of Insurance is Sonoma County Community Development Commission and the County of Sonoma, their officers, agents and employees, 1440 Guerneville Road, Santa Rosa, CA 95403
- d. Required Evidence of Insurance shall be submitted for any renewal or replacement of a policy that already exists, at least ten (10) days before expiration or other termination of the existing policy.
- e. MUNICIPALITY shall provide immediate written notice if: (1) any of the required insurance policies are terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self-insured retention is increased.
- f. Upon written request, certified copies of required insurance policies must be provided within thirty (30) days.

### 6. Policy Obligations

MUNICIPALITY indemnity and other obligations shall not be limited by the foregoing insurance requirements.

## Section II – Insurance to be Maintained by MUNICIPALITY’s Contractors

MUNICIPALITY shall require its contractors to maintain insurance no less broad than the insurance specified below.

### 1. Workers Compensation and Employers Liability Insurance

- a. Workers Compensation insurance with statutory limits as required by the Labor Code of the State of California.
- b. Employers Liability with minimum limits of \$1,000,000 per Accident; \$1,000,000 Disease per employee; \$1,000,000 Disease per policy.
- c. Required Evidence of Insurance: Certificate of Insurance.

### 2. General Liability Insurance

- a. Commercial General Liability Insurance on a standard occurrence form, no less broad than Insurance Services Office (ISO) form CG 00 01.
- b. Minimum Limits: \$1,000,000 per Occurrence; \$2,000,000 General Aggregate; \$2,000,000 Products/Completed Operations Aggregate. The General Aggregate shall apply separately to each Project.
- c. Any deductible or self-insured retention shall be shown on the Certificate of Insurance. If the deductible or self-insured retention exceeds \$25,000 it must be approved in advance by MUNICIPALITY
- d. Insurance shall be continued for one (1) year after completion of work.
- e. MUNICIPALITY shall be endorsed as an additional insured for liability arising out of ongoing and completed operations by or on behalf of the contractor in the performance of work under this Agreement. Additional insured status shall continue for one year after completion of work.
- f. Sonoma County Community Development Commission and the County of Sonoma, their officers, agents and employees, 1440 Guerneville Road, Santa Rosa, CA 95403 shall be endorsed as additional insureds for liability arising out of the contractor’s ongoing operations. (ISO endorsement CG 20 26 or equivalent).
- g. The insurance provided to the additional insureds shall be primary to, and non-contributory with, any insurance or self-insurance program maintained by them.
- h. The policy definition of “insured contract” shall include assumptions of liability arising out of both ongoing operations and the products-completed operations hazard (broad form contractual liability coverage including the “f” definition of insured contract in ISO form CG 00 01, or equivalent).
- i. The policy shall be endorsed to include a written waiver of the insurer’s right to subrogate against MUNICIPALITY, COMMISSION, and the County of Sonoma.
- j. The policy shall cover inter-insured suits between the additional insureds and the Contractor, and include a “separation of insureds” or “severability” clause which treats each insured separately.
- k. Required Evidence of Insurance:
  - i. Copy of the additional insured endorsement or policy language granting additional insured status;
  - ii. Copy of the endorsement or policy language indicating that insurance is primary and non-contributory; and
  - iii. Certificate of Insurance.

**3. Automobile Liability Insurance**

- a. Minimum Limit: \$1,000,000 combined single limit per accident. The required limit may be satisfied by a combination of Automobile Liability Insurance and either Commercial Excess or Commercial Umbrella Liability Insurance.
- b. Insurance shall cover all owned, hired, and non-owned autos.
- c. Required Evidence of Insurance: Certificate of Insurance.

# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V-D**

**FROM:** Ed Fortner, General Manager

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**Meeting Date:** February 4, 2021

**SUBJECT:** Discussion/Action re Approval of FY 2021-2026 Capital Improvement Program (CIP)

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

**FISCAL IMPACT:** none

**DISCUSSION:**

The FY 21-26 CIP includes Prioritized construction projects at the cost of approximately \$4.477 million and project costs of \$8.231 million of additional, unapproved projects beyond 2026. Each year we reconsider the capital planning model, as shown in Table 3, updating the model to include the FY 2019-2020 actual values, proposed UAL funding, and the most recently updated CIP Engineer's cost estimates placed in the year they occur. A review of Table 2 shows that the 2021-2026 proposed CIP will likely require 5% annual rate increases to avoid excessive dipping into District Policy Reserves. The cost-of-service study used our five-year CIP that averaged \$750,000 annually to help determine rates.

The 2021-2026 CIP has spaced out projects and pushed more projects out of the five-year window than first considered. Recent five-year-plans have skipped projects every other year. The cost of projects has risen, and new needs have been identified. This five-year-plan divides projects and spreads them out over the five years. This year's five-year plan only skips the FY 2023-2024 year. This allows the District to fund the projects and eases the staff workload of bigger capital projects. Using this prioritized schedule, the District should be able to fund all the identified projects. The five-year budget is attached for further support.

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

directed the General Manager to pursue all known Grants and Loans that have potential Principal forgiveness to help finance these projects. Our intention for the FY 2020-2021 Capital project is to complete design and planning, then reassess the financial picture before asking the Board to approve moving into the bid portion of the project.

This five-year CIP does not consider grant monies. If the District is fortunate to receive significant grant funding for the FY 2020-2021 Capital Project, priorities could change, and more projects could be scheduled sooner.

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

## Resolution No. 21-02

### A RESOLUTION OF THE BOARD OF DIRECTORS OF THE SWEETWATER SPRINGS WATER DISTRICT ADOPTING THE FY 2021-2026 CAPITAL IMPROVEMENT PROGRAM

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

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

**NOW THEREFORE BE IT RESOLVED**, that the Board of Directors of the SWEETWATER SPRINGS WATER DISTRICT, Sonoma County, California, hereby adopts the Revised FY 2021-2026 Capital Improvement Program attached as Exhibit A hereto, effective February 4, 2021.

**BE IT FURTHER RESOLVED**, that this Resolution supersedes and replaces Resolution No. 20-05.

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I hereby certify that the foregoing is a full, true, and correct copy of a Resolution duly and regularly adopted and passed by the Board of Directors of the SWEETWATER SPRINGS WATER DISTRICT, Sonoma County, California, at a meeting held on February 4, 2021, by the following vote.

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

---

Sukey Robb-Wilder  
President of the Board of Directors

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Attest: Julie Kenny  
Clerk of the Board of Directors

**Exhibit A**

**Sweetwater Springs Water District**

**Capital Improvement Program  
2021-2026**

**Revised February 4, 2021**

**Board of Directors**

*Sukey Robb-Wilder*

*Rich Holmer*

*Tim Lipinski*

*Gaylord Schaap*

*Larry Spillane*

**General Manager**

*Ed Fortner*



## **2021-2026 Sweetwater Springs Water District Capital Improvement Program February 4, 2021**

Capital improvements are an important element of the District's work effort. The District has an aging infrastructure, a high amount of unaccounted for water and District staff spends significant time reacting to leaks in the distribution system. Table 1. 2021-2026 Capital Improvement Program (CIP) lists needed Prioritized District projects by year and includes estimated costs. The ranking criteria for the priority of capital projects are:

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

Table 1. Sweetwater Springs Water District Proposed 2021-2026 CIP Prioritized Projects by Year				
Year	Projects	Estimated Cost	Cost/Service	Comments
<b>FY 2020- FY 2021</b>				
	FEMA Debris Removal at Mt. Jackson	\$45,000		Sweetwater potential responsible for 25% of project costs. Planning, design, and bidding have been completed.
	Main St (MR) Replace approximately 800 ft of mainline along Main St.	\$320,000		Sonoma County will be paving from MR Fire Department to Tyrone Road. We have experience multiple (7) leaks on four inch dip and wrap steel line. Six inch HDPE will replace steel water main. Staff planning is underway. This project may need to be under emergency procurement policy.
	<b>FY 2020-2021 Total</b>	<b>\$365,000</b>		
<b>FY 2021- FY 2022</b>				
	Old River Rd from Morningside Dr to Hwy 116 (GV) - Replace ~3,200' of main with 31 services and one fire protection line.	\$1,280,000	\$41,290	Eliminate 14 lead goosenecks. Required plan by DDW submitted in 2020. Old 6" cast iron pipe. Planning and Design is underway.
	<b>FY 2021-2022 Total</b>	<b>\$1,280,000</b>		
<b>FY 2022- FY 2023</b>				
	Woodland Drive – mainline replacement. (GV) Replace approximately 1,900 ft of existing mainline and 27 associated services along Woodland Dr in the main pressure zone.	\$760,000	\$28,148	Eliminate 2 lead goosenecks. Required plan by DDW submitted in 2020. Planning and Design is underway.
	<b>FY 2022-2023 Total</b>	<b>\$760,000</b>		
<b>FY 2023- FY 2024</b>	<b>Skip Capital Project</b>			
<b>FY 2024- FY 2025</b>				
	Wright Drive upper pressure zone. – (GV) Replace approximately 3,280 ft of existing mainline and 47 associated services along Wright Dr, Glenda Dr, Natoma Dr.	\$1,312,000	\$27,915	Two inch steel water main (85%) had nine leaks in 2020, six inch Asbestos/ Concrete (15%) had eight leaks in 2020. This project was approved in the 2020-2025 CIP.
	<b>FY 2024-2025 Total</b>	<b>\$1,312,000</b>		
<b>FY 2025- FY 2026</b>				
	Wright Drive main pressure zone. – (GV) Replace approximately 1,120 ft of existing mainline and 18 associated services along Wright Dr. and Wright Ln.	\$560,000	\$31,111	Two inch steel water main (30%) had three leaks in 2020, two inch PVC water main has been 40% replaced, six inch Asbestos/ Concrete (30%). This section of the project would be completed with the Upper Wright Drive project. This project was approved in the 2020-2025 CIP.
	Natoma Tank – Replace the existing 10,000 gallon storage tank with a 30,000 storage tank. (requires completion of Natoma Tank and includes Edgehill Booster)	\$200,000	\$4,255	Redwood Tank with liner provides little to now fire protection for this area presently. This project was approved in the 2020-2025 CIP.
	<b>FY 2025-2026 Total</b>	<b>\$760,000</b>		
	<b>FY 2021-2026 Total</b>	<b>\$4,477,000</b>		

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

Table 2. FY 2021-2026 Skip CIP in FY 2024-2025				5% Annual Rate Increase								
				3% Annual Wage Increase								
				FY 2019-2020 Actual	FY 2019-2020 Budget	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024	FY 2024-2025	FY 2025-2026	
<b>REVENUE</b>												
1	OPERATING REVENUE											
2	Water Bill Revenue											
3	Capital Debt Reduction Charge			299,453	292,811	314,426	330,147	346,654	363,987	382,186	401,296	
4	Base Rate			1,644,252	1,664,889	1,726,464	1,812,788	1,903,427	1,998,598	2,098,528	2,203,455	
5	Water Usage			635,637	680,136	667,419	700,790	735,830	772,621	811,252	851,815	
6	Total Water Sales			2,279,889	2,345,025	2,393,884	2,462,277	2,513,578	2,585,391	2,639,257	2,714,660	
7	Total OPERATING REVENUE			2,579,342	2,637,836	2,708,309	2,792,424	2,860,232	2,949,378	3,021,443	3,115,956	
8	NON-OPERATING REVENUE											
9	1700 - Interest			17,662	10,900	10,900	10,900	10,900	10,900	10,900	10,900	
10	xxxx - Policy Reserve Loan Proceeds			500,000	500,000	500,000						
11	3600 - Construction New Services			31,041	6,978	6,978	6,978	6,978	6,978	6,978	6,978	
12	3601 - Construction Service Upgrades			9,783	10,384	10,384	10,384	10,384	10,384	10,384	10,384	
13	4032 - Rent			106,669	107,832	109,988	112,188	114,432	116,720	119,055	121,436	
14	4040 - Miscellaneous Income			7,123	2,745	2,745	2,745	2,745	2,745	2,745	2,745	
15	4117 - SCWA Reimbursement			2,995	0	0	0	0	0	0	0	
16	Total NON-OPERATING REVENUE			675,273	638,838	640,995	143,195	145,438	147,727	150,062	152,443	
17	Total Income			3,254,615	3,276,675	3,349,304	2,935,618	3,005,670	3,097,105	3,171,504	3,268,398	
<b>EXPENSES</b>												
19	OPERATING EXPENSES											
20	SALARY & BENEFITS											
21	Salary											
22	5910 - Wages			847,162	861,000	886,830	913,435	940,838	969,064	998,135	1,028,080	
23	5912 - Overtime			30,230	37,745	38,877	40,043	41,244	42,482	43,756	45,069	
24	5916 - On-Call Pay			37,980	36,862	37,967	39,107	40,280	41,488	42,733	44,015	
25	5918 - Extra help - Contra			37,286	38,158	39,303	40,482	41,696	42,947	44,236	45,563	
26	Total Salary			952,658	1,006,400	1,026,528	1,047,059	1,068,000	1,089,360	1,111,147	1,133,370	
27	Benefits			4,549								
28	5920 - Retirement			70,738	96,845	98,782	100,758	102,773	104,828	104,829	104,830	
29	5922 - Payroll Taxes - Em			14,653	18,115	18,478	18,847	19,224	19,608	20,001	20,401	
30	Retirement - UL Extra			55,451	55,000	32,000						
31	5930 - Health/Dental/Visid			219,472	194,632	204,363	214,582	225,311	236,576	248,405	260,825	
32	5931 - Retiree health			8,784	8,077	8,320	8,569	8,826	9,091	9,364	9,645	
33	5940 - Workers Comp Ins			35,704	27,297	27,297	27,297	27,297	27,297	27,297	27,297	
34	Total Benefits			409,352	441,265	454,503	468,138	482,182	496,648	511,547	526,894	
35	SALARY & BENEFITS			1,362,009	1,520,768	1,481,031	1,515,197	1,550,182	1,586,007	1,622,694	1,660,263	
36	Unfunded Liability Increase			500,000	500,000	500,000						
37	SERVICES & SUPPLIES											
38	SERVICES & SUPPLIES			589,957	620,630	626,836	633,105	639,436	645,830	652,288	658,811	
39	TOTAL OPERATING EXPENSES			2,451,967	2,141,395	2,607,867	2,148,301	2,189,618	2,231,838	2,274,982	2,319,075	
40	OPERATING SURPLUS/DEFICIT			\$802,648	\$558,155	\$741,437	\$787,317	\$816,053	\$865,267	\$896,522	\$949,324	
	FIXED ASSET EXPENDITURES											
	8517 - Field/Office equipment				5,000	1,000	5,000	1,000	5,000	5,000	5,001	
	8573 - Vehicles				35,000		35,000		35,000	35,000	35,001	
41	8511.1 - Tank/Facilities Sites			203,593	200,000	10,000		10,000				
42	Loan Payment to Policy Reserves					135,000	135,000	135,000	135,000	135,000	135,001	
43	FIXED ASSET EXPENDITURES			203,593	240,000	146,000	175,000	146,000	175,000	175,000	175,003	
44	TRANSFERS TO OTHER FUNDS											
45	Tfers to CIRF for CDR Revenue			299,453	292,811	314,426	330,147	346,654	363,987	382,186	401,296	
46	Tfers to CIRF			190,000	-	240,000	242,000	283,000	286,000	299,000	333,001	
47	8620.5 - Tfers to Building Fund			15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	
48	8620.2 - Tfers to In-House Constr			25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	
49	Total TRANSFERS TO OTHER FUNDS			526,383	332,811	594,426	612,147	669,654	689,987	721,186	774,297	
	Total DISASTER EXPENSE				0	0	0	0	0	0	1	
50	SURPLUS/DEFICIT			72,672	-14,656	1,011	170	398	280	336	23	



# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V-E**

**FROM:** Ed Fortner, General Manager

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Meeting Date: February 4, 2021

**SUBJECT: FY 2021-2022 BUDGET PROCESS UPDATE**

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**RECOMMENDED ACTION:** Receive a report on the District FY 2021-2022 Budget process and provide direction to staff.

**FISCAL IMPACT:** None

**DISCUSSION:**

The Board typically approves its annual Fiscal Year Operating and Capital Budget at the May Board meeting. We intend to continue this practice this year. The cost of service study was accepted at the March 2020 Board meeting. The cost of service study recommends five percent rate increases each of the next five years. Table 1 below identifies a calendar for the budget approval process. Milestones include the Proposition 218 process, which has a 45-day notice and a public hearing for increases in rates and fees, if necessary, and a public hearing on the Budget itself. A Proposition 218 Notice would be required for any rate increase or other fee increase for the Fiscal Year 2021-22 or beyond.

At the January Board Meeting, President Robb-Wilder appointed Tim Lipinski and Larry Spillane to the ad hoc Budget Committee to help the General Manager develop the Budget. Staff has generated the initial budget spreadsheet and we should have it completed shortly. The first Budget Committee meeting will occur in February.

The District's financial planning has assumed annual 5% increases to the base, water usage rates, and the Capital Debt Reduction Charge. A 1% increase in water rates returns yearly revenue of approximately \$30,000 to \$40,000 (when compounded annually). Rate increases have been driven by the need to fund capital projects, as described in the recently completed COSS.

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

<b>Table 1. FY 2021-2022 Budget Preparation</b>	
Reviewed/Approved Capital Improvement Program	January 2021, February 2021
Introduce Budget Process	January 7, 2021
Budget Committee meetings	February - March 2021
Draft Budget to Board for Discussion/Action, Including Direction on Water Rates	March 4, 2021
Prop 218 Mailing for Water Rate Increase, if necessary	March 15, 2021
Draft Budget to Board for Discussion/Action	April 8, 2021
Approve Budget <ul style="list-style-type: none"><li>• Prop 218 Public Hearing on Rates, if necessary</li></ul>	May 6, 2021

# SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. V-F**

**FROM:** Ed Fortner, General Manager

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**Meeting Date:** February 4, 2021

**SUBJECT:** Local Hazard Mitigation Plan (LHMP) Update

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**RECOMMENDED ACTION:** Receive report from the General Manager. Update of the Local Hazard Mitigation Plan.

**FISCAL IMPACT:** \$30,074

## **DISCUSSION:**

At the August 6th Board meeting, the Board approved Harris and Associates to undertake and complete a Local Hazard Mitigation (LHMP) to help the District qualify for FEMA grants. Eric Vaughan, with Harris and Associates, Jack Bushgen, Julie Kenny, and I participated in the first Planning Committee meeting on September 4th.

The Committee and the public's second meeting was conducted as a special called Board meeting on October 22<sup>nd</sup>.

The fourth Committee meeting was held on January 13, 2021. Jack Bushgen and I attended with Harris and Associates and finalized the mitigation spreadsheet. The Committee will review final mitigation measures in February. In March, the second and last Public Workshop will be scheduled as a Special Board meeting for final feedback from the public and the Board. After the second Public Workshop, the final draft of the plan will go to CalOES and FEMA for final approval. The work schedule is attached.

The minutes, agenda, presentation, and revised timeline from the January 13<sup>th</sup> meeting are attached.



# **MEETING AGENDA**

## **Planning Committee Meeting #4**

### **Sweetwater Springs Water District – Hazard Mitigation Plan**

Lead Agency: Sweetwater Springs Water District

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**January 13, 2021**

**2:00 p.m. to 3:00 p.m.**

**Purpose of Meeting:** The purpose of the meeting is to review the plan implementation, monitoring, evaluation, and update process.

- i. Welcome & Introductions**
- ii. Criteria for Mitigation Action Prioritization (Review)**
- iii. Continued Public Participation**
- iv. Plan Monitoring, Evaluation, and Updating**
- v. Existing Policies, Programs and Resources**
- vi. Plan Integration**
- vii. Changes in Development, Mitigation Progress, and Changes in Priorities**
  - Not applicable to first HMP**
- viii. Next Steps/Updated Timeline**
- ix. Adjourn**

# **SWEETWATER SPRINGS WATER DISTRICT HAZARD MITIGATION PLAN**

**JANUARY 13, 2021**

**PLANNING MEETING #4**





# TABLE OF CONTENTS

- Mitigation Action Prioritization (Review)
- Continued Public Participation
- Monitoring, Evaluating, and Updating the Plan
- Existing Policies, Programs and Resources
- Plan Integration

# MITIGATION ACTION PRIORITIZATION

What is the criteria for prioritizing implementation of the actions?

Mitigation Actions should be prioritized based on several factors, including:

- 
- ✓ Cost
  - ✓ Benefit
  - ✓ Implementation Timeframe

# CONTINUED PUBLIC PARTICIPATION

How will SSWD continue public participation after adoption of the HMP?

1. Post final HMP on website, with an email address where the public can submit their comments
2. Invite the public for an annual review of the HMP

**Any other ways the District can continue public participation in the plan maintenance process?**

# MONITOR, EVALUATE AND UPDATE

- **Monitor** the Plan
  - *How* – Annual Meeting
  - *When* – Annually
  - *Who* – Local Mitigation Officer (Ed Fortner) & Planning Committee
- **Update** the plan by applying for a grant 2-3 years prior to expiration date of plan so HMP can be updated prior to the 5-year expiration date
- **Evaluate** mitigation actions through a tracking system for projects that have been completed



# EXISTING AUTHORITIES, POLICIES & PROGRAMS

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- Existing authorities (i.e. taxing, regulatory)
- Existing policies (and budgets) in place
- Existing programs for customers (i.e. water conservation)
- Trainings
- Resources
  - Staff
  - Board of Directors
  - Others?

# INTEGRATING INTO OTHER PLANNING DOCUMENTS

How can the HMP help inform other planning or technical documents that the District needs to develop or is already existing?

- Identify how this HMP can be integrated into other planning documents
  - Data/Maps
  - Information on risks
  - Mitigation Goals and Actions
- What other planning or technical documents does the District rely on to make management decisions?

**Sweetwater Springs Water District**  
October 2016

**2015 URBAN WATER  
MANAGEMENT PLAN UPDATE**





# NEXT STEPS/TIMELINE UPDATE

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- Draft Element C
- Provide first draft to Planning Committee by February 1.
- Public Review Draft posted by March 1
- Public Workshop mid-March
- Final Draft to Cal OES by early April

# QUESTIONS



**HARRIS AND ASSOCIATES**  
**LOCAL HAZARD MITIGATION PLAN**  
**PROJECT SCHEDULE**

<b>Months</b>	<b>Key Tasks</b>	<b>Meetings &amp; Workshops</b>	<b>Key Milestones/ Deliverable</b>
<b>July 2020</b>	-Pre-Meeting with Project Manager -Existing Document Review -Identify Required Participants -Invite Plan Participants -Establish Planning Committee -Document the Planning Process -Identify and Review District Assets	Pre-Meeting	Fully Executed Professional Services Agreement
<b>August September 2020</b>	Assess and Select Hazards of Concern	Planning Committee Meeting #1: Kickoff and Select Hazards of Concern ( <b>September 4<sup>th</sup></b> )	Draft Element A: Planning Process
<b>September October 2020</b>	Conduct Risk Assessment for Selected Hazards	Planning Committee Meeting #2: Solicit Feedback on Risk Assessment ( <b>October 22<sup>nd</sup></b> )	Draft Element B: Risk Assessment
<b>October December 2020</b>	-Develop Mitigation Goals -Develop and Launch Online Survey -Prioritize Mitigation Actions -Develop Action Plan	-Planning Committee Meeting #3: Solicit input on Mitigation Actions ( <b>December 10<sup>th</sup></b> )  -Public Workshop #1: Solicit Public Input on Risk Assessment & Mitigation Actions ( <b>December 10<sup>th</sup></b> )	-Public Survey  -List of Mitigation Strategies from Planning Committee
<b>November January 2020</b>	-Draft Element C	<del>Public Workshop #2: Solicit Public Input on Draft Plan (<b>January</b>)</del> -Planning Committee Meeting #4: Plan Maintenance, Evaluation and Updates	-Draft Element C: Mitigation Strategies  <del>Complete Full Public Review Draft</del>
<b>February 2021</b>	-First Draft Plan submitted to Planning Committee -Integrate feedback from Planning Committee and Board		-Submit first draft Plan to Planning Committee

<b>March 2021</b>	-Public Review Draft -Revise Public Review Draft as necessary to include public input	<b>Public Workshop #2: Solicit Public Input on Public Review Draft (March)</b>	- <b>Post Public Review Draft</b>
<b>February 2021 April 2021</b>	Cal OES Review		Cal OES Review Draft
<b>March 2021 May 2021</b>	FEMA Review		FEMA Review Draft
<b>April 2021 June 2021</b>	SSWD Board Adoption	SSWD Board Meeting	Approved and Adopted LHMP

## SWEETWATER SPRINGS WATER DISTRICT

**TO:** Board of Directors

**AGENDA NO. VI**

**FROM:** Ed Fortner, General Manager

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**Meeting Date:** February 4, 2021

**Subject:** GENERAL MANAGER'S REPORT

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

**FISCAL IMPACT:** None

### **DISCUSSION:**

- 1. Laboratory Testing:** Water quality tests confirm that all SSWD water meets all known State and Federal water quality standards. We are reviewing new regulations for lead and copper and PFAAs.
- 2. Water Production and Sales:** Water sales in December were 15,529 units (35.6 AF Monte Rio cycle), and production was 51.5 AF. Compared to one year ago, sales were lower, and production was lower (29.7 AF and 46.5 AF, respectively). Figure 1 shows sales, production, and % difference for the combined systems; the water loss trend was down this month as a running twelve-month average (18.1%). Looking at the data over the last ten years, water production has dropped approximately 29%, and sales have dropped 18%. The water loss percentage was around 30% and now is in the 15-20% range. Much of the production and water loss drop can be attributed to capital projects.
- 3. Leaks:** In January, we had three total leak repairs with 34 hours on them. All three leaks were in Guerneville. All leaks were in older lines. That is less leaks and fewer person-hours than the prior month and less leaks and less person-hours than January one year ago (6 and 60). Figure 2 shows service and main leaks separately with a total leak line as well. For Calendar Year 2020, total leaks were 99, up from 78 in 2019. Looking at the leaks chart over the last ten years, we have come down from around 300 leaks per year to under 100 - quite a difference and very noticeable in what the field crews are able to do - address ongoing issues with in-house projects instead of chasing leaks every day.

- 4. Guerneville Rainfall:** January rainfall was 4.84", which is lower than the long-term average month and puts the yearly total (10.18") below the long-term annual average. Indications are we will experience another drought year in 2021.
- 5. In-House Construction Projects:** There were three in-house construction projects in January. A hydrant valve and hydrant were replaced at 14860 Hwy 116 with forty hours, a one-inch service was upgraded at 18120 Neeley Rd. with fifty hours, and a construction service upgrade to one inch was completed at 17632 Neeley Rd with twenty-four hours. All these projects were in Guerneville.
- 6. Watershed Recovery Task Force:** The Walbridge and Meyers wildfires started August 18th, and Mandatory Evacuations were issued on August 19th for most of our service area. The fire was 95% contained by the end of August. I continue to take responsibility for coordinating as liaison to County Emergency Operation Center (EOC), updating staff and the Board, and virtually attending all County Supervisor, Sheriff, Cal Fire, and EOC meetings. As part of the EOC coordination, I joined the Watershed Recovery Task Force, including Permit Sonoma, Sonoma County Water, State Water Resources Control Board, California Geological Survey, and many other partners. The final WERT report was issued and shared with the Board. We are taking debris removal mitigation measures at the Mt. Jackson site with FEMA funding and with CalFire.
- 7. Lower Russian River Community Advisory Group Governance Meeting:** There was a remote meeting of the LRRCAG on January 28th to discuss Wastewater solutions for Monte Rio and Villa Grande. The process is moving forward with the Request for Qualifications for the Feasibility Study to be issued soon. Also, the Sacramento State study for Governance options will be completed in February.
- 8. Guerneville Park Resort Update:** The developers submitted plans and a deposit check for \$5,000 and signed the reimbursement agreement. Coastland and Sweetwater staff are reviewing the plans prior to issuing a will-serve letter. Permit Sonoma has agreed that the developer's permit will not be issued until our will-serve letter is issued.
- 9. Grants Update:** I have been coordinating with FEMA and CalOES to fund damages due to the Walbridge Fire (DR-4558) at our Mt. Jackson site ("A" category) for debris removal. Piazza revised their quote due to our coordination with Cal Fire, who are undertaking the clearing of the portion around the County radio tower site. FEMA funding is up to 100% reimbursable, so the District may be responsible for up to 25% of the cost. Unfortunately, FEMA had given preliminary approval of the funding and I have now been informed that there are at least two more levels of approval that are pending. I reached out to Supervisor Hopkin's office to get a response from the Community Development Commission (CDC) about our Community Development Block Grant (CDBG) funding for the FY 2020-2021 CIP design and planning costs (\$115,900). President Robb-Wilder and I met with Tina

Rivera and the CDC on January 20<sup>th</sup> and 27<sup>th</sup> and we have now received the grant agreement and will be drafting the first draw request for the \$115,920 grant. The next grant cycle for the CDBG funding opens in April and we will re-submit our construction phase of the FY 2020-2021 CIP for funding at that time.

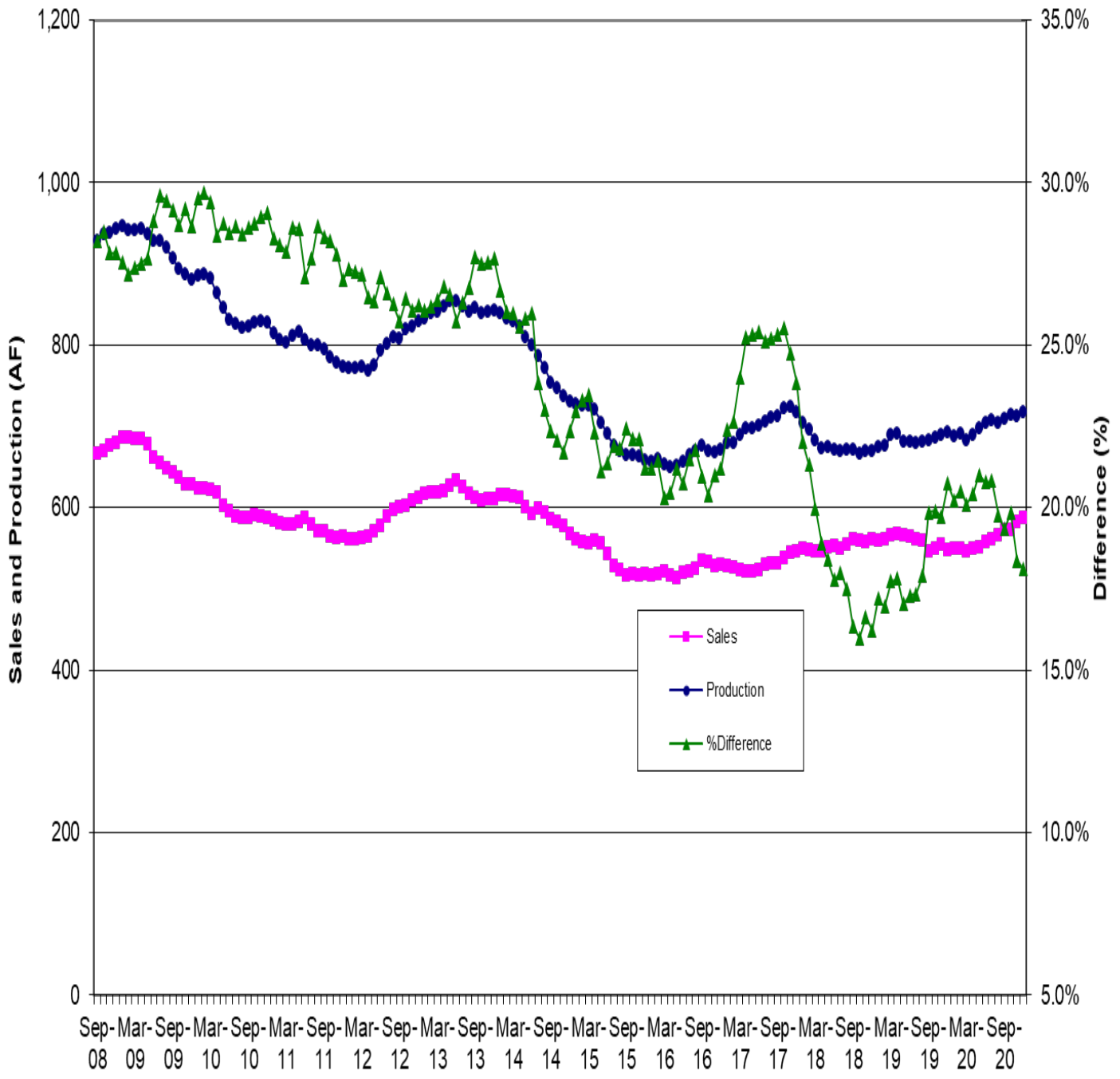
**10. Property Tax Lien Policy Change:** Sukey, Gaylord, and I met on October 8<sup>th</sup> and had a thorough discussion about the Policy changes related to Property Tax Liens. We will continue to meet and finalize the draft policy soon.

**11. Gantt Chart:** The Gantt Chart is updated for February 2021.

**12. Covid Update:** There have been two more close calls with staff exposure with Covid. We followed our ERP Covid section and Sonoma County Health Department guidance to allow leave pay for isolations. We continue to follow all protocols, including masks in the office and field, hygiene, and social distancing. Hopefully, the vaccines will end this terrible pandemic in the coming months.

**13. Economic Impact of no Disconnects for Non-payment:** The total uncollected amount in this Monte Rio billing cycle due to non-payment with the non-Disconnect Executive Order is **\$3,766.59**. This amount is trending down. The chart is updated with separate columns for billing cycles. We will continue to follow this amount.

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





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

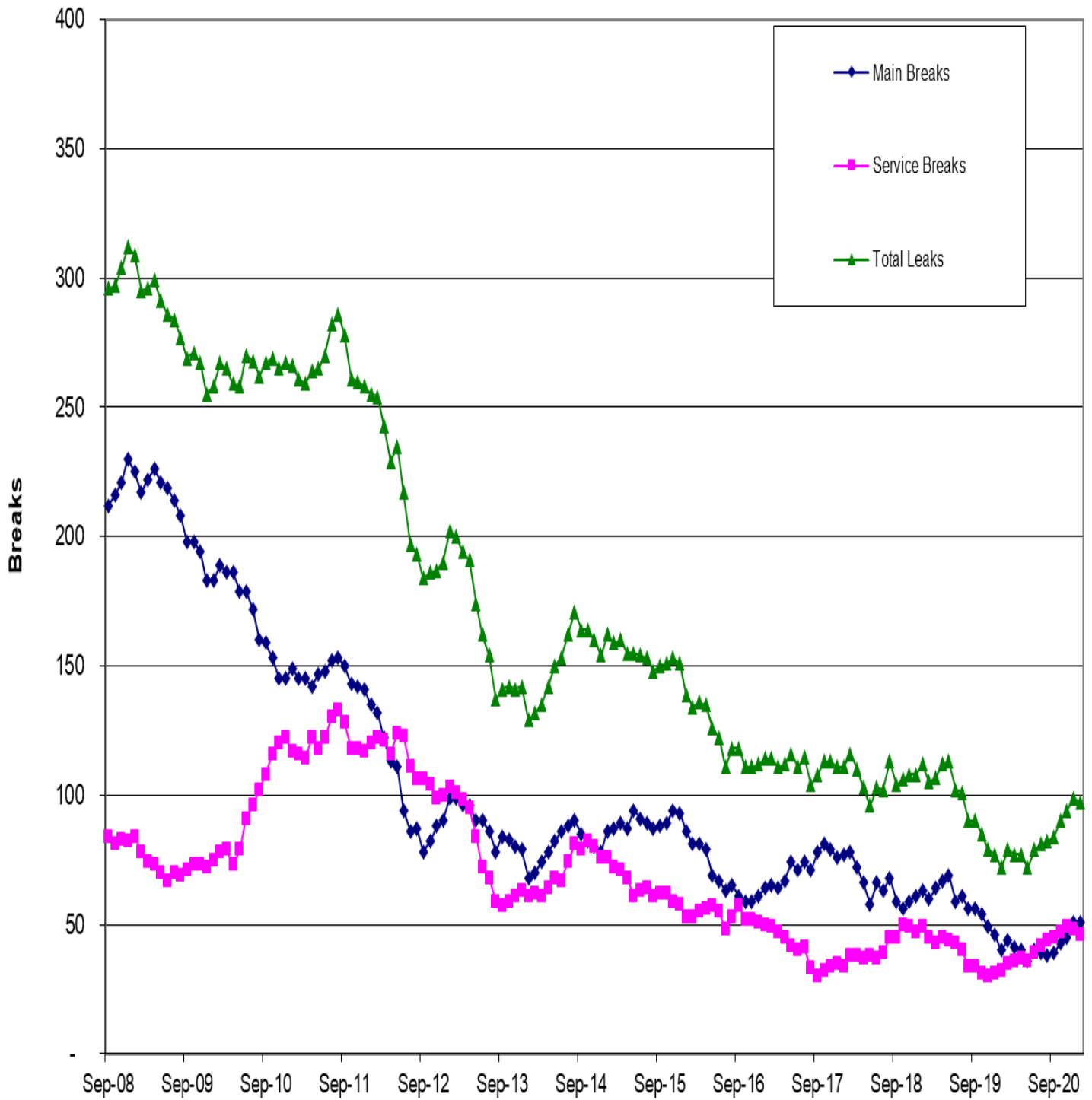
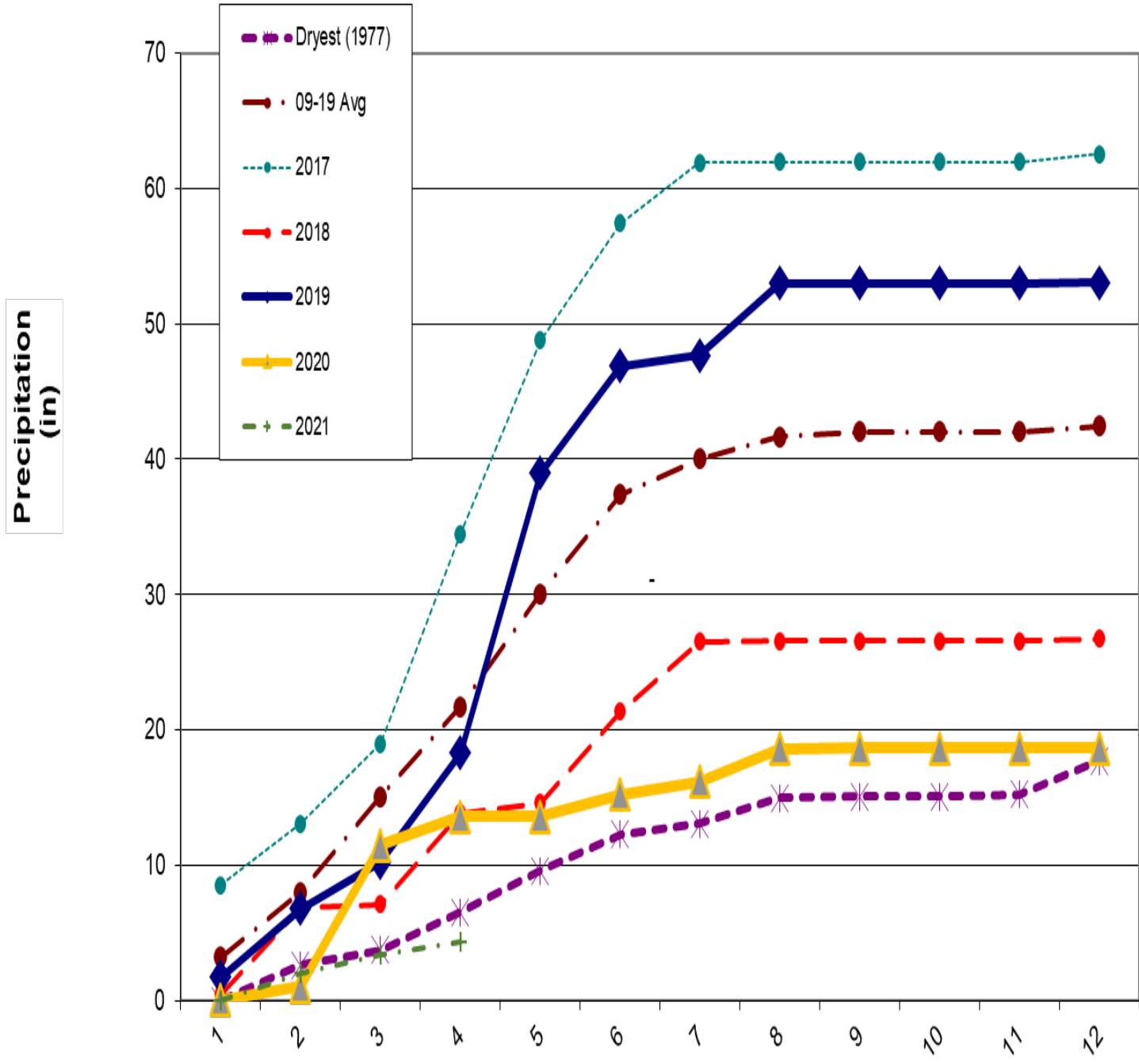


Figure 3. Guerneville Cumulative Monthly Rainfall



<b>Tracking the Economic Impact of Suspending Water Disconnects for Non-payment</b>					
<b>EVEN CYCLE</b>			<b>ODD CYCLE</b>		
<b>Billing Date</b>	<b># of Customers whose prior bill was still unpaid when next bill mailed</b>	<b>\$ Value of Past Due Amounts** (including unpaid customer deposits)</b>	<b>Billing Date</b>	<b># of Customers whose prior bill was still unpaid when next bill mailed</b>	<b>\$ Value of Past Due Amounts** (including unpaid customer deposits)</b>
2/15/2020 (Historical disconnect procedure)	0	\$0	3/15/2020 (SB 998 extends time before disconnect)	10	\$1,565
4/15/2020 (Exec. Order N-42-20: Disconnects completely suspended)	24	\$4,096	5/15/2020	5	\$594.02
6/15/2020	9	\$2,947.56	7/15/2020	8	\$1,261.02
8/15/2020	7	\$2,464.32	9/15/2020 (Suspended delinquency process due to wildfire.)	57	\$7,646.52
10/15/2020	16	\$5,094.43	11/15/2020	18	\$4,406.13
12/15/2020	23	\$7,260.48	<b>1/15/2021</b>	<b>20</b>	<b>\$3,766.59</b>

*As of 1/15/2021, 17 customers have entered into COVID-19 Agreements. These customers are not included in the numbers above.*

