SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-D**

FROM: Steve Mack, General Manager

Meeting Date: July 7, 2016

SUBJECT: DISCUSSION/ACTION RE 2015 - 2016 ANNUAL REVIEW

RECOMMENDED ACTION: Receive a staff presentation regarding the 2015-2016 Annual Review.

FISCAL IMPACT: none

DISCUSSION:

The District does an annual review each year at about this time of the year. This is the fourth year that we are using this format, and, as before, it is still a work in progress and comments and suggestions are welcome. Periodic review of District activities is a good check on what we are doing and with Board concurrence, we will continue the practice.

Exhibit A: Sweetwater Springs Water District Annual Review, Fiscal Year 2015-2016

The annual review is a look back of the achievements of the past fiscal year and a look forward to what we are expecting for the coming fiscal year.

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

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

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

FY 2016 Achievements:

- Sixth year that 3% increase to Base Rate and Water Usage Charges was approved; Fourth Year of 3% increase to Capital Debt Reduction Charge.
- Reserve Policy met by FY 2016 Budget.
- Drought water use restrictions resulted in lower water sales and revenues; budget can absorb this.

FY 2017 Projections:

- Investigate/monitor need for rate increase in May 2017, effective July 2017. Longer term impact of reduced water sales unknown; we may have a new normal on water sales (lower) and may need to adjust to this, $500,000 target for CIP funding may need to wait until State Loans paid off.
- Review financial planning model to ensure it is meeting current financial planning needs; revise where appropriate.
- Meet Reserve Policy with FY 2016 Budget.

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

FY 2016 Achievements:

- Compliance with California Division of Drinking Water (formerly Department of Public Health (DPH)) regulations achieved. Annual report submitted according to schedule.
- Stage I of Water Shortage Contingency Plan adopted in August 2014 in response to State Water Board direction; revised in May 2015 again in response to State Water Board direction. District has done better than targets. Stage I may be rescinded at the July 2016 meeting. It was a busy year with the drought with reporting to the State Board on monthly progress and self-certification process in June.
- 2016 CIP(Canyon One Road, Rio Nido)completed; NOC in April 2016.
- Implementation of 2016-2023 CIP involved getting $2.2 million in funding for the River Road Project through USDA; that is still in progress and is taking longer than expected. Reports needed by online submittal process near completion.
- Total Leaks for calendar year 2015 at 151 (target was 140).
- System leakage at 21% (June 2016) (target was 21%).
- Flood Inundation issues with El Bonita Well Field being worked on with the State Division of Drinking Water.

FY 2017 Projections:

- FY 2017 CIP (Old River Road) in design for construction in spring/summer/fall of 2017. Award of contract awaits completion of funding process - winter 2017?
- Total leaks for calendar year 2016 at 140.
- System leakage at 20%. Continue use correlation equipment on regular basis to identify and fix leaks.
- Continue use of automated map. Become better at it; start making needed revisions.
- Complete Urban Water Management Plan (UWMP) in October 2016; use experience of Stage I water shortage in revision of UWMP.
- Achieve resolution of inundation issues with El Bonita Well Field prior to rainy season (September 2016). If physical solution is needed, have that completed prior to rainy season (November 2016).

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

FY 2016 Achievements:

- Emergency Action Plan was reviewed and updated in October 2015.
- Attended 2015 Flood Preparation meeting in November 2015
- Attended meeting on wild fire preparation for Guernewood Park area at Russian River Fire Protection District Office.

FY 2017 Projections:

- Update of Emergency Action Plan in October 2016.
- Participate in County Emergency Operations communications/meetings in 2016.
- Continue efforts to communicate with local agencies re emergency preparedness.
- Work with local efforts for specific plans (Wild Fire Preparation for Guernewood Park?)

GOAL 4: DEVELOP AND MAINTAIN A QUALITY WORKFORCE

FY 2016 Achievements:

- Field staff oversight of 2016 CIP.
- 43 in-house projects totaling 1562.5 man-hours (up from 33 projects and 980 hours).
- First year of implementation of new MOU; it went well.

FY 2017 Projections:

- Continue staff training efforts.
- Oversee completion of 2017 CIP construction when it starts.
- Continue focus on in-house projects.
- Participate in more webinars and workshops.

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

FY 2016 Achievements:

- Meeting summary sent to local media on monthly basis.
- Website updated on at least monthly basis.
- Continued display in lobby that shows examples of pipes that are being replaced by capital projects – good public response to this.
- Making effort to provide outreach with local Chambers regarding the drought response.
- Making monthly reports to State on required drought response information.
- 2015 UWMP in progress; completion expected in October 2016.

FY 2017 Projections:

- Continue meeting summary.
- Look for opportunities to provide community leadership/participation on water-related issues.
- Continue to look for ways to make website more useful.

- Participate in statewide and regional drought responses.
- Successful submittal of 2015 UWMP update.

GOAL 6: ENHANCE BOARD COMMUNICATIONS AND INFORMATION

FY 2016 Achievements:

- Demonstrated use of correlation equipment.

FY 2017 Projections:

- Review sections of Policies and Procedures for revision.
- Evaluate facility tour opportunities.