SWEETWATER SPRINGS WATER DISTRICT

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

FROM: Steve Mack, General Manager

Meeting Date: August 6, 2015

SUBJECT: DISCUSSION/ACTION RE 2014 - 2015 ANNUAL REVIEW

RECOMMENDED ACTION: Receive a staff presentation regarding the 2014 Annual Review.

FISCAL IMPACT: none

DISCUSSION:

The District does an annual review each year at about this time of the year. This is the third year of the new format (perhaps we shouldn't be calling it new anymore) and, as always 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 2014-2015

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 2015 Achievements:

- Fifth year that 3% increase to Base Rate and Water Usage Charges was approved; Third Year of 3% increase to Capital Debt Reduction Charge.
- Resolution of USDA Refinancing Issue to District's benefit - additional $8,000/yr savings for first 19 years, $900,000 over life of bond.
- Reserve Policy met by FY 2015 Budget.
- Renewed lease for cell tower site on Mt. Jackson on favorable terms.
- Drought water use restrictions resulted in lower water sales and revenues; budget can absorb this.

FY 2016 Projections:

- Investigate/monitor need for rate increase in May 2016, effective July 2016. Longer term impact of reduced water sales unknown; with return to near normal sales, District should be close to $500,000 target for CIP funding.
- 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 2015 Achievements:

- Compliance with California 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 is doing better than targets.
- 2015 CIP (Old Monte Rio Road) completed; NOC in May 2015.
- 2016 CIP (Canyon One Road, Rio Nido) award of contract in May 2015.
- Review of 2014-2019 CIP started in November 2015, CIP Subcommittee reviewed CIP process, recommended revised 2016-2023 CIP with River Road Project added and moved to top.
- Total Leaks for calendar year 2014 at 154 (target was 120 :-().
- System leakage at 21% (June 2015) (target was 23%).
- Entered into agreement with Open Spatial for online, automated system map; map is operational.
- Purchased correlation equipment to trace and identify leaks in pipe segments.

FY 2016 Projections:

- FY 2017 CIP (Old River Road) in design for construction in summer/fall of 2016. Award of contract in May/June 2016.
- Total leaks for calendar year 2015 at 140.
- System leakage at 21%. Use correlation equipment on regular basis to identify and fix leaks.
- Increase use of automated map.
- Use experience of Stage I water shortage in revision of Urban Water Management Plan (UWMP).
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GOAL 3: HAVE UPDATED EMERGENCY PREPAREDNESS PLANS FOR ALL REASONABLE, FORESEEABLE SITUATIONS

FY 2015 Achievements:

- Emergency Action Plan was reviewed and updated in October 2014.
- Attended local emergency preparation meeting in November 2014 with Cal Water, Russian River Utilities and Russian River Fire Protection District.
- Attended 2014 Flood Preparation meeting in February 2015 (December meeting was postponed because of potential flooding on meeting day.
- Attended meeting on community response training by Fire Protection District.

FY 2016 Projections:

- Update of Emergency Action Plan in October 2015.
- Participate in County Emergency Operations communications/meetings in 2015.
- Continue efforts to communicate with local agencies re emergency preparedness.

GOAL 4: DEVELOP AND MAINTAIN A QUALITY WORKFORCE

FY 2015 Achievements:

- Hired first new employee since 2008.
- Field staff oversight of 2015 CIP.
- 33 in-house projects totaling 981.5 man-hours.
- Completed new 5-year contract with represented employees.

FY 2016 Projections:

- Continue staff training efforts.
- Oversee completion of 2016 CIP construction, design of 2017 CIP.
- Continue focus on in-house projects.
- Participate in more webinars and workshops.

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

FY 2015 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.

FY 2016 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, if it continues.
- Submit 2015 Urban Water Management Plan Update by July 2016.

GOAL 6: ENHANCE BOARD COMMUNICATIONS AND INFORMATION

FY 2015 Achievements:

- Used subcommittee approach to review CIP
- No activity on the Website section for Board members begun; do we need this?

FY 2016 Projections:

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