SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. VI**

FROM: Ed Fortner, General Manager

Meeting Date: September 3, 2020

Subject: GENERAL MANAGER'S REPORT

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.

2. **Water Production and Sales:** Water sales in June were 28,582 units (65.6 AF Guerneville cycle), and production was 79.6 AF. Compared to one year ago, sales were lower, and production was lower (62.9 AF and 75.8 AF, respectively). Figure 1 shows sales, production and % difference for the combined systems; the water loss trend was the same this month (20.8%). 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 the capital projects funded by Redevelopment. The sales drop is probably due to conservation; it's unlikely historic use levels will return soon.

3. **Leaks:** In August, we had eight total leak repairs with 49 hours on them. Three leaks were in Guerneville and one was in Monte Rio. All leaks were in older lines. That is less leaks and less person-hours compared to the prior month and more leaks and less person-hours compared to August one year ago (7 and 58). Figure 2 shows service and main leaks separately with a total leak line as well. For Calendar Year 2019, total leaks were 78, down from 105 from 2018. Looking at the leaks chart over the last ten years, we've come down from around 300 leaks per year to under 80 - 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:** August rainfall was 0.01", which is lower than the long-term average month and keeps the yearly total (18.68") below the long-term annual average. Our driest year on record was 1977 and we had 15.21" total by the end of August.

5. **In-House Construction Projects:** There were no in-house construction projects in August. There were no toilet rebates.

6. **Park Avenue Tank:** The Park Avenue Tank roof was replaced and the tank was leveled by staff. They did a great job. The tank liner was replaced by New World Manufacturing out of Cloverdale. The tank was disinfected and put back into service.

7. **Lower Russian River Community Advisory Group Governance Meeting:** There was a remote meeting of the LRRCAG scheduled for August 27th. This meeting was postponed for a month due to the wildfires. Dan Fein and/ or Steve Trippe will attend the November 5th Sweetwater Board meeting to update the Board in more detail.

8. **Lower Harrison Tank Update:** It has been determined that there is a need for a roof replacement and paint job on the tank in the next few years. Coastland has not submitted the cost estimate at this time.

9. **Staff Update:** Chris Hanley, Account Clerk retired on August 28, 2020 after seventeen years of exceptional service to the District. Chris will be missed. We have begun discussion of the timing of her replacement.

10. **Gantt Chart:** The Gantt Chart is updated for September, FY 2020.

11. **Economic Impact of no Disconnects for Non-payment:** The total uncollected amount in this Guerneville billing cycle due to non-payment with the non Disconnect Executive Order is $2,464.32. The chart is updated with separate columns for billing cycles. We will continue to track this amount.

12. **Unfunded Liability Update:** The District has received our annual valuation report from CalPERS, which among other information provides a breakdown of Unfunded Liability (UL). At the beginning of FY 2019-20, the District's UL was $986,313. This includes $40,679 in UL added for investment shortfalls in FY 2018-19. (CalPERS projects a 7% investment return, but in FY 2018-19 only achieved a 6.7% return.) During the year, the District paid $554,360 towards UL. This sum included a $500,000 payment made via loan from our Policy Reserves. At the end of the year, after interest payments, the District's UL is $481,922. This does not include investment losses for FY 2019-20 (CalPERS has announced a 4.7% investment return for last year.) The shortfall from the 7% projected return will be added to our UL in next year's report.

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

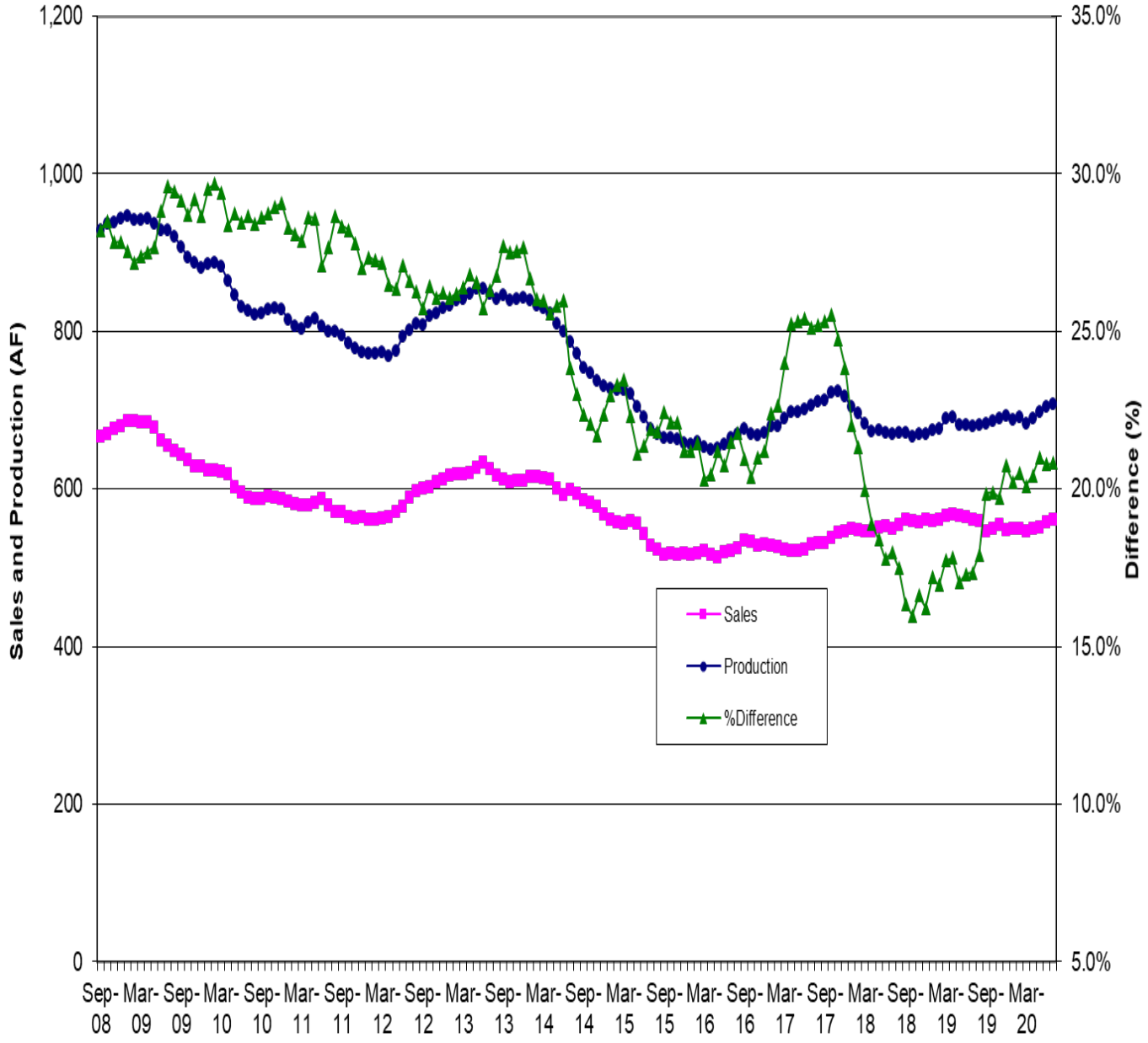

Figure 2. Sweetwater Springs Water District Main and Service Pipeline Breaks Moving Annual Average Since September 2008

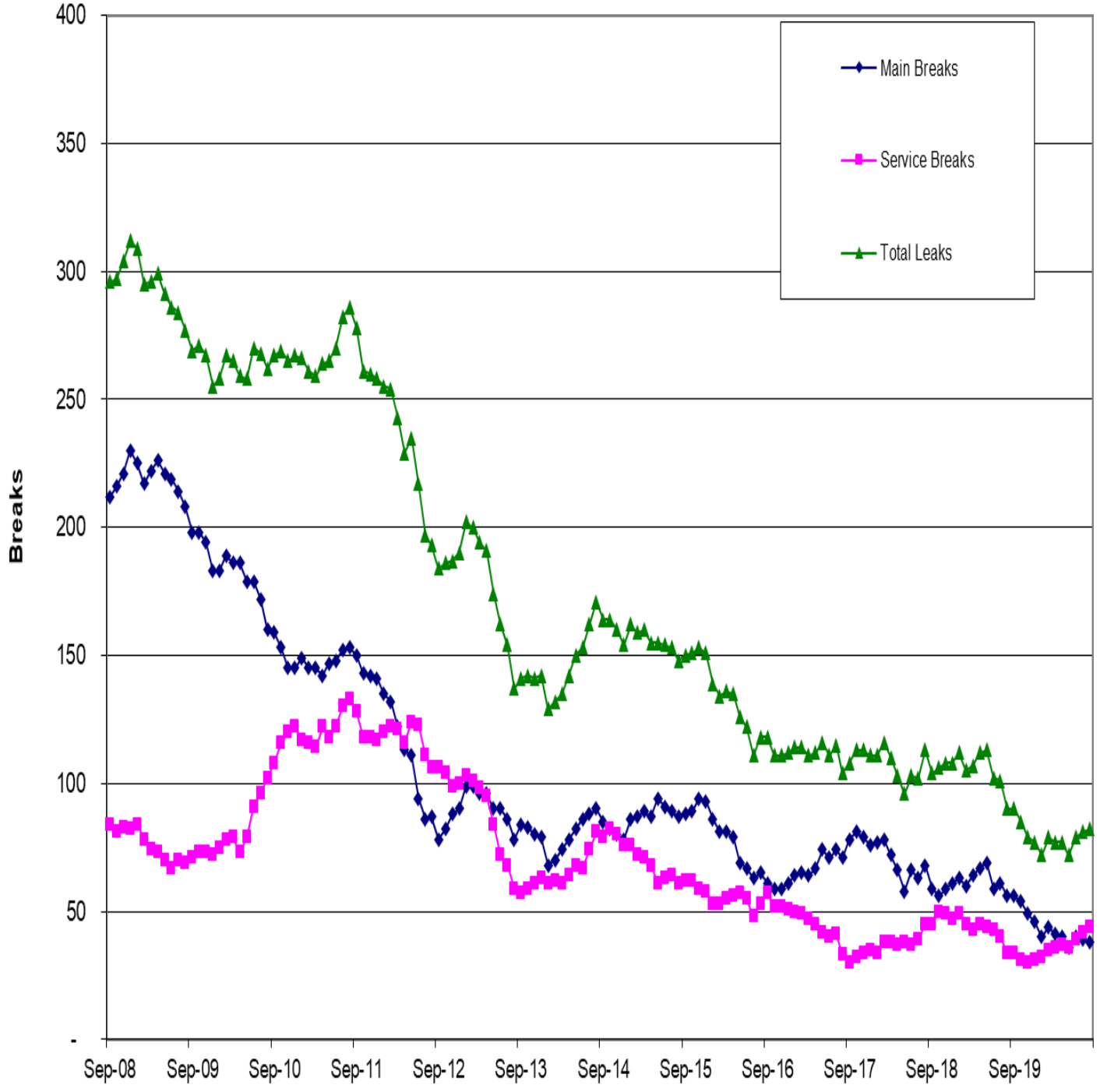

Figure 3. Guerneville Cumulative Monthly Rainfall

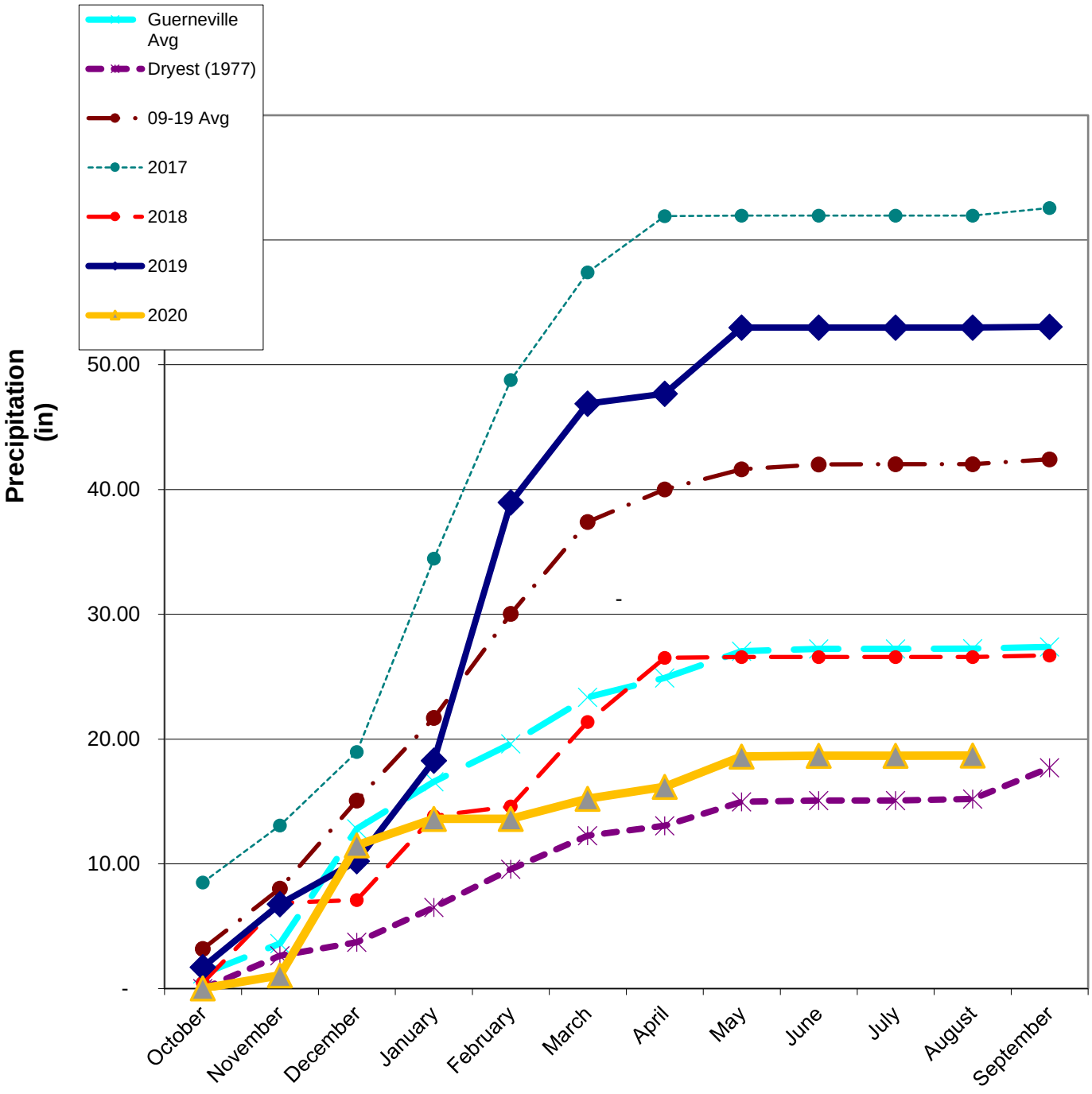

Figure 4. Sweetwater Springs WD Calendar Gantt Chart		Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	FY22+
Ongoing Activity														
Board Action														
Other Milestone														
Current Month														
By Activity														
Action Item/Milestone	Projected Completion/ Milestone Date													
Budget Preparation														
· Capital Improvement Program Board Discussion														
· Staff Budget Preparation Begins														
· Ad Hoc Budget Committee Reviews Draft Budget														
· Draft Budget to Board for Discussion/Action														
· Approve Budget														
Capital Projects														
· Update/Review District CIP														
· 2021 CIP Planning														
· 2021 CIP Design														
Local Hazard Mitigation Plan														
· LHMP Committee Meetings														
· LHMP Approval														
EPA Vulnerability Asessment														
Urban Water Management Plan														
Water Rights	SCWA													
Emergency Response Plan Review														
Urban Water Management Plan														
· UWMP Approval														
Policies and Procedures														
· Other Policy														
· Overall Review														
District Annual Review														

Tracking the Economic Impact of Suspending Water Disconnects for Non-payment

EVEN CYCLE			ODD CYCLE		
Billing Date	**# of Customers whose prior bill was still unpaid when next bill mailed**	**$ Value of Past Due Amounts**** (including unpaid customer deposits)	**Billing Date**	**# of Customers whose prior bill was still unpaid when next bill mailed**	**$ Value of Past Due Amounts**** (including unpaid customer deposits)
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**			

As of 8/15/2020, 16 customers have entered into COVID-19 Agreements. These customers are not included in the numbers above.