

# Sunnyslope County Water District

## AGENDA

MAY 19, 2020

**CLOSED SESSION: 4:30 PM**

**REGULAR BOARD MEETING: 5:15 PM**

District Office Board Room



3570 Airline Hwy., Hollister, CA

**AS AUTHORIZED BY THE STATE OF CALIFORNIA EXECUTIVE ORDER N-25-20 PUBLIC ACCESS TO DISTRICT MEETINGS CAN BE OBTAINED THROUGH THE FOLLOWING ACCESS POINTS:**

Join from PC, Mac, Linux, iOS or Android:

<https://meetings.ringcentral.com/j/1484859238?pwd=VFZUUXpOZTdUT1kvK0hLVWxBZkt1dz09>

Password: SSCWD

Or Telephone: Dial +1(623)404-9000 and when prompted enter Meeting ID: 148 485 9238, Password: 534028

Regular Board Room attendance will NOT be available.

Any members of the public requiring special accommodations may call the District office at (831) 637-4670 a minimum of 3 hrs prior to the start of the meeting.

### *Mission Statement:*

*"Our Mission is to provide safe, reliable, and high quality water and wastewater services to our customers and all future generations in an environmentally and financially responsible manner."*

#### **A. CALL TO ORDER**

**B. ROLL CALL** – President James Parker, Vice-President Jerry Buzzetta, and Directors: Judi Johnson, Ann Ross, and Mike Alcorn.

**C. PUBLIC COMMENT ON CLOSED SESSION MATTERS** – Members of the public may address the Board on the item or items listed on the Closed Session agenda, with a time limit of three minutes per speaker.

### *Closed Session*

#### **D. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS:**

1. Conference with Legal Counsel – Anticipated Litigation, Gov. Code § 54956.9(b): – One case.
2. Labor Negotiation Discussion – Management Negotiations Update, Gov. Code §54957.6

District Negotiators: Drew Lander, General Manager

Employee Organization: Management Staff

## Regular Session

### **E. PLEDGE OF ALLEGIANCE**

### **F. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION**

### **G. APPROVAL OF AGENDA**

**H. PUBLIC COMMENTS and AUDIENCE INTRODUCTIONS** – The public may comment <sup>1</sup> on any District business, not on the agenda, with a time limit of three minutes per speaker. No actions may be taken.

**I. CONSENT AGENDA** – Members of the Board and/or members of the public may pull matters from the Consent Agenda. Any matter pulled from the Consent Agenda shall be moved to Item J, and treated as a matter of new business, or moved to Item L, and discussed as a staff report. The public may address the Board <sup>2</sup> on these items, not to exceed 3 minutes, when the Board reviews each pulled item.

1. Approval of Minutes of the Regular Board Meeting of April 21, 2020.
2. Allowance of Claims for disbursements from April 14, 2020 through May 11, 2020.
3. Associate Engineer Monthly Status Report.
4. Finance Manager Monthly Status Reports: a. Narrative Report, b. Operation Summary, c. Statement of Income, and d. Investment Summary.
5. Superintendent Monthly Status Reports: a. Maintenance, b. City Meter Reading, and c. Groundwater Level Measurement.
6. General Manager Monthly Status Report.

**J. NEW BUSINESS** – The Board will review and discuss agenda items and take action or direct staff to return to the Board for action at a following meeting. The public may address the Board <sup>2</sup> on these items as the Board reviews each item.

1. Authorize the General Manager to Proceed with Well #2 Rehabilitation for a Total Cost Not to Exceed \$80,680 (Not a project under CEQA per Article 20, Section 15378).
2. Authorize the General Manager to Purchase Materials and Contract for Installation of Piping and SCADA Modifications at the Lessalt Booster Pump Station, not to exceed \$25,000 (Not a project under CEQA per Article 20, Section 15378).
3. Consider Adoption and Approval of the District Budget for Fiscal Year 2020/21.
4. Authorize the General Manager to open Contract Negotiations with City Management Staff for Contract Operation of the City of Hollister Wastewater Treatment Plant (WWTP).

### **K. STATUS REPORTS**

1. Governance Committee – (No meeting)
2. Water / Wastewater Committee – (No meeting)
3. Finance Committee – (May 11<sup>th</sup>) Preliminary Budget Review
4. Policy and Procedure Committee – (No meeting)

5. Personnel Committee – (May 4<sup>th</sup>) Closed Session
6. Water Resources Association of San Benito County – (Canceled) Next scheduled meeting is August 6, 2020.

**L. BOARD and STAFF REPORTS**

1. Directors
2. District Counsel
3. General Manager – COVID 19 Update (Oral Report), Vehicle Replacement Fund Report (Oral Report).

**M. FUTURE AGENDA ITEMS**

**N. ADJOURNMENT**

*Upon request, Sunnyslope County Water District (SCWD) will make a reasonable effort to provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. SCWD will also make a reasonable effort to provide translation services upon request. Please submit a written request, including your name, mailing address, phone number and brief description of the requested materials and preferred alternative format or auxiliary aid or service as soon as possible in advance of the meeting.*

*Next Regular Board Meeting – June 16, 2020 @ 5:15 p.m., District Office*

**AGENDA DEADLINE: 12:00 p.m. June 10, 2020**

*Future Scheduled Committee Meetings*

Water Resources Agency – August 6, 2020 @ 4:00 PM

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<sup>1</sup> The person speaking is requested to fill out a speaker card stating items on which they wish to comment to be properly recognized during communications from the public and address comments to the Board of Directors. A limit of three (3) minutes per speaker is requested to allow others an opportunity to comment. Board members may ask questions of the speaker, but no action may be taken and no discussion may be held on non-agenized items raised by the public. The General Manager may refer the matter to the proper personnel for review. Please step up to and speak at the podium.

<sup>2</sup> The person speaking is requested to fill out a speaker card stating their name, address, and items on which they wish to comment to be properly recognized during communications from the public and address comments to the Board of Directors. Please limit your comment to three (3) minutes. Please step up to and speak at the podium.

**MINUTES**  
**Regular and Special Meeting of the Board of Directors**  
**of the**  
**SUNNYSLOPE COUNTY WATER DISTRICT**  
**April 21, 2020**

- A. CALL TO ORDER:** The meeting was called to order at 5:17 p.m. by President Parker, as authorized by the State of California Executive Order N-29-30 via teleconference, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.
- B. ROLL CALL: Present In Person:** Vice President Jerry Buzzetta, and Director Mike Alcorn. **Present Via Teleconference:** President James Parker, Director Judi Johnson, and Director Ann Ross.
- C. PLEDGE OF ALLEGIANCE:** The Pledge of Allegiance was omitted, due to the lack of a flag to salute at the various teleconference sites.
- D. APPROVAL OF AGENDA:** Director Buzzetta noted that the agenda needs to reflect that a Water/Wastewater Committee meeting was held on April 8<sup>th</sup>, and a second Personnel Committee meeting was held on April 20<sup>th</sup>.

Upon motion made by Director Johnson, for the approval of the amended agenda, seconded by Director Alcorn, and for which President Parker (JP) then took a roll call vote as follows: Directors Alcorn, (MA), yes; Buzzetta (JB), yes; Johnson (JJ), yes; Ross (AR), yes; and President JP, yes; the motion carried 5-0.

- E. PUBLIC COMMENTS AND AUDIENCE INTRODUCTIONS:** The Board welcomed members of the public and opened the meeting to public comments regarding matters not itemized on the agenda. General Manager/Secretary Lander introduced the District's new Finance and Human Resource Manager, Travis Foster.

**Staff Present for Open Session: In Person:** General Manager/Secretary Drew Lander, Executive Assistant/Stenographer Carol Porteur, Water/Wastewater Superintendent Jose Rodriguez, Finance & Human Resource Manager Travis Foster, and Associate Engineer Rob Hillebrecht. **Via Teleconference:** Attorney Heidi Quinn.

**F. CONSENT AGENDA:**

1. Approval of Minutes – The Board reviewed the minutes for the Regular Meeting of March 17, 2020.

2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of March 10, 2020 through April 13, 2020, totaling \$1,625,310.02 which includes \$960,768.11 for payments to vendors and employees, \$300,000.00 transferred to LAIF; \$360,662.00 paid to the City of Hollister for collection of City sewer billings (net of our fees), and \$3,879.91 for customer refunds and checks returned. The last “ACH” # (electronic payments) was ACH #1684, the last “DD” # (direct deposit-electronic employee payments) was DD #2866, and the last check written was check #27909.

| Date     | Number   | Name                                   | Amount      |
|----------|----------|--|-------------|
| 03/13/20 | ACH 1657 | EFTPS                                  | -301.04     |
| 03/12/20 | ACH 1658 | RETURNED CHECK (Ck Ret 03-01)          | -128.00     |
| 03/16/20 | ACH 1659 | RETURNED CHECK (Ck Ret 03-02)          | -500.00     |
| 03/17/20 | ACH 1660 | RETURNED ACH (ACH Ret 03-01 )          | -170.05     |
| 03/18/20 | ACH 1661 | RETURNED ACH (ACH Ret 03-02 )          | -105.15     |
| 03/18/20 | ACH 1662 | RETURNED ACH (ACH Ret 03-03 )          | -119.52     |
| 03/18/20 | ACH 1663 | RETURNED ACH (ACH Ret 03-04 )          | -137.51     |
| 03/18/20 | ACH 1664 | RETURNED ACH (ACH Ret 03-05)           | -56.37      |
| 03/18/20 | ACH 1665 | RETURNED ACH (ACH Ret 03-06)           | -128.00     |
| 03/18/20 | ACH 1666 | RETURNED ACH (ACH Ret 03-07 )          | -320.34     |
| 03/18/20 | ACH 1667 | RETURNED ACH (ACH Ret 03-08 )          | -143.97     |
| 03/18/20 | ACH 1668 | RETURNED ACH (ACH Ret 03-09)           | -176.04     |
| 03/18/20 | ACH 1669 | RETURNED ACH (ACH Ret 03-10 )          | -128.00     |
| 03/18/20 | ACH 1670 | RETURNED ACH (ACH Ret 03-11)           | -124.83     |
| 03/18/20 | ACH 1671 | RETURNED ACH (ACH Ret 03-12 )          | -119.26     |
| 03/18/20 | ACH 1672 | RETURNED ACH (ACH Ret 03-13 )          | -182.22     |
| 03/19/20 | ACH 1673 | Transfer to LAIF                       | -300,000.00 |
| 03/31/20 | ACH 1674 | EFTPS                                  | -27,725.28  |
| 03/31/20 | ACH 1675 | Employment Dev. Dept. (EDD) DE88 Pmts. | -11,267.53  |
| 03/31/20 | ACH 1676 | CalPERS - Retirement                   | -1,036.00   |
| 03/31/20 | ACH 1677 | CalPERS - Retirement                   | -4,559.67   |
| 03/31/20 | ACH 1678 | CalPERS - Retirement                   | -25,471.63  |
| 03/31/20 | ACH 1679 | CalPERS - Health Insurance             | -13,731.93  |
| 04/01/20 | ACH 1680 | North American Bancard                 | -810.53     |
| 04/03/20 | ACH 1681 | Pathian Administrators (VSP)           | -301.01     |
| 04/03/20 | ACH 1682 | North American Bancard                 | -1,274.61   |
| 04/06/20 | ACH 1683 | American Express                       | -30.10      |
| 04/08/20 | ACH 1684 | RETURNED CHECK (Ck Ret 04-01)          | -128.00     |
| 03/13/20 | DD 2840  | Alcorn, Michael H.                     | -184.70     |
| 03/13/20 | DD 2841  | Buzzetta, Jerry T                      | -461.75     |
| 03/13/20 | DD 2842  | Johnson, Judi H.                       | -443.75     |
| 03/13/20 | DD 2843  | Parker, James F                        | -415.58     |

| Date     | Number  | Name                                      | Amount      |
|----------|---------|---|-------------|
| 03/13/20 | DD 2844 | Ross, Ann C.                              | -184.70     |
| 03/31/20 | DD 2845 | Alvarez, Abel                             | -5,638.74   |
| 03/31/20 | DD 2846 | Bernal, Melissa M                         | -2,881.94   |
| 03/31/20 | DD 2847 | Boltz, William K                          | -6,683.29   |
| 03/31/20 | DD 2848 | Perez Bribiesca, Diego                    | -2,697.51   |
| 03/31/20 | DD 2849 | Buck, Cathy L.                            | -9,523.18   |
| 03/31/20 | DD 2850 | Burbank, Jr., Dee J.                      | -6,349.63   |
| 03/31/20 | DD 2851 | Castro, Kevin G.                          | -6,305.62   |
| 03/31/20 | DD 2852 | Cervantes, Jr., Adan S.                   | -3,208.82   |
| 03/31/20 | DD 2853 | Chavez, Jr., Manuel T.                    | -7,944.34   |
| 03/31/20 | DD 2854 | Eclarin, Ernesto P.                       | -7,203.26   |
| 03/31/20 | DD 2855 | Hernandez, Bazilio                        | -6,554.40   |
| 03/31/20 | DD 2856 | Hillebrecht, Robert B.                    | -5,410.43   |
| 03/31/20 | DD 2857 | Lander, Drew A                            | -10,676.85  |
| 03/31/20 | DD 2858 | Malko, Kim A.                             | -3,870.99   |
| 03/31/20 | DD 2859 | Padilla, David                            | -6,013.96   |
| 03/31/20 | DD 2860 | Porteur, Carol A.                         | -4,632.25   |
| 03/31/20 | DD 2861 | Quick, Troy E.                            | -6,873.92   |
| 03/31/20 | DD 2862 | Roberts, Kelly L.                         | -4,978.42   |
| 03/31/20 | DD 2863 | Rodriguez, Jose J.                        | -7,717.98   |
| 03/31/20 | DD 2864 | Vargas Garcia, Michael J                  | -5,414.91   |
| 03/31/20 | DD 2865 | Watson, Scott A.                          | -7,565.05   |
| 03/31/20 | DD 2866 | Zavala, Anabel G.                         | -4,436.78   |
| 03/16/20 | 27802   | B LUCAS & VICTOR & BETH CONTRERAS         | -216.56     |
| 03/16/20 | 27803   | BRADLY & NATALIE GWINN                    | -118.16     |
| 03/16/20 | 27804   | Atlas Copco Compressors LLC               | -172.41     |
| 03/16/20 | 27805   | Brenntag Pacific, Inc.                    | -7,707.62   |
| 03/16/20 | 27806   | Calgon Carbon Corporation                 | -48,402.00  |
| 03/16/20 | 27807   | Calif. Clean Energy LLC                   | -73.56      |
| 03/16/20 | 27808   | Central Ag Supply LLC                     | -174.61     |
| 03/16/20 | 27809   | City of Hollister-Finance Dept            | -360,662.00 |
| 03/16/20 | 27810   | Hach Company                              | -1,514.35   |
| 03/16/20 | 27811   | Hollister Landscape Supply                | -149.11     |
| 03/16/20 | 27812   | New SV Media, Inc. (was So. Valley News.) | -200.00     |
| 03/16/20 | 27813   | P G & E                                   | -16,173.44  |
| 03/16/20 | 27814   | Recology San Benito County                | -208.63     |
| 03/16/20 | 27815   | RJR Recycling                             | -375.00     |
| 03/16/20 | 27816   | San Benito County Water District          | -141.50     |
| 03/16/20 | 27817   | Star Concrete                             | -76.48      |
| 03/16/20 | 27818   | Toro Petroleum Corp.                      | -2,312.47   |
| 03/16/20 | 27819   | Trans Union LLC                           | -93.78      |
| 03/16/20 | 27820   | USA Blue Book                             | -201.46     |

| Date     | Number | Name                                     | Amount      |
|----------|--------|--|-------------|
| 03/23/20 | 27821  | A-1 Services                             | -403.00     |
| 03/23/20 | 27822  | Auto Tech Service Center, Inc.           | -1,840.00   |
| 03/23/20 | 27823  | Bianchi Kasavan & Pope, LLP              | -462.00     |
| 03/23/20 | 27824  | Borges & Mahoney, Inc.                   | -380.68     |
| 03/23/20 | 27825  | Brenntag Pacific, Inc.                   | -7,055.03   |
| 03/23/20 | 27826  | Calif. Clean Energy LLC                  | -64,202.00  |
| 03/23/20 | 27827  | Central Ag Supply LLC                    | -1,336.92   |
| 03/23/20 | 27828  | De Lay & Laredo                          | -4,061.50   |
| 03/23/20 | 27829  | DLT Solutions Inc.                       | -1,064.25   |
| 03/23/20 | 27830  | Edges Electrical Group, LLC              | -70.96      |
| 03/23/20 | 27831  | First Trust Alarm Company                | -698.00     |
| 03/23/20 | 27832  | Frank A Olsen Co.                        | -1,965.02   |
| 03/23/20 | 27833  | Jobs Available, Inc.                     | -596.00     |
| 03/23/20 | 27834  | Kennedy/Jenks Consultants                | -4,635.00   |
| 03/23/20 | 27835  | Mc Master-Carr                           | -191.86     |
| 03/23/20 | 27836  | MuniQuip, LLC                            | -1,432.31   |
| 03/23/20 | 27837  | Pinnacle HealthCare                      | -80.00      |
| 03/23/20 | 27838  | San Benito County Water District-Pumping | -9,871.63   |
| 03/23/20 | 27839  | Shape, Inc.                              | -3,888.89   |
| 03/23/20 | 27840  | Toro Petroleum Corp.                     | -1,187.76   |
| 03/27/20 | 27841  | Lead Vitality LLC dba Value Vehicles     | -7,789.00   |
| 03/30/20 | 27842  | ALYSSA BROWN                             | -82.22      |
| 03/30/20 | 27843  | MICHEL S & KATHLEEN DWIGHT               | -266.26     |
| 03/30/20 | 27844  | PETER & ROSEMARIE GABRIELE               | -45.22      |
| 03/30/20 | 27845  | JOSEPH L REYES                           | -250.70     |
| 03/30/20 | 27846  | Auto Tech Service Center, Inc.           | -5,615.00   |
| 03/30/20 | 27847  | Brenntag Pacific, Inc.                   | -11,033.50  |
| 03/30/20 | 27848  | Brigantino Irrigation                    | -19.58      |
| 03/30/20 | 27849  | Central Ag Supply LLC                    | -725.29     |
| 03/30/20 | 27850  | Hach Company                             | -1,056.54   |
| 03/30/20 | 27851  | Konica Minolta Premier Finance           | -416.76     |
| 03/30/20 | 27852  | Mc Master-Carr                           | -678.20     |
| 03/30/20 | 27853  | Pinnacle HealthCare                      | -40.00      |
| 03/30/20 | 27854  | Quinn Company                            | -91.18      |
| 03/30/20 | 27855  | San Benito County Water District         | -223,693.08 |
| 03/30/20 | 27856  | San Benito Tire Pros & Automotive        | -1,052.18   |
| 03/30/20 | 27857  | USA Blue Book                            | -829.89     |
| 03/30/20 | 27858  | Petty Cash                               | -34.47      |
| 03/31/20 | 27859  | Nationwide Retirements Solutions         | -28,987.18  |
| 03/31/20 | 27860  | United Way of San Benito County          | -150.00     |
| 03/31/20 | 27861  | UWUA Local 820                           | -750.00     |
| 03/31/20 | 27862  | Dearborn Life Insurance Company          | -320.00     |

| Date     | Number | Name                                     | Amount      |
|----------|--------|--|-------------|
| 03/31/20 | 27863  | Premier Access Insurance Co.             | -2,981.37   |
| 03/31/20 | 27864  | Postmaster                               | -2,179.12   |
| 04/01/20 | 27865  | Razzolink.com                            | -76.95      |
| 04/01/20 | 27866  | Atlas Copco Compressors LLC              | -172.41     |
| 04/06/20 | 27867  | Ace Hardware (Johnson Lumber Co.)        | -380.44     |
| 04/06/20 | 27868  | ACWA/JPIA                                | -10,991.07  |
| 04/06/20 | 27869  | AT&T                                     | -1,236.75   |
| 04/06/20 | 27870  | Borges & Mahoney, Inc.                   | -238.01     |
| 04/06/20 | 27871  | Brenntag Pacific, Inc.                   | -7,792.00   |
| 04/06/20 | 27872  | CA Dept. of Tax & Fee Administration     | -404.00     |
| 04/06/20 | 27873  | Void                                     | 0.00        |
| 04/06/20 | 27874  | Grainger, Inc.                           | -642.26     |
| 04/06/20 | 27875  | J L Wingert Co.                          | -485.71     |
| 04/06/20 | 27876  | Mission Uniform Service                  | -1,134.74   |
| 04/06/20 | 27877  | MuniQuip, LLC                            | -1,459.97   |
| 04/06/20 | 27878  | O'Reilly Auto Parts                      | -8.55       |
| 04/06/20 | 27879  | P G & E                                  | -15,045.92  |
| 04/06/20 | 27880  | Palace Business Solutions                | -705.02     |
| 04/06/20 | 27881  | Pinnacle Agriculture                     | -795.89     |
| 04/06/20 | 27882  | Pinnacle HealthCare                      | -216.00     |
| 04/06/20 | 27883  | Postmaster                               | -42.00      |
| 04/06/20 | 27884  | Quadient, Inc.                           | -3,317.50   |
| 04/06/20 | 27885  | Robert Half Finance & Accounting         | -25,000.00  |
| 04/06/20 | 27886  | Staples Advantage                        | -402.67     |
| 04/06/20 | 27887  | State Water Resources Control Brd-WWOPCP | -95.00      |
| 04/06/20 | 27888  | Toro Petroleum Corp.                     | -1,039.30   |
| 04/06/20 | 27889  | U.S. Bank Corporate Payment Systems      | -6,232.97   |
| 04/06/20 | 27890  | USA Blue Book                            | -198.04     |
| 04/06/20 | 27891  | Verizon Wireless                         | -274.57     |
| 04/06/20 | 27892  | City National Bank                       | -168,881.16 |
| 04/13/20 | 27893  | Padilla, David                           | -105.22     |
| 04/13/20 | 27894  | MICHAEL & ALISON BORGES                  | -233.53     |
| 04/13/20 | 27895  | Brenntag Pacific, Inc.                   | -10,940.26  |
| 04/13/20 | 27896  | Brigantino Irrigation                    | -21.76      |
| 04/13/20 | 27897  | Central Ag Supply LLC                    | -334.25     |
| 04/13/20 | 27898  | City of Hollister-Finance Dept           | -70.15      |
| 04/13/20 | 27899  | Credit Consulting Services, Inc.         | -60.16      |
| 04/13/20 | 27900  | EBCO Pest Control                        | -60.00      |
| 04/13/20 | 27901  | Employee Relations, Inc.                 | -115.85     |
| 04/13/20 | 27902  | John Smith Road Landfill                 | -1,358.70   |
| 04/13/20 | 27903  | MBS Business Systems                     | -1,550.07   |
| 04/13/20 | 27904  | Monterey Bay Air Resources District      | -4,826.00   |



| Date     | Number | Name                                      | Amount           |
|----------|--------|---|------------------|
| 04/13/20 | 27905  | New SV Media, Inc. (was So. Valley News.) | -100.00          |
| 04/13/20 | 27906  | Quinn Company                             | -705.68          |
| 04/13/20 | 27907  | Recology San Benito County                | -208.63          |
| 04/13/20 | 27908  | Trans Union LLC                           | -155.01          |
| 04/13/20 | 27909  | USA Blue Book                             | -263.82          |
|          |        |   | \$ -1,625,310.02 |

3. Associate Engineer Monthly Status Report.
4. Finance Manager Monthly Status Reports: a. Narrative Report, b. Operation Summary, c. Statement of Income, and d. Investment Summary.
5. W/WW Superintendent Monthly Status Reports: a. Maintenance, b. City Meter Reading, and c. Groundwater Level Measurement.
6. General Manager Monthly Status Report.

President Parker stated that Director Johnson participated in the March 17, 2020 board meeting via teleconference and in the middle of agenda item J-6, she lost communication. It was noted in the minutes for agenda item J-6 that she abstained from voting and President Parker would like to amend that to read absent and not abstained.

Director Johnson asked to have Item F-1 Allowance of Claims, and Item F-5 Superintendent Report pulled for discussion, and moved to Agenda Item I-4 Finance Manager Monthly Status Reports, and Item I.5 a W/WW Superintendent Report.

Upon a motion made by Director Alcorn to approve the Consent Agenda as amended, seconded by Director Ross and for which President Parker then took a roll call vote as follows: Directors MA, yes; JB, yes; JJ, yes; AR, yes; and President JP, yes; the motion carried 5-0.

## G. NEW BUSINESS:

1. **CONSIDER PROCLAIMING MAY 2020, AS “WATER AWARENESS MONTH” (Not a project under CEQA per article 20, Section 15378):** General Manager/Secretary Lander stated that for the past twenty-eight years, the month of May has been celebrated as water awareness month. Each year, new water awareness issues are brought forward to inform and educate California agricultural and urban water users. Shawn Novack, the Water Conservation Program Manager of the Water Resources

Agency joined the meeting via teleconference and read this year's Resolution which reads as follows:

**A RESOLUTION PROCLAIMING MAY 2020 AS WATER AWARENESS MONTH**

-oOo-

WHEREAS, California's arid and semiarid climate, its ambitious and evolving economy, its continually growing population and climate change have combined to make shortages and conflicting demands the norm; and

WHEREAS, the health, welfare and quality of life for our community depends on a reliable, high quality water supply; and

WHEREAS, the state, county, cities and concerned citizens make strong efforts to foster wise decisions concerning water issues and water use; and,

WHEREAS, California has enacted legislation to promote sustainable groundwater management practices;

WHEREAS, the fact that California will experience periodic droughts; whereas efficient use of water is critical not only during drought periods, **but at all times**; and

WHEREAS, during May 2020, the Sunnyslope County Water District is inviting everyone to find ways to save water both at work and at home;

**NOW, THEREFORE, the Sunnyslope County Water District does proclaim May 2020 as Water Awareness Month and urge all citizens, businesses, industries, institutions and public agencies to review their water use and water systems for water use efficiency and to contact the Water Resources Association of San Benito County for water saving ideas and assistance.**

Upon a motion made by Director Johnson to Proclaim May 2020 as "Water Awareness Month", seconded by Director Alcorn, and for which President Parker then took a roll call vote as follows: Directors MA, yes; JB, yes; JJ, yes; AR, yes; and President JP, yes; the motion carried 5-0.

- 2. TAKE APPROPRIATE ACTION TO UPDATE SIGNATURE CARDS FOR THE DISTRICT'S HERITAGE BANK OF COMMERCE BANK ACCOUNTS (Not a project under CEQA per Article 20, Section 15378):** Finance & Human Resource Manager, Travis Foster explained that due to the retirement of Cathy Buck at the end of March, and the hiring of himself as the new Finance Manager on April 1st, an update to the District's bank signature card is needed. Before Heritage Bank of Commerce can accept any account signatory card changes to District accounts, the Board of Directors need to take formal action and document their approval.

The following actions are requested:

**Update Signers List** – Approve removal of outgoing Finance Manager, Cathy Buck, as authorized signer, and add new Finance Manager, Travis Foster, as authorized signer on the District’s signature card for all Heritage Bank of Commerce accounts.

**Approve Resolution** - The Board is requested to review and approve the attached “Resolution of Lodge, Association, or Other Similar Organization”. The resolution indicates the updated authorized signers list to be:

- A. Drew A. Lander (Both Powers “A” & “B” Granted),
- B. Travis J. Foster (Both Powers “A” & “B” Granted),
- C. Michael H. Alcorn (Powers “A” Granted),
- D. Judi H. Johnson (Powers “A” Granted),
- E. Ann C. Ross (Powers “A” Granted),
- F. James F. Parker (Powers “A” Granted), and
- G. Jerry Buzzetta (Powers “A” Granted).

Director Ross explained that she will be out of state for the next few months so it will not be feasible to get her signature. General Manager/Secretary Lander stated that Director Ross is not scheduled for check signing the remainder of this year, so once she returns staff can add her to the signature card.

Upon a motion made by Director Johnson to approve updating signature cards for the District’s Heritage Bank of Commerce Bank Account, seconded by Director Ross, and for which President Parker then took a roll call vote as follows: Directors MA, yes; JB, yes; JJ, yes; AR, yes; and President JP, yes; the motion carried 5-0.

- 3. APPROVE THE 2020 SEWER SYSTEM MANAGEMENT PLAN UPDATE (Not a project under CEQA per Article 20, Section 15378):** Associate Engineer Rob Hillebrecht explained that Sunnyslope County Water District’s Sewer System Management Plan (SSMP) was first approved in 2007 and last updated in 2012. The District’s wastewater system has undergone significant changes since the 2012 update and is due for another Board approved update. Board review and approval will follow on a schedule of every 5 years unless a significant future amendment require a

The SSMP lays out the overarching goals of the wastewater system and details the specific implementation strategies for achieving these goals. This update follows the State Water Resource Control Board guidelines by addressing the 11 SSMP elements. The update presented expounds on several aspects of the original SSMP and provides significantly more detail and direction on the District’s approaches to the various aspects of wastewater system planning and management. Additionally, this SSMP provides the general public and regulatory agencies the opportunity to understand the work effort that Sunnyslope staff engage in to ensure that high quality sewer service is always provided.

The District's proactive approach reflects its concern for safeguarding the health of our customers and the environment by assuring that the sewer system is operating properly and preventing unsanitary conditions such as sewer leaks or overflows.

Mr. Hillebrecht explained that this document lays out the District's goals for the sewer system including the establishment of a CCTV program and other Capital Improvement Plan project. However these projects and the costs associated would be brought individually before the Board for approval at later times. No direct cost expenditure is directly associated with the approval of this SSMP. However this plan sets the course for consideration of future projects to ensure the functionality of the sewer system.

Director Johnson noted a few minor changes she requested including the adding of PPE (Personal Protection Equipment) to the Abbreviations and Definitions section and a minor spelling correction. Director Ross asked how the format and content of the SSMP was determined and Mr. Hillebrecht responded that it is based off the Water Resources Control Board SSMP guidelines. Director Buzzetta requested that the Board President be included in Section II. G as a part of the emergency communication chain to be notified of an SSO and for Section VIII. B to be clarify that existing sewer mains with less than design capacity (75% full flow) are still within the maximum (100%) pipe capacity and do not represent an imminent risk of overflow.

Upon motion made by Director Alcorn to approve the 2020 Sewer System Management Plant Update with the amendments discussed, seconded by Director Johnson, and for which President Parker then took a roll call vote as follows: Directors MA, yes; JB, yes; JJ, yes; AR, yes; and President JP, yes; the motion carried 5-0.

- 4. AUTHORIZE THE GENERAL MANAGER TO ORDER AND PURCHASE ONE NEW CREW-CAB PICKUP TRUCK AT A TOTOAL COST NOT TO EXCEED \$38,000 (Not a project under CEQA per Article 20, Section 15378):** General Manager/Secretary Lander stated that Sunnyslope County Water District would like to begin to diversify its fleet of service vehicles to better respond to needs and improve the overall efficiency of District activities. Several older service trucks from the fleet were recently designated as surplus due to age or damage. These were thus sold in a public online auction, reducing the size of the fleet. This presents an opportunity to broaden the composition of Sunnyslope's vehicle fleet to take advantage of the benefits and flexibility other types of vehicles offer. The proposed crew cab pickup truck would be primarily for the Water/Wastewater Superintendent to take between various sites and locations within the District as he supervises the District operations and maintenance. The additional passenger space would promote carpooling among staff.

The truck will be acquired through the State of California fleet vehicle program which conforms to District purchasing policies for public biding and low bid.

The financial plan used to develop SSCWD's water and sewer rate structures anticipated the purchasing of replacement vehicles annually starting in FY 2013/2014 and truck replacements have consistently been incorporated in the District's Capital Improvement Planning and budgeting. The base cost of the new truck including tax and delivery is \$32,433.00 through Winner Chevrolet, Elk Grove Auto Group who is the California Vehicle Procurement Program Dealer. The truck would then be equipped with a safety light bar, tool box, radio, and GPS for an additional cost of about \$5,400. Thus the total anticipated expense for the new vehicle including all tax and shipping is approximately \$37,850.

Director Alcorn asked about the purchase of the Vactor truck that was approved at the March 17<sup>th</sup> meeting and General Manager/Secretary Lander explained that initially the District lost the bid, but the winning bid did not come through, so the District was now able to purchase the truck directly from Carmel Water District for \$51,000. Director Alcorn then expressed his concern about purchasing two vehicles at this time for a total of approximately \$89,000. Director Buzzetta did point out that the District would be receiving approximately \$20,000 from the sale of the surplus vehicles which would help offset that cost. General Manager/Secretary Lander did state that if this agenda item was approved, he did not foresee purchasing any other trucks for at least 3-5 years.

Upon a motion made by Director Johnson to authorize the General Manager to order and purchase one new crew-cab pickup truck at a total cost not to exceed \$38,000, seconded by Director Alcorn, and for which President Parker then took a roll call vote as follows: Directors MA, yes; JB, no; JJ, yes; AR, yes; and President JP, no; the motion carried 3-2.

- 5. BOARD DISCUSSION REGARDING THE ATTENDANCE OF BOARD MEMBERS AT PROFESSIONAL CONFERENCES (Not a project under CEQA per Article 20, Section 15378):** General Manager/Secretary Lander explained that during the February Board Meeting the Board requested an item be returned for discussion regarding the District attendance policies for Board members regarding District Conferences.

District policies 7020 and 7070 were provided for reference. The policies address the compensation of Board members and current policy governing attendance of conferences.

The Board of Directors must approve any Director's participation when representing the District in any official capacity and for them to receive expense reimbursement for any eligible expenses under District policy.

Director Johnson provided a written memo which addressed her opinion on Board members attending the ACWA Conferences held in Northern California (NC) and

Southern California (SC). Director Johnson feels that the District encourages the Directors to attend conferences and it would be preferred they attend the local conferences which would avoid additional cost to the District. Director Johnson proposes that the cost to attend a conference be based on the NC conference costs, and for those members that would prefer to attend the SC conference for whatever reason, be allowed the budget for the NC conference and any additional cost would be at their own expense.

Director Johnson also explained that a potential exception could be a Board member who is also an ACWA Board or Committee member (elected or appointed) whose physical presence would be essential for achieving a quorum for the named Board or Committee. Another exception may be that a Board member has specifically requested in writing to attend the SC during the specified year in order to vote or make a presentation.

Director Ross forwarded additional written comments expressing her opinion of the policies and this information was forwarded to all Directors for reference. Director Ross explained that asking Directors to “pay their own way” to attend particular conferences would set a precedent that only wealthy individuals would be able to attend conferences or serve as Board members and that would be unacceptable to her.

After much discussion, the Board decided that any changes to this policy could be addressed in the Policy and Procedure Committee and returned to the Board with recommendations for action if needed.

## **H. BOARD COMMITTEE and STATUS REPORTS**

1. **Governance Committee:** No meeting held.
2. **Water/Wastewater Committee:** General Manager/Secretary Lander reported that a teleconference meeting was held with President Parker, General Manager/Secretary Lander, and Associate Engineer Hillebrecht to review the updated 2020 Sanitary Sewer Overflow Program, item G-3 on this agenda. Director Ross participated in a meeting with staff at a later time due to a family emergency where she received the same information and discussion as President Parker. All comments provided by the Committee members have been incorporated into the document presented to the Board.
3. **Finance Committee:** No meeting held.
4. **Policy and Procedure Committee:** No meeting held.
5. **Personnel Committee:** General Manager/Secretary Lander reported that a committee meeting was held via teleconference on March 24<sup>th</sup> with Directors Buzzetta and Johnson to approve and authorize the General Manager to contract with Robert Half for Finance & Accounting Recruitment Services, in an amount no to exceed \$25,000.

Mr. Lander reported that a meeting was held on April 20, 2020 with Directors Buzzetta and Johnson via teleconference to discuss Labor Negotiations for Management Staff.

6. **Water Resources Association of San Benito County (WRA):** President Parker reported that a meeting was scheduled for April 2<sup>nd</sup> but due to the COVID 19 pandemic, the meeting was cancelled. The next tentative meeting is scheduled for June 4<sup>th</sup>.

## I. BOARD and STAFF REPORTS

1. **Directors:** Director Ross stated that she will be in Mexico for the May meeting but will try to join the meeting via teleconference.
2. **District Counsel:** No report.
3. **General Manager:** General Manager/Secretary Lander stated that at the March 17<sup>th</sup> Board meeting the Board directed that the General Manager regularly report actions being taken to adapt to the COVID-19 crisis.

On April 2<sup>nd</sup> the State of California Governor's Executive order directed the California Public Utilities Commissions to monitor the response of all public and private utility providers within the State and also directed all water utilities to restore water services to all residences. The District has been compliant with this direction and all water services previously shut off for non-payment have been reinstated.

In coordination with the City of Hollister the District is presently not charging fees for late payment, however the uncollected fees are being recorded and documented by staff. This drop in revenue represents approximately \$7500 per month. In the event that this lost revenue becomes reimbursable by State or Federal emergency response funds the District will have record of the total lost revenue.

District staff have remained at work performing their tasks as essential workers. Social distancing protocols are being observed and staff operate independently where possible to prevent cross contact. Hand disinfectants and sanitizers are being provided throughout the office to all staff and hand washing is routine. Temperatures of staff are being recorded daily through the use of a touchless thermometer, upon entering the work place, to confirm no individual has come into the work place with a fever. The SSCWD staff have been doing an exemplary job during this difficult time. Maintenance has been increased to ensure uninterrupted services. Water operators are reporting directly to the treatment plants and have been sanitizing daily. The office reception staff have been doing an excellent job speaking to the public compassionately while stress levels of the public are elevated.

The month of March did not result in a noticeable increase in late or default payments. An increase of phone inquiries about what the district might do to relieve payments this month has occurred as the public asks questions about how we will proceed with default accounts in the month of April. I am working closely with the Interim City Manager at the City of Hollister so that we maintain a united plan for resolving unpaid accounts in both the City and County. Since the District presently maintains sufficient reserves to operate effectively at this time, one proposal is to continue to document the unpaid account values and when normalcy returns to the community the District will evaluate current repayment policies and establish COVID-19 specific repayment policy procedures, if needed, to extend the length of time needed for individuals to bring accounts current.

The County Office of Emergency Services (OES) responded to the Districts inquiry for additional N95 masks for employees with the delivery of 150 masks. OES staff have also reached out to begin coordination regarding potential future relief funding. No funding for direct relief of delinquent accounts is available at this time, however this will be monitored and we will remain in contact so that opportunities are not missed.

4. **Finance Manager Monthly Status Reports:** Consent agenda item F-2, Disbursement Summary, was moved here by Director Johnson with questions on ACH 1676 dated 3/31/20 payable to Employment Dev. Dept. DE88 Pmts. for \$11,267.53 to which Finance and Human Resource Manager Foster explained it is for the monthly State payroll taxes collected from the employee paychecks. Director Johnson also asked about check #27816 dated 3/16/20 payable to San Benito County Water District for \$141.50 and Mr. Foster explained that is for water sold outside of zone 3. Director Johnson also asked about check #27834 dated 3/23/20 payable to Kennedy/Jenks Consultants in the amount of \$4,635.00 which was for the final payment on the Crosstown Pipeline project.
  
5. **W/WW Superintendent Monthly Status Reports:** Consent agenda item I-5a, Monthly Maintenance Staff Report, was moved here at the March 17, 2020 Board Meeting but do to communication error, Director Johnson was unable to ask her question. Director Johnson inquired about #2. Sunnyslope County Water District submitting and getting approved for a revised Disinfection Byproduct Monitoring Plan for four additional distribution sampling sites as required of permit amendment No. 9 Section 7. Director Johnson wanted to know where these sites were located, and Water/Wastewater Superintendent Rodriguez responded that the four sample locations are at the lift station at Sunnyside Estates(674 Klamath Way), Fire Station #2 (2240 Valley View Road), Cerra Vista School (2151 Cerra Vista Drive), and Sunnyslope School (1475 Memorial Drive).

Consent agenda item F-5a was moved here by Director Johnson to have Water/Wastewater Superintendent Rodriguez explain #4 of the Narrative report, source water was temporarily changed by the County from San Luis Reservoir to San Justo Reservoir until maintenance can be completed on the Counties end. Mr. Rodriguez stated that San Benito County Water



District reversed the flow of their standard operations. #5 of the Narrative report regarding daily safety tailgates have been implemented in morning meetings along with follow up discussion. Mr. Rodriguez explained that when he meets with maintenance staff each morning, they spend about 5 minutes going over safety issues on projects pertaining to that day.

Director Johnson also asked about #1 of the water report, Maggiora Brothers Inc. continued working on Well #2. After cleaning well casing and videoing, several holes in the casing were discovered and the District is waiting on a quote. Mr. Rodriguez responded that he should get a quote on the full cost of repairs to the well by the next board meeting.

**J. FUTURE AGENDA ITEMS:** 1) Long term debt/lower interest rates, 2) Drought/Coronavirus, 3) CalPERS Unfunded Liability

**K. ADJOURNMENT:** President Parker adjourned the session of the Regular meeting at 7:14 p.m.

**L. CALL TO ORDER SPECIAL BOARD MEETING:**

**M. PUBLIC COMMENT ON CLOSED SESSION MATTERS:** Members of the public may address the Board on the item or items listed on the Closed Session agenda, with a time limit of 3 minutes per speaker. No public comment was made.

**N. CLOSED SESSION (PURSUANT TO Government Code Section 54957.6);**  
At 7:10pm President Parker closed the meeting to the public to discuss the following:

1. **Labor Negotiation Discussion** – Gov. Code §54957.6  
District Negotiators: Drew Lander, General Manager regarding  
Employee Organization: Management Staff

**O. ADJOURNMENT:** President Parker adjourned the Special meeting at 8:32pm

**APPROVED BY THE BOARD:** \_\_\_\_\_  
James F. Parker, President

**RESPECTFULLY SUBMITTED:** \_\_\_\_\_  
Drew A. Lander, Secretary

# Sunnyslope County Water District

## Disbursement Summary

Agenda Item: I-2

April 14, 2020 through May 11, 2020

| Date     | Num      | Name                                   | Amount     |
|----------|----------|--|------------|
| 04/15/20 | ACH 1685 | EFTPS                                  | -217.18    |
| 04/16/20 | ACH 1686 | RETURNED ACH (ACH Ret 04-01)           | -175.22    |
| 04/16/20 | ACH 1687 | RETURNED ACH (ACH Ret 04-02)           | -184.62    |
| 04/16/20 | ACH 1688 | RETURNED ACH (ACH Ret 04-03)           | -106.02    |
| 04/17/20 | ACH 1689 | RETURNED ACH (ACH Ret 04-04)           | -312.97    |
| 04/17/20 | ACH 1690 | RETURNED ACH (ACH Ret 04-05)           | -175.22    |
| 04/17/20 | ACH 1691 | RETURNED ACH (ACH Ret 04-06)           | -146.68    |
| 04/17/20 | ACH 1692 | RETURNED ACH (ACH Ret 04-07)           | -143.85    |
| 04/17/20 | ACH 1693 | RETURNED ACH (ACH Ret 04-08)           | -106.54    |
| 04/20/20 | ACH 1694 | RETURNED CHECK (Ck Ret 04-01)          | -128.00    |
| 04/22/20 | ACH 1695 | RETURNED CHECK (Ck Ret 04-02)          | -116.26    |
| 04/30/20 | ACH 1696 | EFTPS                                  | -26,282.80 |
| 04/30/20 | ACH 1697 | Employment Dev. Dept. (EDD) DE88 Pmts. | -11,068.16 |
| 04/30/20 | ACH 1698 | CalPERS - Retirement                   | -1,036.00  |
| 04/30/20 | ACH 1699 | CalPERS - Retirement                   | -6,033.03  |
| 04/30/20 | ACH 1700 | CalPERS - Retirement                   | -24,664.80 |
| 04/30/20 | ACH 1701 | CalPERS - Health Insurance             | -18,721.79 |
| 04/30/20 | ACH 1702 | CalPERS - Retirement                   | -50.00     |
| 05/01/20 | ACH 1703 | North American Bancard                 | -797.23    |
| 05/03/20 | ACH 1704 | Pathian Administrators (VSP)           | -383.15    |
| 05/04/20 | ACH 1705 | North American Bancard                 | -1,291.30  |
| 05/05/20 | ACH 1706 | American Express                       | -29.68     |
| 04/15/20 | DD 2867  | Alcorn, Michael H.                     | -184.70    |
| 04/15/20 | DD 2868  | Buzzetta, Jerry T                      | -323.23    |
| 04/15/20 | DD 2869  | Johnson, Judi H.                       | -320.23    |
| 04/15/20 | DD 2870  | Parker, James F                        | -277.05    |
| 04/15/20 | DD 2871  | Ross, Ann C.                           | -184.70    |
| 04/30/20 | DD 2872  | Alvarez, Abel                          | -5,911.58  |
| 04/30/20 | DD 2873  | Bernal, Melissa M                      | -2,907.47  |
| 04/30/20 | DD 2874  | Boltz, William K                       | -6,175.25  |
| 04/30/20 | DD 2875  | Buck, Cathy L.                         | -1,494.87  |
| 04/30/20 | DD 2876  | Burbank, Jr., Dee J.                   | -6,336.52  |
| 04/30/20 | DD 2877  | Castro, Kevin G.                       | -6,445.79  |
| 04/30/20 | DD 2878  | Cervantes, Jr., Adan S.                | -5,306.09  |
| 04/30/20 | DD 2879  | Chavez, Jr., Manuel T.                 | -8,273.56  |
| 04/30/20 | DD 2880  | Eclarin, Ernesto P.                    | -7,316.71  |
| 04/30/20 | DD 2881  | Foster, Travis J                       | -6,744.00  |
| 04/30/20 | DD 2882  | Hernandez, Bazilio                     | -6,103.10  |
| 04/30/20 | DD 2883  | Hillebrecht, Robert B.                 | -5,410.44  |
| 04/30/20 | DD 2884  | Lander, Drew A                         | -10,676.84 |
| 04/30/20 | DD 2885  | Malko, Kim A.                          | -3,838.05  |
| 04/30/20 | DD 2886  | Padilla, David                         | -5,759.96  |
| 04/30/20 | DD 2887  | Perez Bribiesca, Diego                 | -4,492.48  |

# Sunnyslope County Water District

## Disbursement Summary

Agenda Item: I-2

April 14, 2020 through May 11, 2020

| Date     | Num     | Name                                      | Amount      |
|----------|---------|---|-------------|
| 04/30/20 | DD 2888 | Porteur, Carol A.                         | -4,043.37   |
| 04/30/20 | DD 2889 | Quick, Troy E.                            | -6,729.69   |
| 04/30/20 | DD 2890 | Roberts, Kelly L.                         | -4,796.23   |
| 04/30/20 | DD 2891 | Rodriguez, Jose J.                        | -7,717.96   |
| 04/30/20 | DD 2892 | Vargas Garcia, Michael J                  | -5,305.04   |
| 04/30/20 | DD 2893 | Vasquez-Herrera, Luis M.                  | -4,622.68   |
| 04/30/20 | DD 2894 | Watson, Scott A.                          | -7,613.06   |
| 04/30/20 | DD 2895 | Zavala, Anabel G.                         | -4,436.78   |
| 04/20/20 | 27910   | VOID                                      | 0.00        |
| 04/20/20 | 27911   | Roberts, Kelly L.                         | -30.18      |
| 04/20/20 | 27912   | Eclarin, Ernesto P.                       | -124.66     |
| 04/20/20 | 27913   | A-1 Services                              | -403.00     |
| 04/20/20 | 27914   | Badger Meter, Inc.                        | -2,773.34   |
| 04/20/20 | 27915   | Ben Caputo Printing                       | -97.73      |
| 04/20/20 | 27916   | Brenntag Pacific, Inc.                    | -4,140.01   |
| 04/20/20 | 27917   | Central Ag Supply LLC                     | -95.26      |
| 04/20/20 | 27918   | City of Hollister-Finance Dept            | -357,909.67 |
| 04/20/20 | 27919   | CM Analytical, Inc.                       | -33,887.50  |
| 04/20/20 | 27920   | De Lay & Laredo                           | -3,985.00   |
| 04/20/20 | 27921   | Franchise Tax Board                       | -29.00      |
| 04/20/20 | 27922   | Interstate Battery System of San Jose Inc | -108.11     |
| 04/20/20 | 27923   | Melissa Data Corp.                        | -1,695.00   |
| 04/20/20 | 27924   | MuniQuip, LLC                             | -608.58     |
| 04/20/20 | 27925   | San Benito County-Admin Office            | -8,980.00   |
| 04/20/20 | 27926   | San Benito County Water District          | -211.50     |
| 04/20/20 | 27927   | Star Concrete                             | -515.11     |
| 04/20/20 | 27928   | SUEZ WTS Analytical Instruments, Inc.     | -13,750.29  |
| 04/20/20 | 27929   | Toro Petroleum Corp.                      | -1,243.97   |
| 04/20/20 | 27930   | BLANCA DELAFUENTE BERLANGA                | -256.38     |
| 04/20/20 | 27931   | GREGG & CHRISTINE DURDEN                  | -45.72      |
| 04/20/20 | 27932   | AUDRA NACCARATO                           | -73.44      |
| 04/27/20 | 27933   | Auto Tech Service Center, Inc.            | -295.00     |
| 04/27/20 | 27934   | Brenntag Pacific, Inc.                    | -15,392.43  |
| 04/27/20 | 27935   | Brigantino Irrigation                     | -127.77     |
| 04/27/20 | 27936   | Konica Minolta Premier Finance            | -416.76     |
| 04/27/20 | 27937   | RJR Recycling                             | -1,500.00   |
| 04/27/20 | 27938   | San Benito County Water District          | -321,707.40 |
| 04/27/20 | 27939   | San Benito Tire Pros & Automotive         | -22.50      |
| 04/27/20 | 27940   | State Water Resources Control Brd-WWOPCP  | -110.00     |
| 04/27/20 | 27941   | Tesco Controls Inc                        | -812.49     |
| 04/27/20 | 27942   | Transene Company Inc (Shape Products)     | -122.63     |
| 04/27/20 | 27943   | USA Blue Book                             | -467.33     |
| 04/30/20 | 27944   | Nationwide Retirements Solutions          | -21,537.18  |

# Sunnyslope County Water District

## Disbursement Summary

Agenda Item: I-2

April 14, 2020 through May 11, 2020

| Date     | Num   | Name                                      | Amount     |
|----------|-------|---|------------|
| 04/30/20 | 27945 | UWUA Local 820                            | -850.00    |
| 04/30/20 | 27946 | Dearborn Life Insurance Company           | -384.00    |
| 04/30/20 | 27947 | Pathian Administrators (VSP)              | 0.00       |
| 04/30/20 | 27948 | Premier Access Insurance Co.              | -3,640.39  |
| 04/27/20 | 27949 | Chavez, Jr., Manuel T.                    | -114.71    |
| 04/27/20 | 27950 | Bernal, Melissa M                         | -62.65     |
| 04/30/20 | 27951 | Postmaster                                | -2,179.46  |
| 05/04/20 | 27952 | JAMII & STANLEY PURA                      | -188.73    |
| 05/04/20 | 27953 | Carmel Area Wastewater District           | -51,000.00 |
| 05/04/20 | 27954 | Ace Hardware (Johnson Lumber Co.)         | -573.27    |
| 05/04/20 | 27955 | AT&T                                      | -616.11    |
| 05/04/20 | 27956 | Bianchi Kasavan & Pope, LLP               | -312.00    |
| 05/04/20 | 27957 | Brenntag Pacific, Inc.                    | -11,374.58 |
| 05/04/20 | 27958 | Central Ag Supply LLC                     | -324.43    |
| 05/04/20 | 27959 | Grainger, Inc.                            | -355.10    |
| 05/04/20 | 27960 | Hach Company                              | -4,175.61  |
| 05/04/20 | 27961 | Hollister Auto Parts, Inc.                | -18.70     |
| 05/04/20 | 27962 | Inland Water Works Supply Co              | -2,709.40  |
| 05/04/20 | 27963 | Mc Master-Carr                            | -17.71     |
| 05/04/20 | 27964 | Mission Uniform Service                   | -922.64    |
| 05/04/20 | 27965 | MuniQuip, LLC                             | -3,750.16  |
| 05/04/20 | 27966 | Palace Business Solutions                 | -945.23    |
| 05/04/20 | 27967 | Pinnacle Agriculture                      | -851.63    |
| 05/04/20 | 27968 | Pinnacle HealthCare                       | -176.00    |
| 05/04/20 | 27969 | Postmaster                                | -43.00     |
| 05/04/20 | 27970 | Razzolink.com                             | -76.95     |
| 05/04/20 | 27971 | San Benito Tire Pros & Automotive         | -22.50     |
| 05/04/20 | 27972 | State Water Resources Control Board-DWOCB | -60.00     |
| 05/04/20 | 27973 | Verizon Wireless                          | -273.97    |
| 05/11/20 | 27974 | Chavez, Jr., Manuel T.                    | -135.29    |
| 05/11/20 | 27975 | PANDORA A LEININGER                       | -322.49    |
| 05/11/20 | 27976 | Burbank, Jr., Dee J.                      | -250.00    |
| 05/11/20 | 27977 | AT&T                                      | -614.99    |
| 05/11/20 | 27978 | Brenntag Pacific, Inc.                    | -12,952.97 |
| 05/11/20 | 27979 | Cal-Sierra Technologies, Inc.             | -265.48    |
| 05/11/20 | 27980 | CM Analytical, Inc.                       | -14,720.00 |
| 05/11/20 | 27981 | EBCO Pest Control                         | -60.00     |
| 05/11/20 | 27982 | John Smith Road Landfill                  | -1,879.90  |
| 05/11/20 | 27983 | Mc Master-Carr                            | -452.26    |
| 05/11/20 | 27984 | P G & E                                   | -16,494.57 |
| 05/11/20 | 27985 | Recology San Benito County                | -208.63    |
| 05/11/20 | 27986 | Shape, Inc.                               | -7,566.68  |
| 05/11/20 | 27987 | Star Concrete                             | -647.31    |

# Sunnyslope County Water District

## Disbursement Summary

**Agenda Item: I-2**

**April 14, 2020 through May 11, 2020**

| Date     | Num   | Name                                      | Amount                  |
|----------|-------|---|-------------------------|
| 05/11/20 | 27988 | State Water Resources Control Board-DWOCF | -60.00                  |
| 05/11/20 | 27989 | Toro Petroleum Corp.                      | -949.17                 |
| 05/11/20 | 27990 | Trans Union LLC                           | -125.08                 |
| 05/11/20 | 27991 | U.S. Bank Corporate Payment Systems       | -7,967.14               |
|          |       |   | <b>\$ -1,177,083.76</b> |

**SUMMARY:**

Accounts Payable Paid to:

|   |                        |
|---|------------------------|
| Vendors   | \$ 562,076.04          |
| Payroll - Employee and Director                           | 254,615.91             |
| City of Hollister for City Billing Collected, Net of Fees | 357,909.67             |
| Customer Refunds & Returned Checks/ACH                    | 2,482.14               |
| <b>Total Disbursements</b>                                | <b>\$ 1,177,083.76</b> |

# **Staff Report**

Agenda Item: **I-3**

DATE: May 12, 2020 (May 19, 2020 Meeting)  
TO: Board of Directors  
FROM: Rob Hillebrecht, Associate Engineer  
SUBJECT: Associate Engineer Monthly Status Report

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1. **Emergency Response Plan Training** – Three 2-hour training sessions were held for Operations staff and managers to conduct the required annual Emergency Response Plan training. All the response binders were updated to include new employees and procedures. Due to COVID-19 precautions, separate trainings were held to minimize the group sizes and avoid unnecessary contact between various staff.
2. **SSMP Submitted** – The approved Sewer System Management Plan was submitted to the State Regional Water Quality Control Board and accepted as meeting all requirements.
3. **Updating of Emergency Response Plan and Operation & Maintenance Procedures** – Staff has updated and revised these binders to include new employees and other changes. All operations staff will conduct a 2 hour training to review all these standard and emergency procedures to be fully competent and prepared for various situations.
4. **Auctioning of Final Surplus Vehicle** – In accordance with authorization granted in J-6 of the February Board Meeting, staff sold the 1996 Ford F-350 truck through the GovDeals online auction for \$1,725.
5. **Lessalt WTP Booster Station** – Staff have finalized the design of the Lessalt WTP booster station piping modifications to allow for water from the middle pressure zone to be pumped into the high pressure zone, even if Lessalt is not producing water.
6. **Organizing and Digitizing System Plans** – Sets of construction plans and records that were previously in storage and largely inaccessible are being photographed and organized onto the District's GIS system so that they are easily located for any part of the system.
7. **Developments** – Santana Ranch 5, Sunnyside Estates, Bennett Ranch, and Twin Oaks are all currently constructing homes. West of Fairview 1A is grading and intends to construct its water system this summer. Roberts Ranch 1 hopes to break ground this summer. Fairview Corners and Vista Del Calabria have TM approval and are designing their plans.

# **Staff Report**

Agenda Item: **I – 4a**

DATE: May 13, 2020 (May 19, 2020 Meeting)  
 TO: Board of Directors  
 FROM: Travis J. Foster, Finance & Human Resource Manager  
 SUBJECT: Narrative Report to Accompany Agenda Items **I –** :  
**b. Operation Summary, c. Statement of Income, and d. Investment Summary**

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## **F – 4 b. Operation Summary** (April, 2020 & YTD Ten Months):

We received twelve (12) water capacity fees and zero (0) wastewater capacity fees in April 2020, bringing the total to two hundred forty-one (253) water capacity fees and one (1) wastewater capacity fees received this fiscal year, compared to fourteen (14) water capacity fees and zero (0) wastewater capacity fees received in April 2019, for a total of one-hundred (100) water capacity fees and two (2) wastewater capacity fees received last fiscal year. This is an increase of one hundred fifty-three (153) water capacity fees and a decrease of one (1) wastewater capacity fee year over year at ten months.

The number of customers signed up for any of our various Automatic Payment services is up to 2,771 customers in April 2020, which is up twelve (12) customers compared to last month, and represents 43.3% of our customers. Customers on Automatic Payment services are up 322 customers compared to April 2019, a 13.1% increase. Our deposit policy continues to drive the increase in customers signing up for our in-house (free) “Auto Pay” services. Also, 464 of our customers, or 7.2%, have gone “GREEN” by signing up for our “e-bill” service, where they receive an email notice when their bill is ready, rather than receive a paper bill and envelope in the mail.

Water sales revenue for April 2020, is down \$49,014 (or -10.6%) compared to last month, and is down \$13,693 (or -3.2%) compared to April 2019. This fiscal year’s total water revenue thru ten months is \$5,444,334 compared to \$5,239,260 last fiscal year, which represents an increase of \$205,074 (or 3.9%) in water sales revenue year over year.

The water sold to customers for the first ten months of fiscal year 2019/20 totals 624.9 million gallons compared to 611.2 million gallons last year. This represents an increase of 13.7 million gallons sold to customers (or 2.2%) over last year. The number of customers billed also has an effect on revenue earned, and in April 2020, we billed a total of 6,401 water customers; up 267 customers over April 2019, an increase of 4.4%.

Sewer fee revenue for April 2020, is up \$9,059 (or 5.8%) compared to last month due to the first billing month (April) for the annual calculation of sewer volume charges, and is up \$8,588 (or 5.5%) compared to April 2019. The fiscal year total sewer fee revenue of \$1,568,435 compared to \$1,613,812 for last fiscal year, represents a decrease of \$45,377 (or -2.8%) in sewer fee revenue.

Installation fee revenue is based on the number of capacity fees collected and the size of the meter to be installed. For the first ten months of fiscal year 2019/20, we have collected \$104,475 for 253 water and 1 wastewater connections, compared to last fiscal year of \$41,430 for 100 water and 2 wastewater connections. This is an increase of \$63,045 (or 152.2%).

For the first ten months of fiscal year 2019/20, compared the same period last fiscal year:

- Late fee revenue of \$49,088 is down \$59,531 (or -19.4%);
- Administrative collection fees of \$38,020 is down \$8,920 (or -23.5%);
- Net billing fees from the City of Hollister of \$119,577 is up \$4,926 (or 4.1%); and
- Other miscellaneous fees of \$16,807 is down \$4,015 (or -23.9%).

The past due percentage of accounts receivable due from all customers for April 2020 is 6.78% compared to April 2019 of 5.14%. The past due percentage is in an acceptable range and we continue to monitor the change in trend from the previous months.

#### F – 4 c. *Statement of Income* (March, 2020 & YTD Nine Months):

For March 2020, Water operations shows a net income of \$2,212, and Wastewater operations shows a net income of \$35,765, for a total net income of \$37,977, compared to March 2019, which showed a Water operations net loss of \$186,799, and Wastewater operations net income of \$55,328, for a total net loss of \$131,471. This March's Water operations net income increased \$189,011 (or 101.2%) over last year, and Wastewater operations net income decreased \$19,563 (or -35.4%) over last year. The March 2020 net income of \$37,977 increased \$169,448 (or 128.9%) over last year. The increase in Water net income is primarily due to collecting 23 more water capacity fees in March this year over last year.

Year-to-date (nine-months) March 2020, Water operations shows a net income of \$2,303,441, and Wastewater operations shows a net income of \$243,267, for a total net income of \$2,546,708, compared to year-to-date March 2019, which showed a Water operations net income of \$737,276, and a Wastewater operations net income of \$388,417, for a total income of \$1,125,693. This represents an increase in Water operations net income of \$1,566,165 (or 212.4%), and a decrease in Wastewater operations net income of \$145,150 (or -37.4%). Year-to-date (nine-months) March 2020, total net income increased \$1,421,015 (or 126.2%) over the



prior year. The net increase is primarily due to the increase of 155 water capacity fees collected and 1 less wastewater capacity fee collected.

**F – 4 d. Investment Summary**

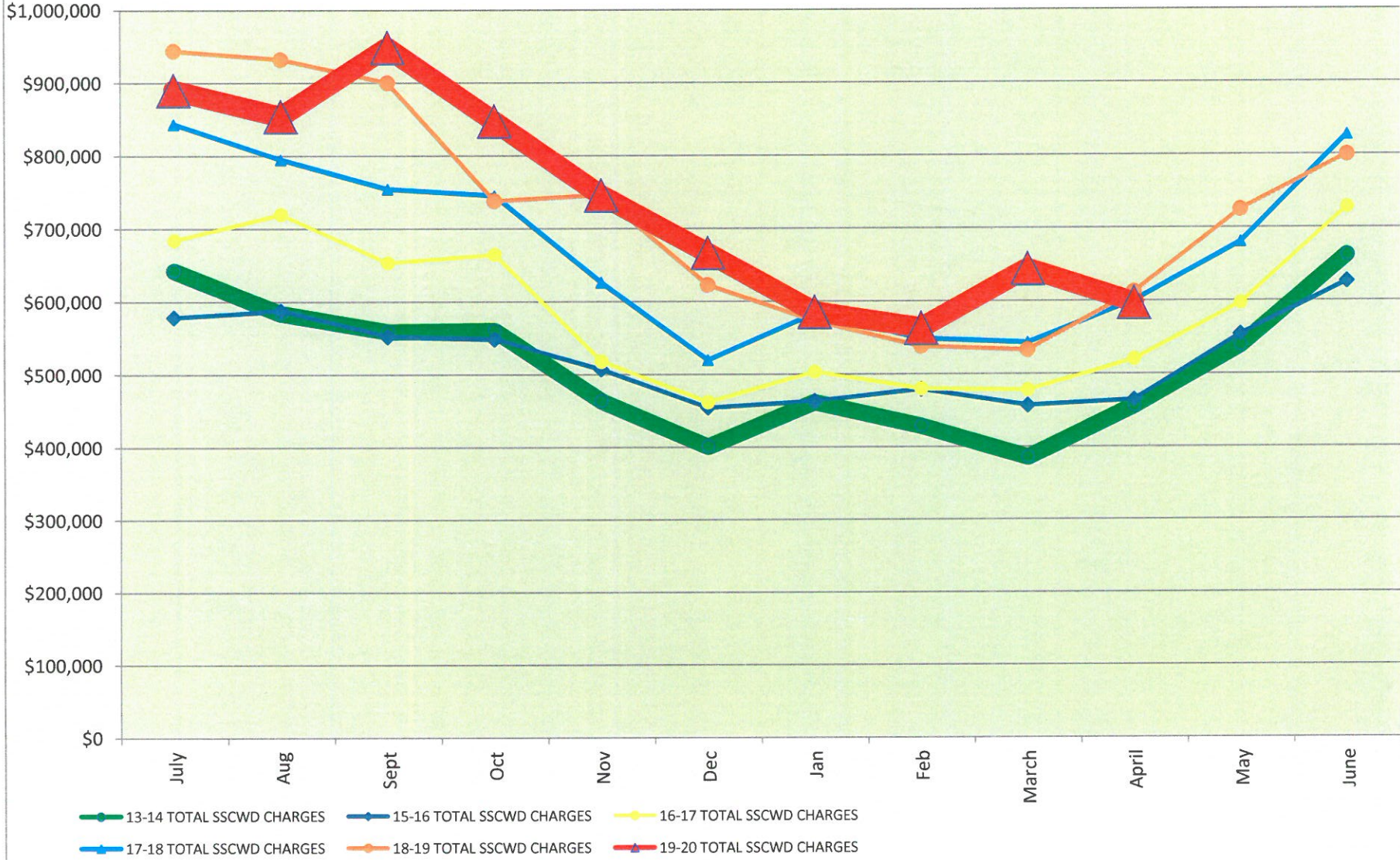
*(April 30, 2020 & YTD Ten Months):*

Our total cash and invested funds is \$11,986,333 as of April 30, 2020, and is down \$90,305, or .1% compared to last month. Compared to April 30, 2019, our total cash and invested funds is up \$460,442, or 4.0%. The increase in cash and invested funds is due primarily to the capacity fees. The District's invested funds at April 30<sup>th</sup> are split between the Local Agency Investment Fund (LAIF), and the Heritage Bank Money Market Account (MMA), with \$6,961,323 invested in LAIF, and \$1,056,844 invested in the MMA. The remaining balance of \$3,968,166 is on deposit with Heritage Bank in the District's checking account. Interest received year-to-date totals \$143,382, which represents ten months interest on the MMA, and quarterly interest from LAIF that posted in July, October, January and April.

**Sunnyslope County Water District**  
2019 / 2020 OPERATION SUMMARY (This Year)

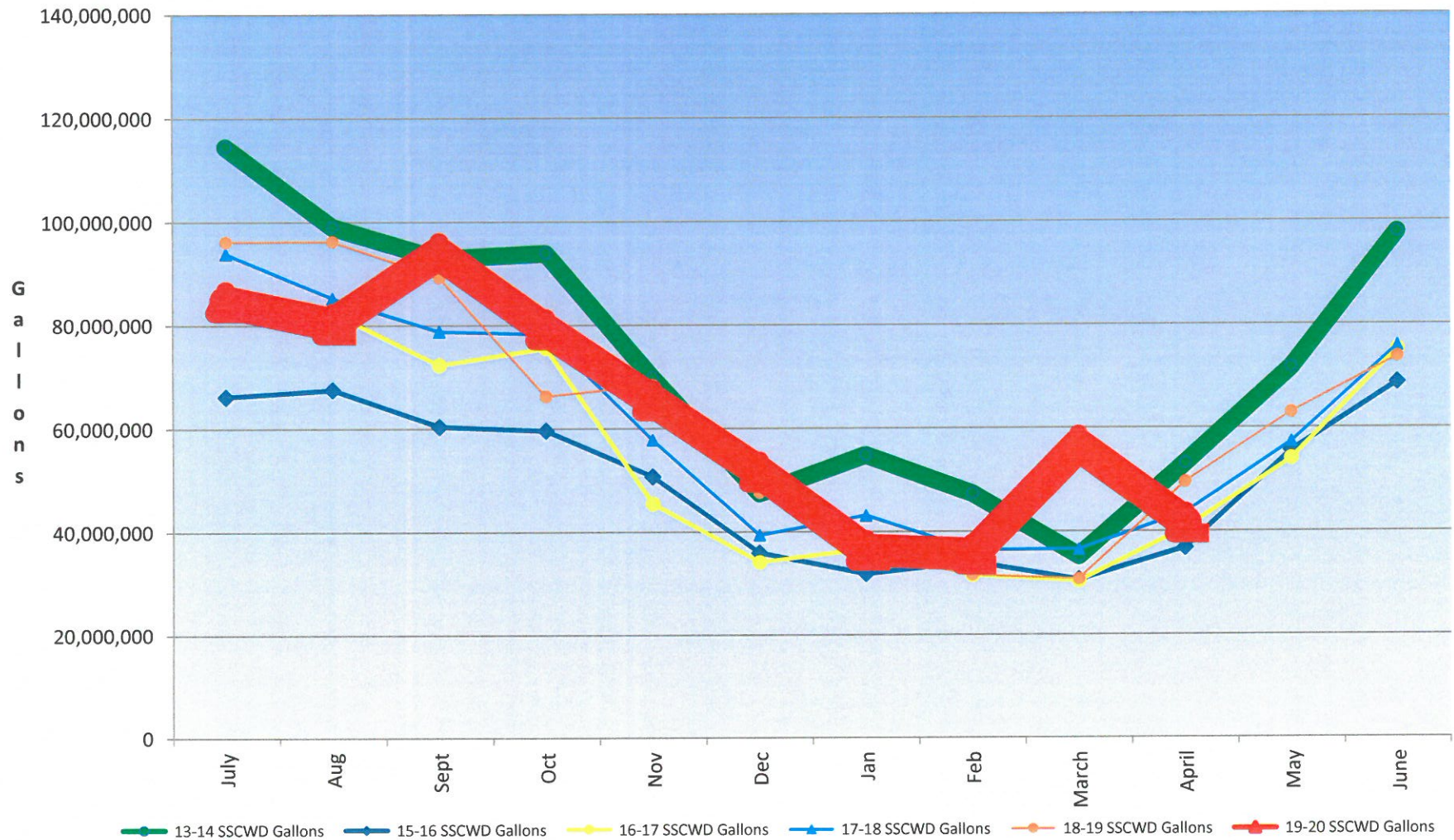
| ITEMS                                | JULY 2019       | AUG. 2019       | SEPT. 2019      | OCT. 2019       | NOV. 2019       | DEC. 2019       | JAN. 2020     | FEB. 2020     | MARCH 2020      | APRIL 2020    | MAY 2020 | JUNE 2020 | TOTALS          |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|---------------|-----------------|---------------|----------|-----------|-----------------|
| <b>NO. WATER CAPACITY FEE RECD</b>   | 48              | 21              | 6               | 31              | 3               | 40              | 58            | 7             | 27              | 12            |          |           | 253             |
| <b>NO. WW CAPACITY FEE RECD</b>      | -               | -               | -               | -               | -               | -               | -             | 1             | -               | -             |          |           | 1               |
| <b>NO. WATER ACCOUNTS</b>            | 6,177           | 6,173           | 6,216           | 6,251           | 6,249           | 6,299           | 6,326         | 6,383         | 6,396           | 6,401         |          |           |                 |
| <b>NO. SSCWD SEWER ACCTS</b>         | 1,236           | 1,229           | 1,231           | 1,234           | 1,231           | 1,238           | 1,233         | 1,236         | 1,233           | 1,235         |          |           |                 |
| <b>NO. COH SEWER ACCTS</b>           | 3,894           | 3,908           | 3,918           | 3,934           | 3,943           | 3,976           | 3,987         | 3,993         | 4,008           | 4,026         |          |           |                 |
| <b>NO. AUTO PAY CUSTOMERS</b>        | 2,532           | 2,554           | 2,583           | 2,614           | 2,640           | 2,680           | 2,697         | 2,727         | 2,759           | 2,771         | -        | -         |                 |
| <b>NO. E-BILL CUST'S (Paperless)</b> | 414             | 415             | 418             | 419             | 419             | 443             | 445           | 456           | 460             | 464           |          |           |                 |
| <b>MONTHLY CHARGES</b>               |                 |                 |                 |                 |                 |                 |               |               |                 |               |          |           |                 |
| Retail Water Charges                 | \$ 688,956.76   | \$ 664,349.80   | \$ 763,824.51   | 650,433.88      | 564,057.50      | \$ 470,813.87   | \$ 382,018.49 | \$ 381,441.31 | \$ 463,726.12   | \$ 414,712.21 |          |           | \$ 5,444,334.45 |
| Sewer Fees                           | 157,302.64      | 156,881.63      | 158,263.24      | 156,538.89      | 155,056.98      | 155,284.36      | 154,935.68    | 154,896.02    | 155,107.95      | 164,167.13    |          |           | 1,568,434.52    |
| Installation Fees                    | 19,440.00       | 8,505.00        | 2,905.00        | 12,555.00       | 2,165.00        | 16,200.00       | 23,770.00     | 3,140.00      | 10,935.00       | 4,860.00      |          |           | 104,475.00      |
| Late Fees                            | 6,035.78        | 6,874.90        | 5,767.63        | 8,705.27        | 5,888.26        | 4,946.50        | 6,229.55      | 4,979.51      | (112.40)        | (227.49)      | -        | -         | 49,087.51       |
| Admin. Collection Fees, net          | 4,570.00        | 4,620.00        | 4,380.00        | 5,670.00        | 4,770.00        | 4,220.00        | 4,970.00      | 4,770.00      | 30.00           | 20.00         |          |           | 38,020.00       |
| COH Billing Fees                     | 11,772.00       | 11,808.00       | 11,832.00       | 11,886.00       | 11,928.00       | 12,036.00       | 12,012.00     | 12,036.00     | 12,114.00       | 12,153.00     | -        | -         | 119,577.00      |
| Other Misc. Fees                     | 2,122.44        | 1,150.00        | 1,558.06        | 1,530.97        | 1,910.00        | 2,720.26        | 1,090.00      | 1,440.00      | 2,025.77        | 1,259.75      |          |           | 16,807.25       |
| <b>TOTAL SSCWD CHARGES</b>           | \$ 890,199.62   | \$ 854,189.33   | \$ 948,530.44   | \$ 847,320.01   | \$ 745,775.74   | \$ 666,220.99   | \$ 585,025.72 | \$ 562,702.84 | \$ 643,826.44   | \$ 596,944.60 | \$ -     | \$ -      | \$ 7,340,735.73 |
| <b>CITY OF HOLLISTER CHARGES</b>     |                 |                 |                 |                 |                 |                 |               |               |                 |               |          |           |                 |
| COH Sewer Fees                       | 355,606.65      | 356,261.47      | 357,638.25      | 358,335.93      | 359,570.77      | 361,910.42      | 363,332.26    | 363,138.25    | 364,089.17      | 365,465.81    |          |           | \$ 3,605,348.98 |
| COH Street Sweeping                  | 9,979.44        | 10,002.72       | 10,009.04       | 10,016.00       | 10,011.60       | 10,016.88       | 10,018.00     | 10,016.00     | 10,022.32       | 10,013.68     |          |           | 100,105.68      |
| COH Senior Discount                  | (1,266.30)      | (1,286.40)      | (1,286.40)      | (1,286.50)      | (1,306.50)      | (1,306.50)      | (1,306.50)    | (1,306.50)    | (1,306.50)      | (1,326.60)    |          |           | (13,004.70)     |
| Total COH Charges                    | 364,319.79      | 364,977.79      | 366,360.89      | 367,045.43      | 368,275.87      | 370,620.80      | 372,043.76    | 371,847.75    | 372,804.99      | 374,152.89    | -        | -         | 3,692,449.96    |
| Late Fees **                         | 2,197.37        | 2,381.54        | 2,295.90        | 3,001.71        | 2,645.67        | 2,246.47        | 2,562.13      | 2,429.51      | -               | -             |          |           | 19,760.30       |
| <b>TOTAL COH CHARGES</b>             | \$ 366,517.16   | \$ 367,359.33   | \$ 368,656.79   | \$ 370,047.14   | \$ 370,921.54   | \$ 372,867.27   | \$ 374,605.89 | \$ 374,277.26 | \$ 372,804.99   | \$ 374,152.89 | \$ -     | \$ -      | \$ 3,712,210.26 |
| <b>ACCOUNTS RECEIVABLE - Aged</b>    |                 |                 |                 |                 |                 |                 |               |               |                 |               |          |           |                 |
| A/R for Sunnyslope Water **          | \$ 859,026.24   | \$ 850,372.33   | \$ 946,025.25   | \$ 846,206.64   | \$ 746,581.49   | \$ 640,479.97   | \$ 549,845.07 | \$ 551,268.57 | \$ 621,003.92   | \$ 594,383.69 |          |           |                 |
| A/R for City of Hollister **         | 375,487.33      | 376,943.14      | 381,328.24      | 381,641.56      | 382,968.97      | 383,681.47      | 380,403.26    | 381,675.77    | 384,214.09      | 387,270.92    |          |           |                 |
| Outstanding Bills Owed               | \$ 1,234,513.57 | \$ 1,227,315.47 | \$ 1,327,353.49 | \$ 1,227,848.20 | \$ 1,129,550.46 | \$ 1,024,161.44 | \$ 930,248.33 | \$ 932,944.34 | \$ 1,005,218.01 | \$ 981,654.61 | \$ -     | \$ -      |                 |
| Past Due                             | \$ 66,210.33    | \$ 78,640.60    | \$ 74,898.49    | \$ 82,273.00    | \$ 80,337.22    | \$ 65,347.93    | \$ 58,629.83  | \$ 63,232.87  | \$ 51,856.52    | \$ 66,550.44  |          |           |                 |
| % Past Due                           | 5.36%           | 6.41%           | 5.64%           | 6.70%           | 7.11%           | 6.38%           | 6.30%         | 6.78%         | 5.16%           | 6.78%         | N/A      | N/A       |                 |
| <b>WATER METERED</b>                 |                 |                 |                 |                 |                 |                 |               |               |                 |               |          |           |                 |
| Cubic Feet                           | 11,311,500      | 10,732,100      | 12,570,200      | 10,586,100      | 8,744,700       | 6,891,400       | 4,856,500     | 4,747,600     | 7,552,200       | 5,548,000     |          |           | 83,540,300      |
| SSCWD Gallons                        | 84,610,020      | 80,276,108      | 94,025,096      | 79,184,028      | 65,410,356      | 51,547,672      | 36,326,620    | 35,512,048    | 56,490,456      | 41,499,040    | -        | -         | 624,881,444     |
| Well Flow to COH Gallons             | 4,175,000       | 3,944,400       | 5,017,200       | 3,907,900       | 4,694,400       | 3,273,400       | 5,832,700     | 5,075,900     | 8,479,300       | 6,053,900     |          |           | 50,454,100      |
| Surface Flow to COH Gallons          | 2,383,587       | 2,023,805       | 3,296,235       | 6,799,685       | 7,605,915       | 7,707,484       | 4,095,140     | 4,298,538     | 3,789,664       | 4,384,716     |          |           | 46,384,769      |
| <b>TOTAL METERED</b>                 | 91,168,607      | 86,244,313      | 102,338,531     | 89,891,613      | 77,710,671      | 62,528,556      | 46,254,460    | 44,886,486    | 68,759,420      | 51,937,656    | -        | -         | 721,720,313     |
| <b>WATER SOURCE</b>                  |                 |                 |                 |                 |                 |                 |               |               |                 |               |          |           |                 |
| Well #2 (Southside Road)             | -               | -               | 99,000          | 1,358,000       | 911,000         | 905,000         | 1,938,000     | 902,000       | -               | -             | -        | -         | 6,113,000       |
| Well #5 (Ray Cir/Enterprise)         | 541,499         | 1,001,356       | 1,473,160       | 915,059         | 702,094         | 517,201         | 8,288,434     | 2,154,146     | 725,940         | 1,731,407     |          |           | 18,050,296      |
| Well #7 (Enterprise Rd)              | 4,301,929       | 4,453,091       | 7,279,333       | 1,246,088       | 2,022,759       | 984,809         | 2,039,192     | 2,089,321     | 4,569,533       | 2,785,662     |          |           | 31,771,717      |
| Well #8 (Ridgemark)                  | 581,000         | 520,000         | 661,000         | 625,000         | 517,000         | 608,000         | 1,873,000     | 1,117,000     | 967,000         | 3,706,000     |          |           | 11,175,000      |
| Well #11 (Southside Road)            | 18,105,000      | 17,214,000      | 17,732,000      | 4,414,000       | 5,384,000       | 2,502,000       | 7,938,000     | 4,901,000     | 10,544,000      | 6,281,000     |          |           | 95,015,000      |
| Wells                                | 23,529,428      | 23,188,447      | 27,244,493      | 8,558,147       | 9,536,853       | 5,517,010       | 22,076,626    | 11,163,467    | 16,806,473      | 14,504,069    | -        | -         | 162,125,013     |
| Lessalt W.T.P. I (High Zone)         | 35,817,000      | 34,171,000      | 40,229,000      | 32,184,000      | 27,999,000      | 21,962,000      | 11,668,000    | 19,582,000    | 29,857,000      | 20,962,000    |          |           | 274,431,000     |
| Lessalt W.T.P. I (Middle Zone)       | 20,436,000      | 17,471,000      | 23,105,000      | 23,455,000      | 19,230,000      | 15,100,000      | 7,991,000     | 11,484,000    | 16,462,000      | 16,760,000    |          |           | 171,494,000     |
| West Hills W.T.P. (@ Well #2)        | -               | -               | 1,510,000       | 12,421,000      | 10,892,000      | 9,695,000       | 2,286,000     | 1,656,000     | -               | 534,000       |          |           | 38,994,000      |
| West Hills W.T.P. (@ Well #11)       | -               | -               | 1,430,000       | 13,087,000      | 11,043,000      | 10,935,000      | 2,389,000     | 2,086,000     | 1,128,000       | 980,000       |          |           | 43,078,000      |
| City Well Flow to SSCWD Gallons      | 8,137,300       | 8,446,900       | 9,797,000       | 3,809,800       | 1,089,100       | 565,300         | 290,600       | 122,400       | 163,300         | 170,100       |          |           | 32,591,800      |
| City Surface Flow to SSCWD Gallons   | 6,638,100       | 6,272,600       | 5,583,900       | 1,216,900       | 545,500         | 1,946,800       | 199,600       | 194,900       | 256,800         | 591,000       |          |           | 23,046,100      |
| <b>TOTAL PUMPED</b>                  | 94,557,828      | 89,549,947      | 108,899,393     | 94,731,847      | 80,335,453      | 65,721,110      | 46,900,826    | 46,288,767    | 64,673,573      | 54,101,169    | -        | -         | 745,759,913     |
| Estimated Water Loss                 | 3,389,221       | 3,305,634       | 6,560,862       | 4,840,234       | 2,624,782       | 3,192,554       | 646,366       | 1,402,281     | -               | 2,163,513     |          |           | 28,125,447      |
| Water Loss %                         | 3.584%          | 3.691%          | 6.025%          | 5.09%           | 3.267%          | 4.858%          | 1.378%        | 3.029%        | 0.000%          | 3.999%        | 0.000%   | 0.000%    | 3.711%          |
| Estimated Water Gain                 | -               | -               | -               | -               | -               | -               | -             | -             | 4,056,947       | 0.000%        | 0.000%   | 0.000%    | 4,056,947       |
| Water Gain %                         | 0.000%          | 0.000%          | 0.000%          | 0.000%          | 0.000%          | 0.000%          | 0.000%        | 0.000%        | 5.942%          | 0.000%        | 0.000%   | 0.000%    | 0.566%          |
| Total Net Water Loss                 |                 |                 |                 |                 |                 |                 |               |               |                 |               |          |           | 24,039,600      |

### Total SSCWD Charges Chart 1

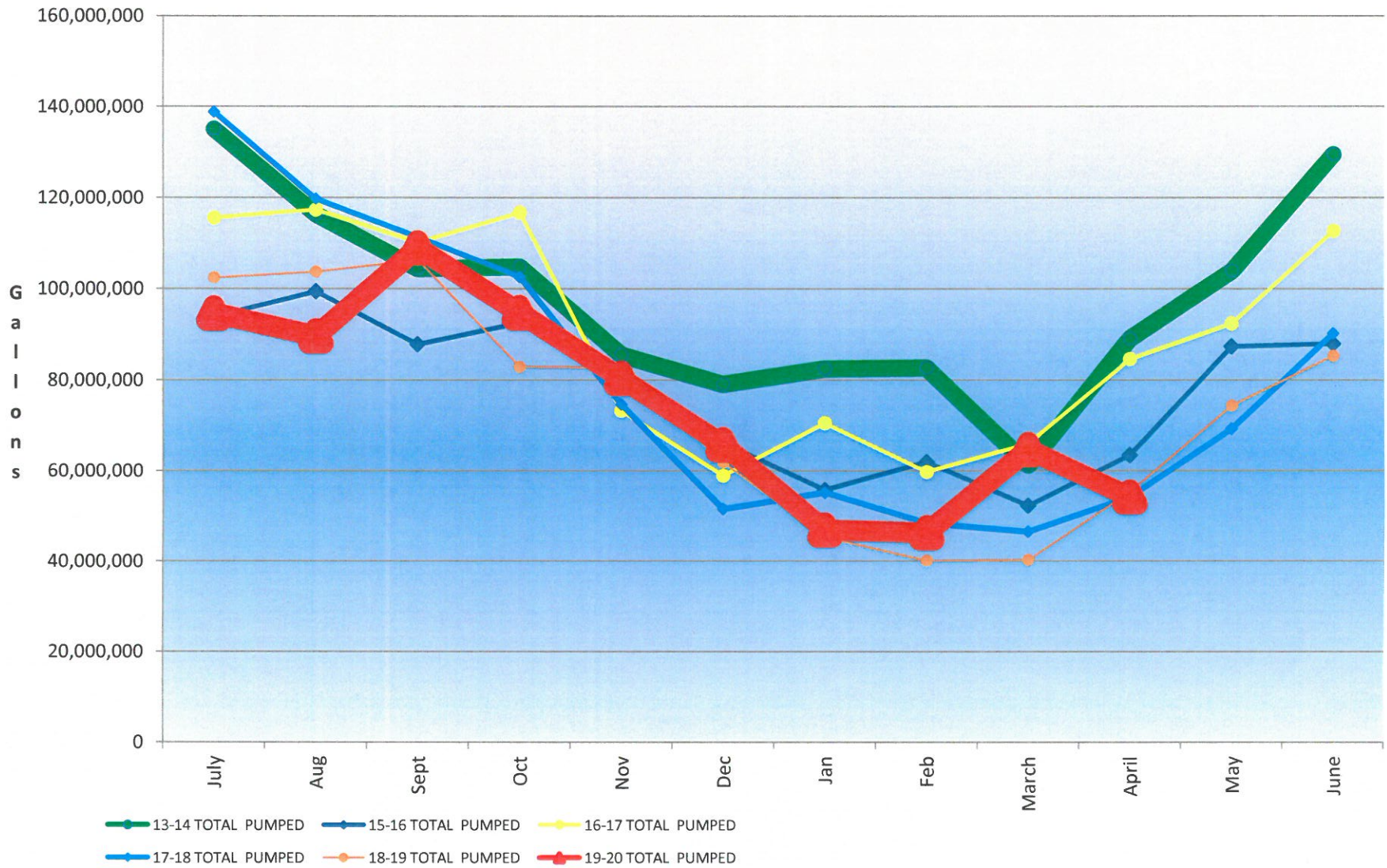




### Total Water Metered to SSCWD Customers Chart 2



### Total Water Pumped into SSCWD System Chart 3





**Sunnyslope County Water District**  
2018 / 2019 OPERATION SUMMARY (Last Year)

SSCWD Board Meeting 27 of 66

| ITEMS                              | JULY 2018       | AUG. 2018       | SEPT. 2018      | OCT. 2018       | NOV. 2018       | DEC. 2018     | JAN. 2019     | FEB. 2019     | MARCH 2019    | APRIL 2019    | MAY 2019 | JUNE 2019 | TOTALS |                 |
|------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|---------------|---------------|---------------|---------------|---------------|----------|-----------|--------|-----------------|
| NO. WATER CAPACITY FEE RECD        | 1               | 6               | 23              | 18              | 15              | 15            | 3             | 1             | 4             | 14            |          |           | 100    |                 |
| NO. WW CAPACITY FEE RECD           | -               | 1               | -               | -               | -               | -             | 1             | -             | -             | -             |          |           | 2      |                 |
| <b>NO. WATER ACCOUNTS</b>          | 6,015           | 6,022           | 6,029           | 6,063           | 6,080           | 6,104         | 6,124         | 6,115         | 6,119         | 6,134         |          |           |        |                 |
| NO. SSCWD SEWER ACCTS              | 1,232           | 1,228           | 1,229           | 1,234           | 1,232           | 1,234         | 1,235         | 1,235         | 1,234         | 1,234         |          |           |        |                 |
| NO. COH SEWER ACCTS                | 3,717           | 3,747           | 3,748           | 3,773           | 3,748           | 3,810         | 3,830         | 3,831         | 3,844         | 3,857         |          |           |        |                 |
| NO. AUTO PAY CUSTOMERS             | 2,217           | 2,258           | 2,276           | 2,318           | 2,352           | 2,355         | 2,383         | 2,396         | 2,432         | 2,449         |          |           |        |                 |
| NO. E-BILL CUST'S (Paperless)      | 355             | 354             | 355             | 359             | 359             | 366           | 373           | 374           | 387           | 394           |          |           |        |                 |
| <b>MONTHLY CHARGES</b>             |                 |                 |                 |                 |                 |               |               |               |               |               |          |           |        |                 |
| Retail Water Charges               | \$ 754,320.00   | \$ 740,839.51   | \$ 698,915.92   | \$ 543,608.01   | \$ 555,936.23   | \$ 429,062.61 | \$ 385,476.05 | \$ 353,782.83 | \$ 348,913.72 | \$ 428,405.30 |          |           |        | \$ 5,239,260.18 |
| Sewer Fees                         | 163,625.25      | 162,922.70      | 162,937.08      | 162,315.84      | 161,946.75      | 161,417.13    | 161,173.22    | 160,831.07    | 161,063.05    | 155,579.46    |          |           |        | 1,613,811.55    |
| Installation Fees                  | 1,285.00        | 2,455.00        | 9,315.00        | 7,290.00        | 6,075.00        | 6,075.00      | 1,240.00      | 405.00        | 1,620.00      | 5,670.00      |          |           |        | 41,430.00       |
| Late Fees                          | 6,342.95        | 7,267.36        | 9,916.20        | 6,991.87        | 3,605.30        | 5,506.21      | 5,977.82      | 4,784.90      | 4,166.84      | 4,059.48      |          |           |        | 58,618.93       |
| Admin. Collection Fees, net        | 4,690.00        | 4,980.00        | 4,610.00        | 4,660.00        | 4,930.00        | 4,810.00      | 5,320.00      | 4,310.00      | 4,350.00      | 4,280.00      |          |           |        | 46,940.00       |
| COH Billing Fees                   | 11,292.00       | 11,331.00       | 11,334.00       | 11,403.00       | 11,418.00       | 11,481.00     | 11,544.00     | 11,595.00     | 11,592.00     | 11,661.00     |          |           |        | 114,651.00      |
| Other Misc. Fees                   | 2,075.00        | 2,081.33        | 2,949.28        | 1,620.00        | 1,880.00        | 3,706.24      | 1,650.00      | 1,820.61      | 830.00        | 2,210.00      |          |           |        | 20,822.46       |
| <b>TOTAL SSCWD CHARGES</b>         | \$ 943,630.20   | \$ 931,876.90   | \$ 899,977.48   | \$ 737,888.72   | \$ 745,791.28   | \$ 622,058.19 | \$ 572,381.09 | \$ 537,529.41 | \$ 532,535.61 | \$ 611,865.24 |          |           |        | \$ 7,135,534.12 |
| <b>CITY OF HOLLISTER CHARGES</b>   |                 |                 |                 |                 |                 |               |               |               |               |               |          |           |        |                 |
| COH Sewer Fees                     | 341,616.88      | 343,142.85      | 344,095.25      | 345,186.05      | 347,003.43      | 348,202.02    | 349,843.91    | 350,414.35    | 350,789.78    | 352,314.50    |          |           |        | \$ 3,472,609.02 |
| COH Street Sweeping                | 9,859.92        | 9,887.68        | 9,886.64        | 9,856.02        | 9,914.16        | 9,922.96      | 9,946.16      | 9,942.48      | 9,937.28      | 9,961.68      |          |           |        | 99,114.98       |
| COH Senior Discount                | (1,125.60)      | (1,125.60)      | (1,145.70)      | (1,147.62)      | (1,246.20)      | (1,266.30)    | (1,266.30)    | (1,266.30)    | (1,266.30)    | (1,266.30)    |          |           |        | (12,122.22)     |
| <b>Total COH Charges</b>           | 350,351.20      | 351,904.93      | 352,836.19      | 353,894.45      | 355,671.39      | 356,858.68    | 358,523.77    | 359,090.53    | 359,460.76    | 361,009.88    |          |           |        | 3,559,601.78    |
| Late Fees                          | 2,340.85        | 2,300.10        | 2,370.24        | 2,384.17        | 2,434.10        | 2,503.58      | 2,661.42      | 2,257.20      | 2,274.54      | 2,228.51      |          |           |        | 23,754.71       |
| <b>TOTAL COH CHARGES</b>           | \$ 352,692.05   | \$ 354,205.03   | \$ 355,206.43   | \$ 356,278.62   | \$ 358,105.49   | \$ 359,362.26 | \$ 361,185.19 | \$ 361,347.73 | \$ 361,735.30 | \$ 363,238.39 |          |           |        | \$ 3,583,356.49 |
| <b>ACCOUNTS RECEIVABLE - Aged</b>  |                 |                 |                 |                 |                 |               |               |               |               |               |          |           |        |                 |
| A/R for Sunnyslope Water           | \$ 931,317.61   | \$ 921,915.90   | \$ 928,921.20   | \$ 697,815.29   | \$ 709,037.97   | \$ 590,686.64 | \$ 524,186.87 | \$ 518,964.79 | \$ 506,079.35 | \$ 580,034.29 |          |           |        |                 |
| A/R for City of Hollister          | 365,104.71      | 362,629.82      | 367,905.15      | 365,986.53      | 369,645.97      | 366,590.12    | 369,616.02    | 370,584.88    | 367,886.27    | 368,406.84    |          |           |        |                 |
| <b>Outstanding Bills Owed</b>      | \$ 1,296,422.32 | \$ 1,284,545.72 | \$ 1,296,826.35 | \$ 1,063,801.82 | \$ 1,078,683.94 | \$ 957,276.76 | \$ 893,802.89 | \$ 889,549.67 | \$ 873,965.62 | \$ 948,441.13 |          |           |        |                 |
| Past Due                           | \$ 67,070.93    | \$ 65,819.47    | \$ 110,968.32   | \$ 67,946.72    | \$ 69,397.44    | \$ 69,057.61  | \$ 61,937.32  | \$ 57,501.88  | \$ 49,520.01  | \$ 48,719.44  |          |           |        |                 |
| % Past Due                         | 5.17%           | 5.12%           | 8.56%           | 6.39%           | 6.43%           | 7.21%         | 6.93%         | 6.46%         | 5.67%         | 5.14%         |          |           |        |                 |
| <b>WATER METERED</b>               |                 |                 |                 |                 |                 |               |               |               |               |               |          |           |        |                 |
| Cubic Feet                         | 12,848,900      | 12,858,400      | 11,927,700      | 8,853,200       | 9,138,900       | 6,371,000     | 4,757,400     | 4,220,800     | 4,118,100     | 6,621,900     |          |           |        | 81,716,300      |
| SSCWD Gallons                      | 96,109,772      | 96,180,832      | 89,219,196      | 66,221,936      | 68,358,972      | 47,655,080    | 35,585,352    | 31,571,584    | 30,803,388    | 49,531,812    |          |           |        | 611,237,924     |
| Well Flow to COH Gallons           | 7,482,100       | 7,741,200       | 5,762,100       | 5,720,600       | 1,897,900       | 1,661,600     | 1,343,100     | 1,244,500     | 1,287,700     | 1,562,200     |          |           |        | 35,703,000      |
| Surface Flow to COH Gallons        | 2,382,855       | 2,249,456       | 3,188,282       | 4,999,726       | 4,836,809       | 4,975,932     | 2,150,465     | 1,752,956     | 2,439,614     | 2,120,492     |          |           |        | 31,096,587      |
| <b>TOTAL METERED</b>               | 105,974,727     | 106,171,488     | 98,169,578      | 76,942,262      | 75,093,681      | 54,292,612    | 39,078,917    | 34,569,040    | 34,530,702    | 53,214,504    |          |           |        | 678,037,511     |
| <b>WATER SOURCE</b>                |                 |                 |                 |                 |                 |               |               |               |               |               |          |           |        |                 |
| Well #2 (Southside Road)           | 9,152,450       | 10,217,847      | 5,575,162       | 4,303,209       | 2,428,919       | 1,409,492     | 1,082,321     | 753,784       | 630,374       | 292,105       |          |           |        | 35,845,663      |
| Well #5 (Ray Cir/Enterprise)       | 985,324         | 946,787         | 1,598,953       | 614,700         | 638,730         | 566,201       | 732,863       | 1,249,612     | 376,175       | 437,675       |          |           |        | 8,147,020       |
| Well #7 (Enterprise Rd)            | 6,343,422       | 8,436,007       | 4,193,666       | 3,545,257       | 2,354,030       | 1,082,105     | 596,150       | 713,580       | 686,087       | 888,437       |          |           |        | 28,838,741      |
| Well #8 (Ridgemark)                | 1,033,000       | 948,000         | 1,243,000       | 761,000         | 860,000         | 784,000       | 1,232,000     | 2,031,000     | 526,000       | 657,000       |          |           |        | 10,075,000      |
| Well #11 (Southside Road)          | 20,842,000      | 24,408,000      | 22,591,000      | 14,125,000      | 8,037,000       | 4,926,000     | 2,184,000     | 2,323,000     | 1,797,000     | 4,329,000     |          |           |        | 105,562,000     |
| <b>Wells</b>                       | 38,356,196      | 44,956,641      | 35,201,781      | 23,349,166      | 14,318,679      | 8,767,798     | 5,827,334     | 7,070,976     | 4,015,636     | 6,604,217     |          |           |        | 188,468,424     |
| Lessalt W.T.P. I (High Zone)       | 31,484,000      | 31,866,000      | 32,432,000      | 27,471,000      | 28,009,000      | 18,616,000    | 14,480,000    | 8,916,000     | 10,138,000    | 16,837,000    |          |           |        | 220,249,000     |
| Lessalt W.T.P. I (Middle Zone)     | 21,222,000      | 16,551,000      | 26,530,000      | 24,666,000      | 28,375,000      | 23,796,000    | 16,568,000    | 14,045,000    | 19,642,000    | 20,250,000    |          |           |        | 211,645,000     |
| West Hills W.T.P. (@ Well #2)      | -               | -               | -               | -               | -               | -             | -             | -             | -             | -             |          |           |        | -               |
| West Hills W.T.P. (@ Well #11)     | -               | -               | -               | -               | -               | -             | -             | -             | -             | -             |          |           |        | -               |
| City Well Flow to SSCWD Gallons    | 6,531,200       | 5,285,500       | 5,416,800       | 4,526,300       | 4,787,500       | 2,572,200     | 3,017,100     | 4,637,800     | 2,395,900     | 6,862,500     |          |           |        | 46,032,800      |
| City Surface Flow to SSCWD Gallons | 4,729,300       | 4,991,700       | 6,673,700       | 2,820,100       | 7,167,500       | 8,103,300     | 5,380,700     | 5,419,600     | 4,065,700     | 4,776,900     |          |           |        | 54,128,500      |
| <b>TOTAL PUMPED</b>                | 102,322,696     | 103,650,841     | 106,254,281     | 82,832,566      | 82,657,679      | 61,855,298    | 45,273,134    | 40,089,376    | 40,257,236    | 55,330,617    |          |           |        | 720,523,724     |
| Estimated Water Loss               | -               | -               | 8,084,703       | 5,890,304       | 7,563,998       | 7,562,686     | 6,194,217     | 5,520,336     | 5,726,534     | 2,116,113     |          |           |        | 48,658,891      |
| Water Loss %                       | 0.000%          | 0.000%          | 7.609%          | 7.111%          | 9.151%          | 12.226%       | 13.682%       | 13.770%       | 14.225%       | 3.824%        |          |           |        | 6.753%          |
| Estimated Water Gain               | 3,652,031       | 2,520,647       | -               | -               | -               | -             | -             | -             | -             | -             |          |           |        | 6,172,678       |
| Water Gain %                       | 3.446%          | 2.374%          | 0.000%          | 0.000%          | 0.000%          | 0.000%        | 0.000%        | 0.000%        | 0.000%        | 0.000%        |          |           |        | 0.910%          |
| <b>Total Net Water Loss</b>        |                 |                 |                 |                 |                 |               |               |               |               |               |          |           |        | 42,486,213      |

Sunnyslope County Water District

STATEMENT OF INCOME  
FOR THE FISCAL YEAR ENDING JUNE 30, 2020 (This Year)  
UN-AUDITED 5/14/2020

Agenda Item: I - 4 c.

| <b>*** WATER ***</b>                               | Jul-19           | Aug-19           | Sep-19           | Oct-19           | Nov-19           | Dec-19           | Jan-20           | Feb-20           | Mar-20           | Apr-20 | May-20 | Jun-20 | YEAR-TO-DATE       | PROJECTED ACTUAL   | FY 19/20 BUDGET    |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------|--------|--------|--------------------|--------------------|--------------------|
| <b>OPERATING REVENUES</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Water Sales  | 688,957          | 664,660          | 763,198          | 650,374          | 565,914          | 468,509          | 382,633          | 381,353          | 463,419          | -      | -      | -      | 5,029,017          | 6,705,356          | 6,900,000          |
| Installation Fees                                  | 19,440           | 8,505            | 2,905            | 12,555           | 2,165            | 16,200           | 23,770           | 3,140            | 10,935           | -      | -      | -      | 99,615             | 132,820            | 40,000             |
| Late Fees  | 4,829            | 5,500            | 4,843            | 6,964            | 4,711            | 3,957            | 4,984            | 3,984            | (90)             | -      | -      | -      | 39,682             | 52,909             | 60,000             |
| Other Revenue                                      | 14,896           | 14,136           | 14,245           | 15,279           | 14,970           | 15,320           | 14,412           | 14,645           | 11,286           | -      | -      | -      | 129,189            | 176,854            | 179,440            |
| <b>TOTAL OPERATING REVENUES</b>                    | <b>728,122</b>   | <b>692,801</b>   | <b>785,191</b>   | <b>685,172</b>   | <b>587,760</b>   | <b>503,986</b>   | <b>425,799</b>   | <b>403,122</b>   | <b>485,550</b>   | -      | -      | -      | <b>5,297,503</b>   | <b>7,067,939</b>   | <b>7,179,440</b>   |
| <b>OPERATING EXPENSES</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Salaries and Benefits                              | (241,769)        | (222,316)        | (230,044)        | (212,783)        | (208,052)        | (207,774)        | (188,585)        | (194,290)        | (212,621)        | -      | -      | -      | (1,918,234)        | (2,558,425)        | (2,702,003)        |
| Operating Expenses                                 | (416,924)        | (410,163)        | (519,739)        | (363,933)        | (440,972)        | (296,377)        | (320,479)        | (392,866)        | (568,313)        | -      | -      | -      | (3,729,766)        | (4,894,514)        | (4,959,310)        |
| <b>TOTAL OPERATING EXPENSES</b>                    | <b>(658,693)</b> | <b>(632,479)</b> | <b>(749,783)</b> | <b>(576,716)</b> | <b>(649,024)</b> | <b>(504,151)</b> | <b>(509,064)</b> | <b>(587,156)</b> | <b>(780,934)</b> | -      | -      | -      | <b>(5,648,000)</b> | <b>(7,452,939)</b> | <b>(7,661,313)</b> |
| <b>NET OPERATING INCOME</b>                        | <b>69,429</b>    | <b>60,322</b>    | <b>35,408</b>    | <b>108,456</b>   | <b>(61,264)</b>  | <b>(165)</b>     | <b>(83,265)</b>  | <b>(184,034)</b> | <b>(295,384)</b> | -      | -      | -      | <b>(350,497)</b>   | <b>(385,000)</b>   | <b>(481,873)</b>   |
| <b>NON OPERATING INCOME &amp; (EXPENSES)</b>       |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Capacity Fees                                      | 528,000          | 231,000          | 90,300           | 341,000          | 81,600           | 440,000          | 649,075          | 88,075           | 297,000          | -      | -      | -      | 2,746,050          | 2,746,050          | -                  |
| Adjust LAIF Investment to Fair Value               | (7,157)          | -                | -                | -                | -                | -                | -                | -                | -                | -      | -      | -      | (7,157)            | (7,157)            | -                  |
| Interest Income                                    | -                | -                | -                | 8,044            | -                | -                | 11,070           | -                | 596              | -      | -      | -      | 19,710             | 19,710             | -                  |
| Allocated from G & A (Interest & Sale of Assets)   | 750              | 682              | 702              | 19,184           | 669              | 738              | 15,857           | 12,317           | -                | -      | -      | -      | 50,899             | 50,899             | -                  |
| Debt Service (Loan Expense) & Disposal of Assets   | -                | -                | -                | (155,561)        | -                | -                | -                | -                | -                | -      | -      | -      | (155,561)          | (199,040)          | (90,000)           |
| <b>TOTAL NON OPERATING INCOME &amp; (EXPENSES)</b> | <b>521,593</b>   | <b>231,682</b>   | <b>91,002</b>    | <b>212,667</b>   | <b>82,269</b>    | <b>440,738</b>   | <b>676,002</b>   | <b>100,392</b>   | <b>297,596</b>   | -      | -      | -      | <b>2,653,941</b>   | <b>2,610,462</b>   | <b>(90,000)</b>    |
| <b>NET WATER INCOME (LOSS)</b>                     | <b>591,022</b>   | <b>292,004</b>   | <b>126,410</b>   | <b>321,123</b>   | <b>21,005</b>    | <b>440,573</b>   | <b>592,737</b>   | <b>(83,642)</b>  | <b>2,212</b>     | -      | -      | -      | <b>2,303,444</b>   | <b>2,225,462</b>   | <b>(571,873)</b>   |
| <b>*** WASTEWATER ***</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| <b>OPERATING REVENUES</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Sewer Sales  | 157,303          | 156,882          | 158,263          | 156,539          | 155,056          | 155,285          | 154,936          | 154,896          | 155,108          | -      | -      | -      | 1,404,268          | 1,872,357          | 1,900,000          |
| Installation Fees                                  | -                | -                | -                | -                | -                | -                | -                | -                | -                | -      | -      | -      | -                  | -                  | 50                 |
| Late Fees  | 1,207            | 1,375            | 1,211            | 1,741            | 1,178            | 989              | 1,246            | 996              | (22)             | -      | -      | -      | 9,921              | 13,228             | 15,000             |
| Other Revenue                                      | 3,607            | 3,520            | 3,554            | 3,808            | 3,672            | 3,704            | 3,609            | 3,650            | 2,853            | -      | -      | -      | 31,977             | 43,688             | 43,860             |
| <b>TOTAL OPERATING REVENUES</b>                    | <b>162,117</b>   | <b>161,777</b>   | <b>163,028</b>   | <b>162,088</b>   | <b>159,906</b>   | <b>159,978</b>   | <b>159,791</b>   | <b>159,542</b>   | <b>157,939</b>   | -      | -      | -      | <b>1,446,166</b>   | <b>1,929,273</b>   | <b>1,958,910</b>   |
| <b>OPERATING EXPENSES</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Salaries and Benefits                              | (49,801)         | (45,826)         | (46,940)         | (44,692)         | (41,789)         | (43,605)         | (36,612)         | (39,162)         | (42,704)         | -      | -      | -      | (391,131)          | (522,639)          | (548,919)          |
| Operating Expenses                                 | (51,385)         | (54,115)         | (61,644)         | (48,239)         | (64,771)         | (51,741)         | (49,839)         | (55,924)         | (78,930)         | -      | -      | -      | (516,588)          | (656,489)          | (705,140)          |
| <b>TOTAL OPERATING EXPENSES</b>                    | <b>(101,186)</b> | <b>(99,941)</b>  | <b>(108,584)</b> | <b>(92,931)</b>  | <b>(106,560)</b> | <b>(95,346)</b>  | <b>(86,451)</b>  | <b>(95,086)</b>  | <b>(121,634)</b> | -      | -      | -      | <b>(907,719)</b>   | <b>(1,179,128)</b> | <b>(1,254,059)</b> |
| <b>NET OPERATING INCOME</b>                        | <b>60,931</b>    | <b>61,836</b>    | <b>54,444</b>    | <b>69,157</b>    | <b>53,346</b>    | <b>64,632</b>    | <b>73,340</b>    | <b>64,456</b>    | <b>36,305</b>    | -      | -      | -      | <b>538,447</b>     | <b>750,145</b>     | <b>704,851</b>     |
| <b>NON OPERATING INCOME &amp; (EXPENSES)</b>       |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Capacity Fees                                      | -                | -                | -                | -                | -                | -                | -                | 19,875           | -                | -      | -      | -      | 19,875             | 19,875             | -                  |
| Adjust LAIF Investment to Fair Value               | (1,789)          | -                | -                | -                | -                | -                | -                | -                | -                | -      | -      | -      | (1,789)            | (1,789)            | -                  |
| Allocated from G & A (Interest & Sale of Assets)   | 187              | 171              | 176              | 4,796            | 167              | 185              | 3,964            | 3,079            | 149              | -      | -      | -      | 12,874             | 12,874             | -                  |
| Debt Service (Loan Expense) & Southside Rd. Slide  | (11,273)         | (1,224)          | (303,573)        | (3,826)          | (2,040)          | (663)            | (995)            | (1,861)          | (689)            | -      | -      | -      | (326,144)          | (319,271)          | (240,500)          |
| <b>TOTAL NON OPERATING INCOME &amp; (EXPENSES)</b> | <b>(12,875)</b>  | <b>(1,053)</b>   | <b>(303,397)</b> | <b>970</b>       | <b>(1,873)</b>   | <b>(478)</b>     | <b>2,969</b>     | <b>21,093</b>    | <b>(540)</b>     | -      | -      | -      | <b>(295,184)</b>   | <b>(288,311)</b>   | <b>(240,500)</b>   |
| <b>NET WASTEWATER INCOME (LOSS)</b>                | <b>48,056</b>    | <b>60,783</b>    | <b>(248,953)</b> | <b>70,127</b>    | <b>51,473</b>    | <b>64,154</b>    | <b>76,309</b>    | <b>85,549</b>    | <b>35,765</b>    | -      | -      | -      | <b>243,263</b>     | <b>461,834</b>     | <b>464,351</b>     |
| <b>*** COMBINED INCOME (LOSS) ***</b>              | <b>639,078</b>   | <b>352,787</b>   | <b>(122,543)</b> | <b>391,250</b>   | <b>72,478</b>    | <b>504,727</b>   | <b>669,046</b>   | <b>1,907</b>     | <b>37,977</b>    | -      | -      | -      | <b>2,546,707</b>   | <b>2,687,296</b>   | <b>(107,522)</b>   |

**Sunnyslope County Water District**  
STATEMENT OF INCOME  
FOR THE FISCAL YEAR ENDING JUNE 30, 2019 (Last Year)  
UN-AUDITED 5/14/2020

SSCWD Board Meeting 29 of 66

| <b>*** WATER ***</b>                               | Jul-18           | Aug-18           | Sep-18           | Oct-18           | Nov-18           | Dec-18           | Jan-19           | Feb-19           | Mar-19           | Apr-19 | May-19 | Jun-19 | YEAR-TO-DATE       | PROJECTED ACTUAL   | FY 18/19 BUDGET    |
|--|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|--------|--------|--------|--------------------|--------------------|--------------------|
| <b>OPERATING REVENUES</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Water Sales  | 754,240          | 742,218          | 698,314          | 542,706          | 556,527          | 428,600          | 385,476          | 353,773          | 348,931          |        |        |        | 4,810,785          | 6,414,380          | 6,500,000          |
| Installation Fees                                  | 1,285            | 2,430            | 9,315            | 7,290            | 6,075            | 6,075            | 1,215            | 405              | 1,620            |        |        |        | 35,710             | 47,613             | 64,000             |
| Late Fees  | 5,074            | 5,782            | 7,933            | 5,593            | 2,884            | 4,405            | 4,783            | 3,828            | 3,333            |        |        |        | 43,615             | 58,153             | 56,000             |
| Other Revenue                                      | 14,547           | 14,742           | 15,350           | 14,164           | 14,607           | 16,442           | 15,542           | 14,329           | 13,436           |        |        |        | 133,159            | 177,547            | 169,260            |
| <b>TOTAL OPERATING REVENUES</b>                    | <b>775,146</b>   | <b>765,172</b>   | <b>730,912</b>   | <b>569,753</b>   | <b>580,093</b>   | <b>455,522</b>   | <b>407,016</b>   | <b>372,335</b>   | <b>367,320</b>   | -      | -      | -      | <b>5,023,269</b>   | <b>6,697,693</b>   | <b>6,789,260</b>   |
| <b>OPERATING EXPENSES</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Salaries and Benefits                              | (243,337)        | (208,120)        | (208,513)        | (206,259)        | (240,860)        | (213,483)        | (212,743)        | (202,178)        | (201,961)        |        |        |        | (1,937,454)        | (2,576,605)        | (2,605,808)        |
| Operating Expenses                                 | (388,039)        | (443,219)        | (374,384)        | (377,737)        | (420,724)        | (362,767)        | (285,992)        | (307,995)        | (396,705)        |        |        |        | (3,357,562)        | (4,476,748)        | (4,975,720)        |
| <b>TOTAL OPERATING EXPENSES</b>                    | <b>(631,376)</b> | <b>(651,339)</b> | <b>(582,897)</b> | <b>(583,996)</b> | <b>(661,584)</b> | <b>(576,250)</b> | <b>(498,735)</b> | <b>(510,173)</b> | <b>(598,666)</b> | -      | -      | -      | <b>(5,295,016)</b> | <b>(7,053,353)</b> | <b>(7,581,528)</b> |
| <b>NET OPERATING INCOME</b>                        | <b>143,770</b>   | <b>113,833</b>   | <b>148,015</b>   | <b>(14,243)</b>  | <b>(81,491)</b>  | <b>(120,728)</b> | <b>(91,719)</b>  | <b>(137,838)</b> | <b>(231,346)</b> | -      | -      | -      | <b>(271,747)</b>   | <b>(355,660)</b>   | <b>(792,268)</b>   |
| <b>NON OPERATING INCOME &amp; (EXPENSES)</b>       |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Capacity Fees                                      | 35,200           | 65,850           | 252,425          | 197,550          | 160,875          | 168,375          | 32,925           | 10,975           | 43,900           |        |        |        | 968,075            | 968,075            | -                  |
| Adjust LAIF Investment to Fair Value               | 12,140           | -                | -                | -                | -                | -                | -                | -                | -                |        |        |        | 12,140             | 12,140             | -                  |
| Interest Income                                    | -                | -                | -                | 13,455           | -                | 27               | 4,521            | -                | -                |        |        |        | 18,003             | 18,003             | -                  |
| Allocated from G & A (Interest & Sale of Assets)   | 560              | 543              | 491              | 25,674           | 539              | 673              | 31,206           | 624              | 647              |        |        |        | 60,957             | 60,957             | -                  |
| Debt Service (Loan Expense) & Disposal of Assets   | -                | -                | -                | (50,152)         | -                | -                | -                | -                | -                |        |        |        | (50,152)           | (97,000)           | (97,000)           |
| <b>TOTAL NON OPERATING INCOME &amp; (EXPENSES)</b> | <b>47,900</b>    | <b>66,393</b>    | <b>252,916</b>   | <b>186,527</b>   | <b>161,414</b>   | <b>169,075</b>   | <b>68,652</b>    | <b>11,599</b>    | <b>44,547</b>    | -      | -      | -      | <b>1,009,023</b>   | <b>962,175</b>     | <b>(97,000)</b>    |
| <b>NET WATER INCOME (LOSS)</b>                     | <b>191,670</b>   | <b>180,226</b>   | <b>400,931</b>   | <b>172,284</b>   | <b>79,923</b>    | <b>48,347</b>    | <b>(23,067)</b>  | <b>(126,239)</b> | <b>(186,799)</b> | -      | -      | -      | <b>737,276</b>     | <b>606,515</b>     | <b>(889,268)</b>   |
| <b>*** WASTEWATER ***</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| <b>OPERATING REVENUES</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Sewer Sales  | 163,625          | 162,923          | 162,937          | 162,316          | 161,947          | 161,417          | 161,173          | 160,831          | 161,063          |        |        |        | 1,458,232          | 1,944,309          | 1,900,000          |
| Installation Fees                                  | -                | 25               | -                | -                | -                | -                | 25               | -                | -                |        |        |        | 50                 | 67                 | 50                 |
| Late Fees  | 1,269            | 1,445            | 1,983            | 1,398            | 721              | 1,102            | 1,196            | 956              | 834              |        |        |        | 10,904             | 14,539             | 14,000             |
| Other Revenue                                      | 3,627            | 3,678            | 3,632            | 3,537            | 3,647            | 3,600            | 3,883            | 3,429            | 3,354            |        |        |        | 32,387             | 43,548             | 41,690             |
| <b>TOTAL OPERATING REVENUES</b>                    | <b>168,521</b>   | <b>168,071</b>   | <b>168,552</b>   | <b>167,251</b>   | <b>166,315</b>   | <b>166,119</b>   | <b>166,277</b>   | <b>165,216</b>   | <b>165,251</b>   | -      | -      | -      | <b>1,501,573</b>   | <b>2,002,463</b>   | <b>1,955,740</b>   |
| <b>OPERATING EXPENSES</b>                          |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Salaries and Benefits                              | (49,740)         | (41,863)         | (41,805)         | (41,978)         | (49,129)         | (43,858)         | (43,376)         | (40,526)         | (40,674)         |        |        |        | (392,949)          | (525,914)          | (524,385)          |
| Operating Expenses                                 | (52,755)         | (56,410)         | (59,772)         | (49,639)         | (62,434)         | (64,063)         | (50,572)         | (52,989)         | (69,411)         |        |        |        | (518,045)          | (673,449)          | (709,680)          |
| <b>TOTAL OPERATING EXPENSES</b>                    | <b>(102,495)</b> | <b>(98,273)</b>  | <b>(101,577)</b> | <b>(91,617)</b>  | <b>(111,563)</b> | <b>(107,921)</b> | <b>(93,948)</b>  | <b>(93,515)</b>  | <b>(110,085)</b> | -      | -      | -      | <b>(910,994)</b>   | <b>(1,199,363)</b> | <b>(1,234,065)</b> |
| <b>NET OPERATING INCOME</b>                        | <b>66,026</b>    | <b>69,798</b>    | <b>66,975</b>    | <b>75,634</b>    | <b>54,752</b>    | <b>58,198</b>    | <b>72,329</b>    | <b>71,701</b>    | <b>55,166</b>    | -      | -      | -      | <b>590,579</b>     | <b>803,100</b>     | <b>721,675</b>     |
| <b>NON OPERATING INCOME &amp; (EXPENSES)</b>       |                  |                  |                  |                  |                  |                  |                  |                  |                  |        |        |        |                    |                    |                    |
| Capacity Fees                                      | -                | 19,825           | -                | -                | -                | -                | 19,825           | -                | -                |        |        |        | 39,650             | 39,650             | -                  |
| Adjust LAIF Investment to Fair Value               | 3,035            | -                | -                | -                | -                | -                | -                | -                | -                |        |        |        | 3,035              | 3,035              | -                  |
| Allocated from G & A (Interest & Sale of Assets)   | 140              | 136              | 122              | 6,419            | 135              | 168              | 7,802            | 156              | 162              |        |        |        | 15,240             | 15,240             | -                  |
| Debt Service (Loan Expense) & Disposal of Assets   | -                | (255,962)        | -                | (4,125)          | -                | -                | -                | -                | -                |        |        |        | (260,087)          | (254,200)          | (254,200)          |
| <b>TOTAL NON OPERATING INCOME &amp; (EXPENSES)</b> | <b>3,175</b>     | <b>(236,001)</b> | <b>122</b>       | <b>2,294</b>     | <b>135</b>       | <b>168</b>       | <b>27,627</b>    | <b>156</b>       | <b>162</b>       | -      | -      | -      | <b>(202,162)</b>   | <b>(196,275)</b>   | <b>(254,200)</b>   |
| <b>NET WASTEWATER INCOME (LOSS)</b>                | <b>69,201</b>    | <b>(166,203)</b> | <b>67,097</b>    | <b>77,928</b>    | <b>54,887</b>    | <b>58,366</b>    | <b>99,956</b>    | <b>71,857</b>    | <b>55,328</b>    | -      | -      | -      | <b>388,417</b>     | <b>606,825</b>     | <b>467,475</b>     |
| <b>*** COMBINED INCOME (LOSS) ***</b>              | <b>260,871</b>   | <b>14,023</b>    | <b>468,028</b>   | <b>250,212</b>   | <b>134,810</b>   | <b>106,713</b>   | <b>76,889</b>    | <b>(54,382)</b>  | <b>(131,471)</b> | -      | -      | -      | <b>1,125,693</b>   | <b>1,213,340</b>   | <b>(421,793)</b>   |



### Sunnyslope County Water District Investment Summary 2019 / 2020 (This Year)

| BANK ACCOUNT  | INTEREST RATE | JULY 2019              | AUGUST 2019             | SEPTEMBER 2019                           | OCTOBER 2019            | NOVEMBER 2019           | DECEMBER 2019           | JANUARY 2020             | FEBRUARY 2020           | MARCH 2020              | APRIL 2020              | MAY 2020                 | JUNE 2020   |                            |  |                  |  |                      |  |       |  |                         |  |
|---|---------------|------------------------|-------------------------|--|-------------------------|-------------------------|-------------------------|--------------------------|-------------------------|-------------------------|-------------------------|--------------------------|-------------|----------------------------|--|------------------|--|----------------------|--|-------|--|-------------------------|--|
| <b><u>Heritage Bank of Commerce</u></b>                                   |               |                        |                         |  |                         |                         |                         |                          |                         |                         |                         |                          |             |                            |  |                  |  |                      |  |       |  |                         |  |
| CHECKING ACCOUNT<br>Operating - General Fund                              | 0.000%        | \$ 3,795,967.44        | \$ 3,701,592.07         | \$ 3,380,714.13                          | \$ 3,589,977.57         | \$ 4,020,493.70         | \$ 4,318,486.01         | \$ 3,696,330.38          | \$ 3,723,071.20         | \$ 4,092,105.18         | \$ 3,968,166.18         | \$ -                     | \$ -        |                            |  |                  |  |                      |  |       |  |                         |  |
| <b>CHECKING SUBTOTAL</b>  |               | <b>\$ 3,795,967.44</b> | <b>\$ 3,701,592.07</b>  | <b>\$ 3,380,714.13</b>                   | <b>\$ 3,589,977.57</b>  | <b>\$ 4,020,493.70</b>  | <b>\$ 4,318,486.01</b>  | <b>\$ 3,696,330.38</b>   | <b>\$ 3,723,071.20</b>  | <b>\$ 4,092,105.18</b>  | <b>\$ 3,968,166.18</b>  | <b>\$ -</b>              | <b>\$ -</b> |                            |  |                  |  |                      |  |       |  |                         |  |
| MONEY MARKET ACCT (MMA)<br>Invested - General Fund                        | 0.950%        | 1,049,596.82           | 1,050,416.68            | 1,051,264.54                             | 1,052,113.08            | 1,052,907.50            | 1,053,784.80            | 1,054,635.38             | 1,055,404.23            | 1,056,149.05            | 1,056,843.72            | -                        | -           |                            |  |                  |  |                      |  |       |  |                         |  |
| MONEY MARKET ACCT (MMA)<br>Retainage - Specialty Construction             | 0.200%        | 234,987.84             | 252,661.04              | 255,314.79                               | 260,893.99              | 260,935.45              | 260,981.21              | -                        | -                       | -                       | -                       | -                        | -           |                            |  |                  |  |                      |  |       |  |                         |  |
| <b>MMA SUBTOTAL</b>   |               | <b>\$ 1,284,584.66</b> | <b>\$ 1,303,077.72</b>  | <b>\$ 1,306,579.33</b>                   | <b>\$ 1,313,007.07</b>  | <b>\$ 1,313,842.95</b>  | <b>\$ 1,314,766.01</b>  | <b>\$ 1,054,635.38</b>   | <b>\$ 1,055,404.23</b>  | <b>\$ 1,056,149.05</b>  | <b>\$ 1,056,843.72</b>  | <b>\$ -</b>              | <b>\$ -</b> |                            |  |                  |  |                      |  |       |  |                         |  |
| <b><u>L. A. I. F.</u></b><br><b><u>(Local Agency Investment Fund)</u></b> |               |                        |                         |  |                         |                         |                         |                          |                         |                         |                         |                          |             |                            |  |                  |  |                      |  |       |  |                         |  |
| General Fund  | 1.787%        | (39,436.38)            | 328,286.28              | 376,637.88                               | 157,445.56              | 174,568.22              | (166,709.12)            | 602,304.49               | 593,077.15              | 694,799.81              | 682,049.82              | -                        | -           |                            |  |                  |  |                      |  |       |  |                         |  |
| Water Connect. Fee  | 1.787%        | 1,228,658.42           | 1,360,935.76            | 1,352,513.10                             | 1,602,834.00            | 1,585,711.34            | 1,926,988.68            | 2,488,411.45             | 2,477,763.79            | 2,676,041.13            | 2,721,631.49            | -                        | -           |                            |  |                  |  |                      |  |       |  |                         |  |
| Sewer Connect. Fee  | 1.787%        | 39,928.94              | 39,928.94               | -  | -                       | -                       | -                       | -                        | 19,875.00               | 19,875.00               | 19,973.77               | -                        | -           |                            |  |                  |  |                      |  |       |  |                         |  |
| SRF Loan Reserve  | 1.787%        | 760,000.00             | 760,000.00              | 760,000.00                               | 760,000.00              | 760,000.00              | 760,000.00              | 760,000.00               | 760,000.00              | 760,000.00              | 760,000.00              | -                        | -           |                            |  |                  |  |                      |  |       |  |                         |  |
| Board Designated Reserves   | 1.787%        | 2,777,668.00           | 2,777,668.00            | 2,777,668.00                             | 2,777,668.00            | 2,777,668.00            | 2,777,668.00            | 2,777,668.00             | 2,777,668.00            | 2,777,668.00            | 2,777,668.00            | -                        | -           |                            |  |                  |  |                      |  |       |  |                         |  |
| <b>L.A.I.F. SUBTOTAL</b>  |               | <b>\$ 4,766,818.98</b> | <b>\$ 5,266,818.98</b>  | <b>\$ 5,266,818.98</b>                   | <b>\$ 5,297,947.56</b>  | <b>\$ 5,297,947.56</b>  | <b>\$ 5,297,947.56</b>  | <b>\$ 6,628,383.94</b>   | <b>\$ 6,628,383.94</b>  | <b>\$ 6,928,383.94</b>  | <b>\$ 6,961,323.08</b>  | <b>\$ -</b>              | <b>\$ -</b> |                            |  |                  |  |                      |  |       |  |                         |  |
| <b>GRAND TOTAL</b>  |               | <b>\$ 9,847,371.08</b> | <b>\$ 10,271,488.77</b> | <b>\$ 9,954,112.44</b>                   | <b>\$ 10,200,932.20</b> | <b>\$ 10,632,284.21</b> | <b>\$ 10,931,199.58</b> | <b>\$ 11,379,349.70</b>  | <b>\$ 11,406,859.37</b> | <b>\$ 12,076,638.17</b> | <b>\$ 11,986,332.98</b> | <b>\$ -</b>              | <b>\$ -</b> |                            |  |                  |  |                      |  |       |  |                         |  |
| GENERAL FUND  |               | <b>\$ 5,707,059.72</b> |                         | BOARD DESIGNATED RESERVES (GENERAL FUND) |                         | <b>\$ 2,777,668.00</b>  |                         | WATER CONNECT. FEE FUNDS |                         | <b>\$ 2,721,631.49</b>  |                         | SEWER CONNECT. FEE FUNDS |             | <b>\$ 19,973.77</b>        |  | SRF LOAN RESERVE |  | <b>\$ 760,000.00</b> |  | TOTAL |  | <b>\$ 11,986,332.98</b> |  |
| <b>* TOTAL INTEREST RECORDED</b>  |               | 41,434.61              | 853.06                  | 877.63                                   | 32,023.02               | 835.88                  | 923.06                  | 31,286.96                | 768.85                  | 744.82                  | 33,633.81               | -                        | -           | <b>TOTAL \$ 143,381.70</b> |  |                  |  |                      |  |       |  |                         |  |

| BANK ACCOUNT   | INTEREST RATE | JULY 2018        | AUGUST 2018      | SEPTEMBER 2018   | OCTOBER 2018     | NOVEMBER 2018    | DECEMBER 2018    | JANUARY 2019     | FEBRUARY 2019    | MARCH 2019       | APRIL 2019       | MAY 2019 | JUNE 2019 |
|--|---------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------|-----------|
| <b><i>Heritage Bank of Commerce</i></b>                            |               |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |          |           |
| CHECKING ACCOUNT<br>Operating - General Fund                       | 0.000%        | \$ 3,825,480.09  | \$ 4,308,707.57  | \$ 3,974,680.44  | \$ 4,180,019.71  | \$ 3,611,466.29  | \$ 4,083,423.91  | \$ 3,633,649.96  | \$ 3,590,907.83  | \$ 3,406,041.37  | \$ 3,214,736.37  | \$ -     | \$ -      |
| <b>CHECKING SUBTOTAL</b>   |               | \$ 3,825,480.09  | \$ 4,308,707.57  | \$ 3,974,680.44  | \$ 4,180,019.71  | \$ 3,611,466.29  | \$ 4,083,423.91  | \$ 3,633,649.96  | \$ 3,590,907.83  | \$ 3,406,041.37  | \$ 3,214,736.37  | \$ -     | \$ -      |
| MONEY MARKET ACCT (MMA)<br>Invested - General Fund                 | 0.700%        | 840,289.45       | 840,967.70       | 841,580.78       | 842,303.92       | 1,042,977.47     | 1,043,819.32     | 1,044,661.85     | 1,045,423.43     | 1,046,212.80     | 1,047,084.52     | -        | -         |
| MONEY MARKET ACCT (MMA)<br>Retainage - Specialty Construction      | 0.150%        | -                | -                | -                | 67,552.36        | 106,525.44       | 106,543.54       | 118,394.60       | 122,417.07       | 131,122.90       | 147,748.73       | -        | -         |
| <b>MMA SUBTOTAL</b>  |               | \$ 840,289.45    | \$ 840,967.70    | \$ 841,580.78    | \$ 909,856.28    | \$ 1,149,502.91  | \$ 1,150,362.86  | \$ 1,163,056.45  | \$ 1,167,840.50  | \$ 1,177,335.70  | \$ 1,194,833.25  | \$ -     | \$ -      |
| <b><i>L. A. I. F.</i></b><br><i>(Local Agency Investment Fund)</i> |               |                  |                  |                  |                  |                  |                  |                  |                  |                  |                  |          |           |
| General Fund   | 2.445%        | 2,074,674.49     | 2,087,722.15     | 2,011,704.39     | 1,943,301.11     | 2,881,148.77     | 2,811,496.43     | 2,895,634.10     | 2,983,381.76     | 3,038,204.42     | 3,023,794.84     | -        | -         |
| Water Connect. Fee   | 2.445%        | 2,526,983.04     | 2,494,110.38     | 1,847,812.72     | 1,410,091.01     | 672,243.35       | 741,895.69       | 680,601.40       | 592,853.74       | 538,031.08       | 596,677.27       | -        | -         |
| Sewer Connect. Fee   | 2.445%        | 57,859.58        | 77,684.58        | -                | -                | -                | -                | 19,825.00        | 19,825.00        | 19,825.00        | 19,949.36        | -        | -         |
| SRF Loan Reserve   | 2.445%        | 760,000.00       | 760,000.00       | 760,000.00       | 760,000.00       | 760,000.00       | 760,000.00       | 760,000.00       | 760,000.00       | 760,000.00       | 760,000.00       | -        | -         |
| Board Designated Reserves  | 2.445%        | 2,715,900.00     | 2,715,900.00     | 2,715,900.00     | 2,715,900.00     | 2,715,900.00     | 2,715,900.00     | 2,715,900.00     | 2,715,900.00     | 2,715,900.00     | 2,715,900.00     | -        | -         |
| <b>L.A.I.F. SUBTOTAL</b>   |               | \$ 8,135,417.11  | \$ 8,135,417.11  | \$ 7,335,417.11  | \$ 6,829,292.12  | \$ 7,029,292.12  | \$ 7,029,292.12  | \$ 7,071,960.50  | \$ 7,071,960.50  | \$ 7,071,960.50  | \$ 7,116,321.47  | \$ -     | \$ -      |
| <b>GRAND TOTAL</b>   |               | \$ 12,801,186.65 | \$ 13,285,092.38 | \$ 12,151,678.33 | \$ 11,919,168.11 | \$ 11,790,261.32 | \$ 12,263,078.89 | \$ 11,868,666.91 | \$ 11,830,708.83 | \$ 11,655,337.57 | \$ 11,525,891.09 | \$ -     | \$ -      |

GENERAL FUND \$ 7,285,615.73      BOARD DESIGNATED RESERVES (GENERAL FUND) \$ 2,715,900.00  
WATER CONNECT. FEE FUNDS \$ 596,677.27      SEWER CONNECT. FEE FUNDS \$ 19,949.36      SRF LOAN RESERVE \$ 760,000.00      TOTAL \$ 11,378,142.36

|                                  |  |           |        |        |           |        |        |           |        |        |           |                            |   |
|----------------------------------|--|-----------|--------|--------|-----------|--------|--------|-----------|--------|--------|-----------|----------------------------|---|
| <b>* TOTAL INTEREST RECORDED</b> |  | 34,424.87 | 678.25 | 613.08 | 44,601.88 | 683.10 | 859.95 | 43,529.01 | 779.55 | 809.20 | 45,255.77 | -                          | - |
|                                  |  |           |        |        |           |        |        |           |        |        |           | <b>TOTAL \$ 172,234.66</b> |   |

# *Staff Report*

Agenda Item: **I – 5a**

DATE: May 13, 2020 (May 19, 2020 Meeting)  
 TO: Board of Directors  
 FROM: Jose J. Rodriguez, Water/Wastewater Superintendent  
 SUBJECT: Maintenance Monthly Staff Report

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## NARRATIVE

- Distribution and collection system preventative maintenance has increased now that additional staff has been added. Fire hydrant exercise program has increased, sewer flushing of the entire system has begun and will increase with the use of the new VacCon truck. Staff is still working with National Meter and Automation on a method to expedite the water meters to us.
- The water treatment plant operations staff has continued cleaning all parts of the facility in light of the Covid-19 pandemic and concentrating on Preventive Maintenance Work Orders during the month of April. Staff continues to work on operational efficiency and monitor all treatment processes per permit. TOC's were monitored closely to extend the greensand efficiency before exchange needs to be made. Instrumentation was maintained by All West for accuracy.
- The wastewater treatment plant staff has continued the operation and maintenance program uninterrupted.
- Ridgemark II pump #1 was pulled due to repetitive clogging and replaced one of the pumps. Check valve at the main lift station was also replaced to increase efficiency due to work seat on old check valve. Paullus Lift Station low level float and alternating pump relay changed due to possibility of it failing.
- Monthly in-house training continues with daily safety talks.

**In addition to the daily, weekly & monthly work schedule, our maintenance personnel also performed these additional special work projects.**

## WATER (7)

1. Replaced service lines at 1560 & 1570 Sonny's Way.
2. Replaced 2 inch combination air valve at Well #5. Well #5 flow
3. Replaced curb stop at 1379 Meridian Drive.
4. Replaced faulty pressure regulator for landscape at district office.
5. Replaced service lines at 1661 & 1680 Valleyview Road.
6. Repaired service line leak at 1571 Vallejo Drive.
7. Continued spraying weeds and cleaning district facilities.

**LESSALT Water Treatment Plant** (3)

1. Granular Activated Carbon (GAC) exchange on filter #1.
2. Suez completed biannual Total Organic Carbon (TOC) analyzer maintenance.
3. Continued cleaning and disinfecting facility.

**West Hills Water Treatment Plant** (7)

1. Replaced battery back-up for filter #1.
2. Worked with Sylvester from All West on leaking filter to waste valve.
3. Treatment staff removed wasted sludge from basin #1, RJR recycling hauled the roll-off bins to John Smith Landfill for disposal.
4. Suez completed biannual Total Organic Carbon (TOC) analyzer maintenance.
5. Joe from Primex came out to work out a few bugs with plant SCADA system.
6. Had new control board installed for plant fire pump.
7. Replaced motor and gearbox on strainer #2 due to loud bearing.

**Wastewater** (5)

1. Pulled pump # 1 at Ridgemark II Lift Station due to debris stuck in impeller.
2. Replaced 6 inch check valve on pump #1 at Main Lift Station.
3. Replaced pump #1 at Ridgemark II.
4. Replaced low level float and alternating pump relay at Paullus Lift Station.
5. Continued sewer system hydro cleaning.

| Completed This Month | Job Descriptions  | Completed YTD<br>2019 – 2020<br>July 1 to June 30 | Completed<br>2018 – 2019<br>July 1 to June 30 | Completed<br>2017 – 2018<br>July 1 to June 30 | Completed<br>2016 – 2017<br>July 1 to June 30 |
|----------------------|---|---|---|---|---|
| 274                  | Work Orders   | 2237  | 2642  | 2826  | 3079  |
| 0                    | Temporary Manual Read Water Meters Installed in New Construction Accounts   | 221   | 146   | 229   | 151   |
| 0                    | Radio Read Meters & ERTs Installed in New Construction Accounts   | 0   | 1   | 2   | 6   |
| 27                   | Total:<br>Manual Read Meters Replaced with Radio Read Meters & ERT's, including Radio Meters Installed in New Construction Accounts | 130<br>(Total = 6261)                             | 246   | 176   | 159   |
| 30                   | Existing Radio Read Meters & ERTs Replaced with New Radio Read Meters & ERTs  | 242   | 350   | 370   | 321   |
| 14                   | Valves Exercised<br>(Approx 2750 in SSCWD System 1/2016)  | 255   | 410   | 269   | 470   |
| 41                   | Fire Hydrants Flushed<br>(Approx 811 in SSCWD System 8/2016)  | 182   | 757   | 509   | 396   |
| 30                   | Meters on Repair List   | 386   | 1147  | 1035  | 950   |
| 10                   | Emergency Calls   | 123   | 204   | 225   | 172   |
| 91                   | Locates on our Water/Sewer Lines  | 756   | 454   | 427   | 322   |
| 0                    | Sewer Inspections   | 0   | 2   | 2   | 9   |
| 0                    | Shutoff Notices   | 112   | 182   | 180   | 170   |
| 5                    | Water Services Replaced   | 14<br>(Total = 882)                               | 18  | 19  | 23  |

(8/2016 Update Valve and Fire Hydrant Count, Includes Santana Ranch pH 1, Villages, Tyler Knoll, Walnut Park, Creekside)



## Hollister/Sunnyslope Intertie Water Balance

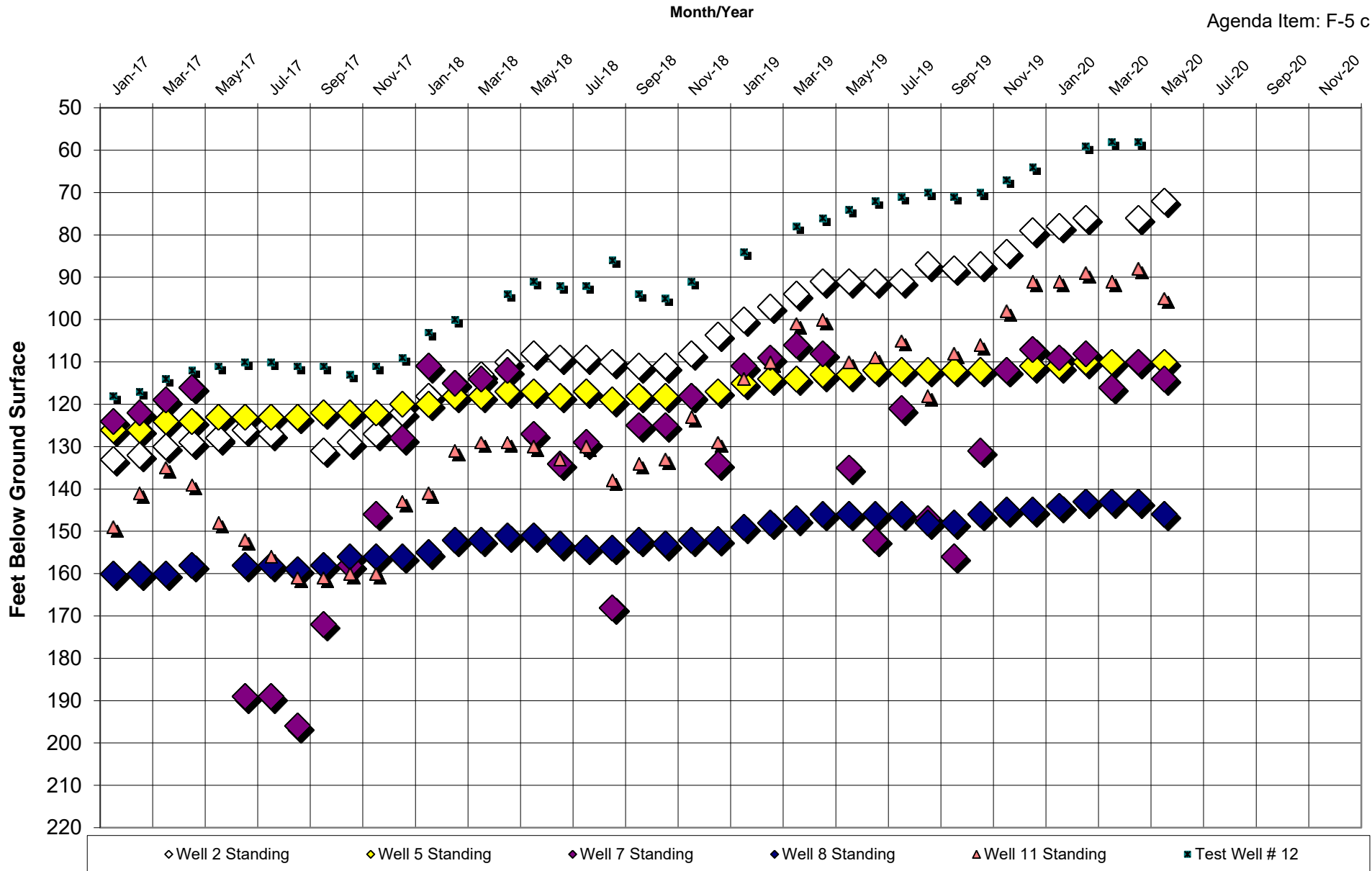
| Report Date: May 1, 2020  |   | to                         |                        | April 15, 2020                        |                       |
|---|---|----------------------------|------------------------|---------------------------------------|-----------------------|
| Current Consumption Period: March 16, 2020  |   | Groundwater Flow<br>to COH | Surface Flow<br>to COH | Groundwater Flow<br>to SSCWD          | Surface Flow<br>SSCWD |
| Intertie Location   |   | i n G a l l o n s          |                        |                                       |                       |
| Southside Road Intertie Water Total Flow  |   | 0                          | 332,216                |                                       |                       |
| Sunset & Memorial Water Total Flow  |   | 3,401,800                  | 1,325,900              | 0                                     | 0                     |
| Sunnyslope & Memorial Water Total Flow  |   | 2,101,100                  | 1,569,500              | 0                                     | 100                   |
| Hillcrest and Memorial Water Total Flow   |   | 187,700                    | 548,700                | 170,100                               | 190,900               |
| Santa Ana & La Baig Water Total Flow  |   | 363,300                    | 608,400                |                                       |                       |
| <b>Intertie Sub-Total Water Flow</b>  |   | <b>6,053,900</b>           | <b>4,384,716</b>       | <b>170,100</b>                        | <b>191,000</b>        |
| <i>Total Combined Surface and Ground Water Intertie Flow</i>  |   | <b>10,438,616</b>          |                        | <b>361,100</b>                        |                       |
| City of Hollister Well 2 Surface Water Total Flow (West Hills)  |   |                            | 15,722,000             |                                       |                       |
| City of Hollister Well 4 Surface Water Total Flow (West Hills)  |   |                            | 18,842,000             |                                       |                       |
| City of Hollister Well 5 Surface Water Total Flow (West Hills)  |   |                            | 15,143,000             |                                       |                       |
| Sunnyslope Well 2 Surface Water Total Flow (West Hills)   |   |                            |                        |                                       | 534,000               |
| Sunnyslope Well 11 Surface Water Total Flow (West Hills)  |   |                            |                        |                                       | 980,000               |
| Sunnyslope Surface Water Total Flow (LESSALT)   |   |                            |                        |                                       | 37,722,000            |
| <b>Surface Water Flow Sub-Totals</b>  |   |                            | <b>49,707,000</b>      |                                       | <b>39,236,000</b>     |
| <b>Ground Water and Surface Water Flow Totals</b>   |   | <b>6,053,900</b>           | <b>54,091,716</b>      | <b>170,100</b>                        | <b>39,427,000</b>     |
| Current Period:   | COH half of Surface Water Flow to Distribution (LESSALT & WH) |                            | 44,471,500             |                                       |                       |
|   | Net Ground/Surface Water Balance Owed to SSCWD (to COH)       | 5,883,800                  | 9,429,216              |                                       |                       |
|   | Beginning Water Balance Owed to SSCWD (to COH)                | 602,550,935                | -426,285,588           |                                       |                       |
|   | Gallons Billed to COH thru Report Date March 1, 2020          | 0                          |                        | Informational Last<br>Month Net Total | 176,265,347           |
|   | <b>Sub-total Ending Water Balance Owed to SSCWD (to COH)</b>  | <b>608,434,735</b>         | <b>-416,856,372</b>    | <b>Net Sub Total</b>                  | <b>191,578,363</b>    |
| Half of Total Gallons LESSALT Discharge to City of Hollister Wastewater Treatment Plant during the current consumption period |   |                            |                        | 1,419,000                             |                       |
| Exchange Factor; Half of the total gallons discharged to COH WWTP from LESSALT multiplied by a factor of 4                    |   |                            |                        |                                       | 5,676,000.00          |
| <b>Ending Water Balance Owed to SSCWD (to COH)</b>  |   | <b>602,758,735</b>         | <b>-416,856,372</b>    | <b>Net Total</b>                      | <b>185,902,363</b>    |

|          |   |            |              |              |              |
|----------|---|------------|--------------|--------------|--------------|
| Current: | LESSALT WTP Total Flow to Distribution                | 37,722,000 |              |              |              |
|          | Percent of LESSALT Surface Water Received             | <b>COH</b> | <b>11.1%</b> | <b>SSCWD</b> | <b>88.9%</b> |
| Current: | COH half of LESSALT Total Flow to Distribution        | 18,861,000 |              |              |              |
|          | Intertie Net Surface Water Total Flow to COH          | 4,193,716  |              |              |              |
|          | Intertie Net Ground Water Total Flow to COH           | 5,883,800  |              |              |              |
| Current: | West Hills WTP Total Flow to Distribution             | 51,221,000 |              |              |              |
|          | Percent of Surface Water Received                     | <b>COH</b> | <b>97.0%</b> | <b>SSCWD</b> | <b>3.0%</b>  |
| Current: | COH half of West Hills WTP Total Flow to Distribution | 25,610,500 |              |              |              |
|          | West Hills WTP Surface Water Total Flow to COH        | 49,707,000 |              |              |              |

| From February 14, 2019 to Present |  |               |                    |              |                    |
|-----------------------------------|--|---------------|--------------------|--------------|--------------------|
| YTD                               | LESSALT WTP Total Flow to Distribution     | 526,585,000   |                    |              |                    |
|                                   | West Hills WTP Total Flow to Distribution  | 695,624,000   |                    |              |                    |
|                                   | Surface WTPs Total Flow to Distribution    | 1,222,209,000 |                    |              |                    |
|                                   | <b>Total YTD Surface Flow to COH/SSCWD</b> | <b>COH</b>    | <b>622,387,369</b> | <b>SSCWD</b> | <b>599,821,631</b> |
|                                   | <b>Percent of Surface Water Received</b>   | <b>COH</b>    | <b>50.9%</b>       | <b>SSCWD</b> | <b>49.1%</b>       |

### Depth to Standing Water Level Below Ground Surface

Agenda Item: F-5 c



Ground Elevation in Feet Above Sea Level

Well 2 = 325

Well 5 = 438

Well 11 = 330

Well 7 = 361

Well 8 = 481

Test Well 12 = 308

# *Staff Report*

Agenda Item: J - 1

DATE: May 11<sup>th</sup>, 2020 (May 19, 2020 Meeting)

TO: Board of Directors

FROM: Drew Lander – General Manager  
Dee J Burbank – Operations and Maintenance Crew Chief

SUBJECT: Authorize the General Manager to Proceed with Well #2 Rehabilitation for a Total Cost Not to Exceed \$80,680.

## **BACKGROUND:**

In early February during routine raw water sampling at Southside Well #2, laboratory results flagged a positive Bacteriological sample. Well #2 was immediately removed from service. The possible volume of water injected into the water supply with present disinfection residuals did not result in any health risk to the general public. The Division of Drinking Water (DDW) was notified. DDW directed the District take a follow-up sample within 24 hours of the first positive sample. This second sample resulted in a “non-detect” but in the process of getting this sample as the well pump was pumping to drain, staff noticed an uncommon amount of gravel pack stuck in the discharge screen. This would indicate that the well casing is failing because material from outside the well casing is making its way into the well and passing thru the pump.

Staff requested the services of a local well drilling company to pull the well pump and then have the well casing videoed for holes or damage. Maggiora Brothers Inc. was the successful low bid of the three quotes received and they began work on the well immediately.

To date the District has expended a total of \$12,075.00 dollars over a two month period to complete reconnaissance of the current well condition. Services have included four separate site visits. The scope of work and price breakdown is the following:

- |  |            |
|--|------------|
| - Pull pump, motor, pipe and electrical cable. Video casing.   | \$3,775.00 |
| - Brush casing and bail debris from bottom of well.            | \$4,175.00 |
| - Caliper log casing to determine casing size throughout well. | \$850.00   |
| - Swab well casing and re-video.                               | \$3,275.00 |

Two holes have been identified in the well casing (at depths of 427ft and 435ft). Gravel pack has migrated through the holes contributing to approximately 40ft of gravel in the bottom of the well. The largest hole is located where the well casing transitions from 15.25” to 12” diameter which prevents a standard repair solution.



Abandoning the well is not an attractive solution for the District as reliable groundwater sources should always be maintained. To salvage the existing well staff has evaluated several options. The most advantageous solution for the District is the reduction in the well diameter and resizing of the pump. The following work is proposed to reinstate the well to service:

- Install 420' of new 10" PVC casing and 100' of new 8" PVC slotted well screen. Then use gravel pack to fill in annular space between original screen and new screen. Then pressure grout/seal remaining annular space between original casing and new 10" PVC casing. Included is well casing centralizers, materials, test pumping and all labor. Estimate: \$28,453.00
- Resize pump head and motor based on test pumping results. Purchase new pump and motor, rewire, install pump and reprogram variable frequency drive. Estimate \$40,152.00

The solution proposed above will be the most complete repair and will result in the best long term rehabilitation of this well. The overall capacity of this rehabilitated well will be slightly reduced but the estimated production will still exceed our demand at this location. The original motor was fitted with a Variable Frequency Drive (VFD) during the most recent upgrade. The reduction in well capacity will not impact our overall operation and production goals of the District.

**FINANCIAL IMPACT:**

To date \$12,075.00 has been expended with approval of the General Manager with \$68,605.00 required to complete the repair. A total of \$80,680.00 is required to rehabilitate the well and return it to service. Funds for the repair will be allocated from District Capital Improvement Reserves.

**ENVIRONMENTAL IMPACT:**

A reduction in ground water use is anticipated. The proposed work is a repair of an existing asset and will not result in greater impacts to the environment. The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

**RECOMMENDATION:**

Acknowledge the current expenditure of the General Manger in the amount of \$12,075 and authorize the General Manager to complete the repair of Well #2 for an estimated \$68,605.00 at a total cost not to exceed \$80,680.00.

# ***Staff Report***

Agenda Item: **J - 2**

DATE: May 12, 2020 (May 19, 2020 Meeting)

TO: Board of Directors

FROM: Rob Hillebrecht, Associate Engineer

SUBJECT: Authorize the General Manager to Purchase Materials and Contract for Installation of Piping and SCADA Modifications at the Lessalt Booster Pump Station, not to exceed \$25,000.

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## **BACKGROUND:**

The Lessalt Booster Pump Station was part of the plant upgrade completed in 2014. It serves to pump the treated water from the 250,000 gallon Treated Water Tank into both Sunnyslope's high pressure zone and low pressure zone for distribution to the District's water customers. Currently however, these pumps cannot easily move water from the District's middle pressure zone to its high pressure zone. To increase operational and emergency flexibility, staff are proposing that some relatively minor piping modifications be completed to facilitate such pumping of water between pressure zones when Lessalt is off-line. This flexibility allows the District to continue delivering high quality surface water from West Hills to our high zone customers in Ridgemark, Quail Hollow, Cielo Vista, and Santana Ranch in the event that Lessalt is offline. Being able to move WestHills water into Sunnyslope's high pressure zone is also key for the West Hills Clearwell Tracer Study planned this summer.

District will be purchasing the major piping components and the 12" butterfly valve for \$9,950. The Engineering estimate for contractor assistance to install and paint the piping system is \$10,000. Finally, various modifications must be made to the District's SCADA system to properly control and monitor the pumps. SCADA modification labor will not exceed \$5,000.

## **FINANCIAL IMPACT:**

The immediate financial impact for the Lessalt booster pump modifications will be an expenditure of up to \$25,000 from the Discretionary District Reserves. However, these modifications will delay the need for the Airline Highway Booster Pumps Station Upgrade as these modifications will largely serve the same purpose as that project. The Airline Booster project was estimated to cost approximately \$165,000 and scheduled for this year in the 2017-2022 Capital Improvement Plan. Staff estimates that the Airline Booster project can be safely delayed until 2022 if this work is completed now.

## **ENVIRONMENTAL IMPACT:**

The proposed action is categorically exempt from the California Environmental Quality Act in accordance with Section 15301(b) as the action is regarding existing facilities used to provide public water utility service.

**RECOMMENDATION:**

Staff recommends that the Board authorize the General Manager to purchase materials, seek bids and award a contract to the lowest responsible bidder for the installation of piping and accomplish SCADA modifications at the Lessalt booster pump station, not to exceed \$25,000.

# *Staff Report*

Agenda Item: J-3

DATE: May 13, 2020 (Meeting on May 19, 2020)

TO: Board of Directors

FROM: Travis Foster, Finance & Human Resource Manager

SUBJECT: Consider Adoption and Approval of the District Budget for Fiscal Year 2020/21

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The Fiscal Year 2020/21 Budget proposal is attached for review and discussion (see the purple shaded column with the red heading “**PROPOSED 2020/21 BUDGET**”, last column on the right).

## Summary:

This budget reflects the following noteworthy items: Water revenue budget proposed for the new fiscal year is approximately 3.4% lower than last year’s budgeted water revenue, as the FY 19/20 projected actual water revenue is lower than the FY 19/20 budget (see page 2). Sewer revenue budget proposed is the same as last year’s budget, as FY 19/20 projected is slightly lower (-1.4%) than the budgeted sewer revenue for FY19/20. Both the Lessalt and West Hills WTP’s revenue is based on their FY 20/21 operating budgets, which have been submitted for review to SBCWD.

The overall budget for FY 2020/21 reflects a net loss of \$811,897, with no provision for non-operating revenues from capacity fees, miscellaneous fees, or interest income, the combination of which will likely cover this projected loss and result in a net income for the year. While budgeting for a loss is not desirable, the principle reason for the increase in loss from prior year’s budget is attributable to a \$355,600 increase in depreciation from capitalizing the CrossTown Pipeline installation. The second material factor contributing to the increase in net loss is the forecasted decline in water revenue of \$300,000.

It is also important to note that the budget includes non-cash expenses for depreciation and amortization of the water rights. When you add back these non-cash expenses, the expected cash provided from operations is \$1,467,117. The cash generated from operations supports paying for debt service. There would be a shortfall in cash in the amount of \$358,380 for scheduling capital expenditure work per the approved 5 year Water Capital Improvement Plan. This work could be accomplished using the Board Designated Capital Improvement Reserve Fund per 8600.4.B.1. Any Capacity Fees received during the year would also alleviate any need to utilize the reserve.

The Finance Committee has approved bringing the FY 20/21 Proposed Budget to the Board Meeting for review.

## Staff Report

Subject: Budget for Fiscal Year 2020/21

**Page 1 & 2 – Water/Wastewater Revenues Budget**

1. Water sales revenue is budgeted at \$6,600,000 for 2020/21 compared to \$6,900,000 budgeted last year. Water sales revenue are budgeted at the FY 19/20 Projected Actual Revenue based on water billed through April 2020. Last year's budgeted revenue was expected to increase but this expectation has fallen short. We are presenting a conservative expectation that factors in the current economic slowdown offset by more water users staying at home.
2. We budgeted for the District's operations & maintenance of the Lessalt WTP, which will be billed to SBCWD and totals \$1,077,730 for running the plant. This is distributed within the budget line items as follows: \$705,500 in Lessalt WTP O&M Costs, \$356,530 in Salaries and Benefits for Operator Labor, \$3,700 in Salaries and Benefits for Management Overhead, and \$12,000 in Vehicles Operating Expenses for Lessalt WTP related Vehicle Operation Overhead.
3. We budgeted for the District's operations & maintenance of the West Hills WTP, which will be billed to SBCWD and totals \$1,573,700 for running the plant. This is distributed within the budget line items as follows: \$1,137,450 in West Hills WTP O&M Costs, \$413,250 in Salaries and Benefits for Operator Labor, \$5,000 in Salaries and Benefits for Management Overhead, and \$18,000 in Vehicles Operating Expenses for Lessalt WTP related Vehicle Operation Overhead.
4. The Water Supply & Treatment Agreement cost paid to San Benito County Water District for operating the Lessalt WTP is budgeted at \$1,723,029, and includes a capital replacement reserve payment of \$79,812, which together with the same contribution annually from the City of Hollister, is building a reserve for future capital expenses at the Lessalt plant.
5. The Water Supply & Treatment Agreement cost paid to San Benito County Water District for operating the West Hills WTP is budgeted at \$2,558,920, and includes a capital replacement reserve payment of \$181,572, which together with the same contribution annually from the City of Hollister, is building a reserve for future capital expenses at the West Hills plant.
6. Water operations are forecasted at a net loss of \$1,265,969 for FY 2020/21. Last year's budgeted net loss of \$571,793 is projected to be \$818,883 as of April 2020. The increase in loss is attributed to placing the CrossTown Pipeline in service and depreciating the asset. In addition, the FY 2019/20 budgeted water sales revenue is higher than actual revenue.
7. Wastewater (sewer) sales revenue is budgeted at \$1,900,000 for FY 2020/21, the same as last year. No more sewer rate increases are approved or planned since the sewer rate increases of 19.5% each year were implemented on December 21, 2013 and 2014.
8. Wastewater operations are forecasted at a net income of \$454,072 for FY 2020/21.
9. Combined operations are forecasted at a total net loss of \$811,897 for FY 2020/21. As stated above, this total includes an increased budgeted depreciation expense resulting from the CrossTown Pipeline, with total depreciation budgeted at \$1,391,600, and budgeted amortization (of water rights) expense of \$888,334, both non-cash expenses, which increases the cash available from operations to support debt service payments, capital expenditures, and designated reserves. Capacity fees and interest income are also not budgeted, and will help fund debt service and capital expenditures.

## Staff Report

Subject: Budget for Fiscal Year 2020/21

**Page 3 – Water Expenses Budget**

10. Salaries & Benefits – The Water personnel cost budget is 2.1% higher than the prior year's budget at \$2,758,280. This is due primarily to a budgeted 4% COLA, step increases, etc. See additional personnel cost budget discussion below.
11. Operating Expenses – The Water operating expense budget is 7.7% higher than the prior year's budget at \$5,340,969. This is due primarily to increases in depreciation expense and costs related to the Operation & Maintenance of the Lessalt WTP and West Hills WTP budgets, up 2.5% and 23.7% respectively. The FY 2020/21 O
12. Other Non-Operating Expenses – The Water non-operating expense budget is 8.9% lower than the prior year's budget at \$82,000. This is due primarily to reduced interest expense as the loan (refinanced revenue bond) is being paid down.
13. The total Water expense budget for FY 2020/21 of \$8,181,249 is 5.5% higher than the prior year's budget.

**Page 4 – Wastewater Expenses Budget**

14. Salaries & Benefits – The Wastewater personnel cost budget is .2% higher than the prior year's budget at \$549,848. Staffing for Wastewater is expected to be consistent with prior year.
15. Operating Expenses – The Wastewater operating expense budget is 1.0% lower than the prior year's budget at \$698,150. This is due primarily to continued stabilization of costs after the fifth year of operation of the new SBR plant.
16. Other Non-Operating Expenses – The Wastewater non-operating expense budget is 6.4% higher than the prior year's budget at \$255,800. This is due primarily to reduced interest expense on the SRF loan for the SBR Plant & upgrades as the loan is paid down, which is offset by expenses related to the Southside Road Slide Investigation.
17. The total Wastewater expense budget for FY 2020/21 of \$1,503,798 is 0.1% higher than the prior year's budget.

**Page 5 – Customer Service Revenue & Expenses Budget**

18. Miscellaneous Fee Income – The miscellaneous fee budget for FY 2020/21 is 2.1% higher than the prior year at \$223,600. This is primarily due to an increase in the City's sewer billing fees expected from growth in the number of City customers billed. We have been doing the City of Hollister's sewer billings for Sunnyslope's water customers since July, 2007.
19. Salaries & Benefits – The Customer Service personnel cost budget is 2.7% higher than the prior year's budget at \$509,744. This is primarily due to budgeting for a 4.0% COLA, step increases, etc. See additional personnel cost budget discussion below.

## Staff Report

Subject: Budget for Fiscal Year 2020/21

20. Operating Expenses – The Customer Service operating expense budget is 9.8% higher than the prior year at \$110,200. This is due primarily to a projected increase in contracted services for the implementation of a water smart program for our customers.
21. The total *NET* Customer Service budget for FY 2020/21 of \$396,344 (net of miscellaneous fee income), and is 4.9% higher than the prior year's net budget.

### Page 6 & 7 – General & Administration Expenses Budget

22. Salaries & Benefits – The General & Administrative personnel cost budget is 11.4% higher than the prior year's budget at \$385,284. The increase is primarily due to budgeting \$70,344 in Unfunded Liability and a budgeted 4% COLA, step increases, etc. These increases are offset by staffing costs associated with new employees starting at lower levels of the salary schedules. See additional personnel cost budget discussion below.
23. Operating Expenses – The General & Administrative operating expense budget is 7.5% higher than the prior year at \$375,550. This is primarily due to budgeting \$26,000 for a change to ADP and an increase in meetings expense to administer remote meetings.
24. The total General & Administrative budget for FY 2020/21 of \$760,834 is 9.4% higher than last year's budget.

### Page 8 – Salaries & Benefits Budget – All Departments

25. The personnel costs are budgeted with a 4.0% COLA increase for union employees beginning July 1, 2020; several step increases, a 2% increase in health, dental, vision, and life insurance costs, starting 1/1/21 (second half of fiscal year); and a 2% increase in Worker's Compensation insurance premiums for the whole fiscal year.
26. The Water budget includes an offset for labor and benefits billed totaling \$22,000 consisting of: \$20,000 billed for engineer labor on new subdivisions, and \$2,000 billed to customers for water system leak repairs/fire hydrant damages.
27. The total Salaries & Benefits expense budget for FY 2020/21, net of billings to others, is \$3,308,128, an increase of 1.8% from last year's budget, due primarily to a 4% COLA, step increases, and 2% insurance benefit increases.

### Pages 9 & 10 – Proposed Budget Summary for All Departments

28. This is a District-wide summary of the budget that provides you a total for each revenue/expense line item that includes all departments. It also reflects that the General & Administrative and Customer Service departments are allocated back to Water and Wastewater departments (on the basis of 80% to water and 20% to wastewater), leaving those departments with a zero balance.

Staff Report

Subject: Budget for Fiscal Year 2020/21

## Page 11 – Debt Service & Capital Expenditures

29. Debt Service Expenditures – The District has five borrowings which require principal repayments, the San Benito County Water District’s Tranche 1 (Lessalt WTP upgrades), Tranche 2 and Tranche 3 (West Hills WTP construction), the City National Bank/Municipal Finance Corporation Loan (replaced the series 2002A Revenue Bond) and the SRF Loan (RMK WWTP upgrades). The budget for these *principal payments* totals \$1,390,497 for FY 2020/21. (*Note: The interest portion of loan these payments are expensed in the operating budgets*).
30. Capital Expenditures – The list of capital purchases and projects were anticipated and included in the rate study completed in 2013. Several of the items listed have already been approved by the board, but the expenditures have not happened yet, and the remainder of these are the expenditures that are anticipated to be brought to the Board for approval during FY 2020/21. The total capital expenditure budget is \$435,000.

## Page 12 – Reserve Policy

31. The Board approved Reserve Policy #8600 on May 14, 2014. This report is just an update on the current status of the reserves currently designated and approved by the Board. There are a couple of increases in reserve balances that will occur at year-end, and capacity fees are updated as collected/used throughout the fiscal year. The increase for water capacity fees anticipates collecting for 140 new homes, and the increase for wastewater capacity fees anticipates collecting for 3 new homes next fiscal year. Again, these capacity fee revenue projections have not been included in the budget for FY 2020/21.

## Pages 13 - 15 – Summary of FY 20/21 Budget; Lessalt/West Hills O & M Budgets

32. The two material changes from the FY 19/20 Budget are an increase in depreciation from placing the CrossTown Pipeline into service and an expected decrease in water revenue. This analysis summarizes these material changes when comparing the Proposed FY 20/21 budget to the FY 19/20 budget for the Board. The Budgeted Cash Analysis section demonstrates the overall cash impact of the FY 20/21 budget before use of any reserves.

## Environmental Impact:

The proposed action is not a project as defined by the California Environmental Quality Act per Article 20, Section 15378.

## Recommendation:

The District management and the Finance Committee (Directors Alcorn and Johnson) are recommending the Board approve the Budget for fiscal year 2020/21, effective July 1, 2020.



| <b>WATER OPERATIONS:</b>              | <b>2019/20<br/>PROJECTED</b> | <b>2019/20<br/>BUDGET</b> | <b>PROPOSED<br/>2020/21<br/>BUDGET</b> |
|---------------------------------------|------------------------------|---------------------------|--|
| WATER SALES                           | 6,705,356                    | \$ 6,900,000              | \$ 6,600,000                           |
| INSTALLATION FEES                     | 132,820                      | 40,000                    | 80,000                                 |
| LATE FEES                             | 52,909                       | 60,000                    | 52,000                                 |
| OTHER INCOME                          | 1,972                        | 4,000                     | 4,000                                  |
| MISC. FEES (80% Cust. Serv.)          | 169,892                      | 175,120                   | 178,880                                |
| OTHER INC. (80% Gen. & Adm.)          | 387                          | 400                       | 400                                    |
| * TOTAL REVENUES *                    | 7,063,336                    | 7,179,520                 | 6,915,280                              |
| SALARIES & BENEFITS                   | (2,557,648)                  | (2,702,003)               | (2,758,280)                            |
| OPERATING EXPENSES                    | (5,125,531)                  | (4,959,310)               | (5,340,969)                            |
| RATE STABILIZATION CREDIT             | -                            | -                         | -                                      |
| OTHER NON-OPERATING EXP.              | (199,040)                    | (90,000)                  | (82,000)                               |
| * TOTAL EXPENDITURES *                | (7,882,219)                  | (7,751,313)               | (8,181,249)                            |
| * NET WATER OPERATING INCOME (LOSS) * | \$ (818,883)                 | \$ (571,793)              | \$ (1,265,969)                         |

| <b>WASTEWATER OPERATIONS:</b>              | <b>2019/20<br/>PROJECTED</b> | <b>2019/20<br/>BUDGET</b> | <b>PROPOSED<br/>2020/21<br/>BUDGET</b> |
|--|------------------------------|---------------------------|--|
| SEWER SALES                                | \$ 1,872,357                 | \$ 1,900,000              | \$ 1,900,000                           |
| INSTALLATION FEES                          | -                            | 50                        | 50                                     |
| LATE FEES                                  | 13,228                       | 15,000                    | 13,000                                 |
| OTHER INCOME                               | 68                           | -                         | -                                      |
| MISC. FEES (20% Cust. Serv.)               | 42,473                       | 43,780                    | 44,720                                 |
| OTHER INC. (20% Gen. & Adm.)               | 97                           | 100                       | 100                                    |
| * TOTAL REVENUES *                         | 1,928,223                    | 1,958,930                 | 1,957,870                              |
| SALARIES & BENEFITS                        | (521,507)                    | (548,919)                 | (549,848)                              |
| OPERATING EXPENSES                         | (688,785)                    | (705,140)                 | (698,150)                              |
| OTHER NON-OPERATING EXP, NET               | (319,960)                    | (240,500)                 | (255,800)                              |
| * TOTAL EXPENDITURES *                     | (1,530,252)                  | (1,494,559)               | (1,503,798)                            |
| * NET WASTEWATER OPERATING INCOME (LOSS) * | \$ 397,971                   | \$ 464,371                | \$ 454,072                             |

| COMBINED OPERATIONS:           | 2019/20<br>PROJECTED | 2019/20<br>BUDGET | PROPOSED<br>2020/21<br>BUDGET |
|--------------------------------|----------------------|-------------------|-------------------------------|
| TOTAL REVENUES                 | 8,991,559            | \$ 9,138,450      | \$ 8,873,150                  |
| TOTAL EXPENDITURES             | (9,412,471)          | (9,245,872)       | (9,685,047)                   |
| * COMBINED NET INCOME (LOSS) * | \$ (420,912)         | \$ (107,422)      | \$ (811,897)                  |

**Budgeted Operating Loss (Includes Non-Cash Expenses):** \$ (811,897)

**Add Back Non-Cash Expenses Budgeted:**

|  |                |
|--|----------------|
| Depreciation                             | 1,391,600      |
| Water Rights Amortization - Lessalt WTP  | 216,667        |
| Water Rights Amortization - W. Hills WTP | <u>671,667</u> |

**Budgeted Cash Provided from Operations - Available for Debt Service and Capital Expenditures** \$ 1,468,037

**THE ABOVE FIGURES DO NOT INCLUDE INTEREST INCOME AND CAPACITY FEE INCOME.**

|   |           |
|---|-----------|
| The Water Capacity Fee, for meter size 5/8", 3/4", or 1", effective 7/1/19, is: | \$ 11,000 |
| The Wastewater Capacity Fee, for single family, effective 7/1/19, is:           | \$ 19,875 |

**THE COLUMN TITLED "2019/20 PROJECTED" DOES NOT REFLECT REQUIRED YEAR-END ADJUSTMENTS FROM CASH BASIS TO ACCRUAL BASIS.**

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| <b>WATER BUDGET</b>                          | <b>2019/20<br/>PROJECTED</b> | <b>2019/20<br/>BUDGET</b> | <b>PROPOSED<br/>2020/21<br/>BUDGET</b> |
|--|------------------------------|---------------------------|--|
| <b>* SALARIES &amp; BENEFITS *</b>           |                              |                           |  |
| SALARIES                                     | \$ 1,571,597                 | \$ 1,636,864              | \$ 1,683,452                           |
| EMPLOYEE BENEFITS                            | 194,668                      | 162,267                   | 166,514                                |
| LABOR BILLED SUBDIV'S & ANNEX'S              | (26,341)                     | (15,000)                  | (20,000)                               |
| LABOR BILLED CONSTRUCTED ASSETS              | (15,955)                     | -                         | -                                      |
| OTHER LABOR & BENEFITS BILLED                | -                            | (4,000)                   | (2,000)                                |
| CalPERS PENSION                              | 132,209                      | 224,370                   | 189,947                                |
| PAYROLL TAXES                                | 22,059                       | 23,757                    | 24,345                                 |
| 80% ALLOC. FRM CUST. SERV.                   | 398,967                      | 397,019                   | 407,795                                |
| 80% ALLOCATED FROM G & A                     | 280,444                      | 276,726                   | 308,227                                |
| <b>* TOTAL *</b>                             | <b>\$ 2,557,648</b>          | <b>\$ 2,702,003</b>       | <b>\$ 2,758,280</b>                    |
| <b>* OPERATING EXPENSES *</b>                |                              |                           |  |
| ELECTRICAL SERVICES                          | \$ 149,680                   | \$ 156,000                | \$ 155,000                             |
| PHONE SERVICES                               | 1,889                        | 1,400                     | 1,200                                  |
| PROFESSIONAL SERVICES                        | 3,333                        | 2,500                     | 2,500                                  |
| POSTAGE                                      | -                            | 1,500                     | 1,500                                  |
| CONTRACT SERVICES                            | 10,525                       | 10,000                    | 12,000                                 |
| OFFICE SUPPLIES                              | -                            | 500                       | 500                                    |
| REPAIR & MAINTENANCE                         | 51,480                       | 80,000                    | 75,000                                 |
| DIESEL                                       | 1,799                        | 2,500                     | 2,000                                  |
| VEHICLE OPERATING EXPENSES                   | 52,023                       | 60,000                    | 60,000                                 |
| PROFESSIONAL DEVELOPMENT                     | 71                           | 2,000                     | 8,000                                  |
| SHOP SUPPLIES                                | 23,901                       | 20,000                    | 25,000                                 |
| RESEARCH & MONITORING                        | 47,145                       | 60,000                    | 55,000                                 |
| DEPRECIATION                                 | 791,417                      | 500,000                   | 843,000                                |
| SBCWD PUMPING FEES (Zone 3-Improve. Dist.)   | 3,504                        | 4,000                     | 4,000                                  |
| SBCWD PUMPING FEES (Zone 6)                  | 20,475                       | 20,000                    | 25,000                                 |
| LESSALT WTP OPERATION & MAINT COSTS          | 597,043                      | 688,000                   | 705,500                                |
| WEST HILLS WTP OPERATION & MAINT COSTS       | 973,035                      | 919,700                   | 1,137,450                              |
| LESSALT WTP - O&M REVENUE (Bill to SBCWD)    | (975,696)                    | (975,700)                 | (1,077,730)                            |
| WEST HILLS WTP - O&M REVENUE (Bill to SBCWD) | (1,372,104)                  | (1,372,100)               | (1,573,700)                            |
| SBCWD - LESSALT WTP COSTS                    | 1,590,192                    | 1,651,124                 | 1,723,029                              |
| SBCWD - WEST HILLS WTP COSTS                 | 2,503,859                    | 2,559,026                 | 2,558,920                              |
| SUBTOTAL - WATER TREATMENT PLANTS, net       | 3,316,329                    | 3,470,050                 | 3,473,469                              |
| WATER CONSERVATION                           | 154,000                      | 154,000                   | 152,000                                |
| BAD DEBTS                                    | 1,499                        | 1,600                     | 800                                    |
| DUES, FEES, TAXES & SUBSCRIPT.               | 70,352                       | 53,500                    | 56,400                                 |
| 80% ALLOC. FRM CUST. SERV.                   | 87,805                       | 80,320                    | 88,160                                 |
| 80% ALLOCATED FROM G & A                     | 338,304                      | 279,440                   | 300,440                                |
| <b>* TOTAL *</b>                             | <b>\$ 5,125,531</b>          | <b>\$ 4,959,310</b>       | <b>\$ 5,340,969</b>                    |
| <b>* OTHER NON-OPERATING EXPENSES *</b>      |                              |                           |  |
| LOSS ON ABANDON. CAPITAL PROJECTS            | 109,040                      | -                         | -                                      |
| 92.4% INTEREST EXP. (City Nat'l Bank)        | 90,000                       | \$ 90,000                 | \$ 82,000                              |
| 80% ALLOCATED FROM G & A                     | -                            | -                         | -                                      |
| <b>* TOTAL *</b>                             | <b>\$ 199,040</b>            | <b>\$ 90,000</b>          | <b>\$ 82,000</b>                       |
| <b>* TOTAL WATER EXPENSES *</b>              | <b>\$ 7,882,219</b>          | <b>\$ 7,751,313</b>       | <b>\$ 8,181,249</b>                    |

| <b>WASTEWATER BUDGET</b>                | <b>2019/20<br/>PROJECTED</b> | <b>2019/20<br/>BUDGET</b> | <b>PROPOSED<br/>2020/21<br/>BUDGET</b> |
|---|------------------------------|---------------------------|--|
| <b>* SALARIES &amp; BENEFITS *</b>      |                              |                           |  |
| SALARIES                                | \$ 269,004                   | \$ 300,719                | \$ 301,762                             |
| EMPLOYEE BENEFITS                       | 43,799                       | 33,203                    | 33,546                                 |
| CalPERS PENSION                         | 35,055                       | 42,194                    | 29,975                                 |
| PAYROLL TAXES                           | 3,796                        | 4,366                     | 4,359                                  |
| 20% ALLOC. FRM CUST. SERV.              | 99,742                       | 99,255                    | 101,949                                |
| 20% ALLOCATED FROM G & A                | 70,111                       | 69,182                    | 77,057                                 |
| <b>* TOTAL *</b>                        | <b>\$ 521,507</b>            | <b>\$ 548,919</b>         | <b>\$ 549,848</b>                      |
| <b>* OPERATING EXPENSES *</b>           |                              |                           |  |
| ELECTRICAL SERVICES                     | \$ 63,872                    | \$ 64,000                 | \$ 65,000                              |
| PHONE SERVICES                          | 4,752                        | 4,500                     | 5,000                                  |
| PROFESSIONAL SERVICES                   | 579                          | 1,400                     | 1,000                                  |
| CONTRACT SERVICES                       | 1,608                        | 1,700                     | 1,700                                  |
| OFFICE SUPPLIES                         | -                            | 200                       | 100                                    |
| REPAIR & MAINTENANCE                    | 14,159                       | 45,000                    | 25,000                                 |
| DIESEL                                  | 423                          | 500                       | 500                                    |
| VEHICLE OPERATING EXPENSE               | 13,559                       | 15,000                    | 15,000                                 |
| PROFESSIONAL DEVELOPMENT                | 1,997                        | 500                       | 1,500                                  |
| SHOP & FIELD SUPPLIES                   | 23,195                       | 25,000                    | 24,000                                 |
| RESEARCH & MONITORING                   | 32,515                       | 40,000                    | 38,000                                 |
| DEPRECIATION                            | 405,183                      | 402,000                   | 407,000                                |
| BAD DEBTS                               | -                            | 400                       | 200                                    |
| DUES, FEES, TAXES & SUBSCRIPT.          | 20,416                       | 15,000                    | 17,000                                 |
| 20% ALLOC. FRM CUST. SERV.              | 21,951                       | 20,080                    | 22,040                                 |
| 20% ALLOCATED FROM G & A                | 84,576                       | 69,860                    | 75,110                                 |
| <b>* TOTAL *</b>                        | <b>\$ 688,785</b>            | <b>\$ 705,140</b>         | <b>\$ 698,150</b>                      |
| <b>* OTHER NON-OPERATING EXPENSES *</b> |                              |                           |  |
| SOUTHSIDE RD. SLIDE INVESTIGATION       | \$ 79,460                    | \$ -                      | \$ 30,000                              |
| 7.6% INTEREST EXP. (City Nat'l Loan)    | 7,500                        | 7,500                     | 6,800                                  |
| INTEREST EXPENSE (SRF Loan)             | 233,000                      | 233,000                   | 219,000                                |
| 20% ALLOCATED FROM G & A                | -                            | -                         | -                                      |
| <b>* TOTAL *</b>                        | <b>\$ 319,960</b>            | <b>\$ 240,500</b>         | <b>\$ 255,800</b>                      |
| <b>* TOTAL WASTEWATER EXPENSES *</b>    | <b>\$ 1,530,252</b>          | <b>\$ 1,494,559</b>       | <b>\$ 1,503,798</b>                    |

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| <b>CUSTOMER SERVICE BUDGET</b>    | <b>2019/20<br/>PROJECTED</b> | <b>2019/20<br/>BUDGET</b> | <b>PROPOSED<br/>2020/21<br/>BUDGET</b> |
|-----------------------------------|------------------------------|---------------------------|--|
| <b>* MISCELLANEOUS FEES *</b>     |                              |                           |  |
| RECONNECTION FEES                 | \$ 9,133                     | \$ 9,000                  | \$ 9,600                               |
| CALL-OUT FEES                     | 933                          | 1,200                     | 1,100                                  |
| BAD CHECK FEES                    | 4,600                        | 4,700                     | 4,700                                  |
| ADMINISTRATIVE COLLECTION FEES    | 50,667                       | 57,000                    | 57,000                                 |
| PROPERTY LIEN FILING FEES         | 67                           | 100                       | 100                                    |
| CITY SEWER BILLING SERVICES       | 143,232                      | 140,400                   | 147,000                                |
| CREDIT REPORT APPLICATION FEE     | 3,733                        | 6,000                     | 4,000                                  |
| OTHER INCOME/FEES                 | -                            | 500                       | 100                                    |
| <b>* TOTAL MISC. FEE INCOME *</b> | <b>\$ 212,365</b>            | <b>\$ 218,900</b>         | <b>\$ 223,600</b>                      |
| 80% ALLOCATED TO WATER            | \$ 169,892                   | \$ 175,120                | \$ 178,880                             |
| 20% ALLOC. TO WASTEWATER          | \$ 42,473                    | \$ 43,780                 | \$ 44,720                              |

|                                    |                   |                   |                   |
|------------------------------------|-------------------|-------------------|-------------------|
| <b>* SALARIES &amp; BENEFITS *</b> |                   |                   |                   |
| SALARIES                           | \$ 398,579        | \$ 396,919        | \$ 410,408        |
| EMPLOYEE BENEFITS                  | 52,985            | 33,555            | 37,363            |
| CaIPERS PENSION                    | 41,385            | 60,045            | 56,022            |
| PAYROLL TAXES                      | 5,760             | 5,755             | 5,951             |
| <b>* TOTAL *</b>                   | <b>\$ 498,709</b> | <b>\$ 496,274</b> | <b>\$ 509,744</b> |
| 80% ALLOCATED TO WATER             | \$ 398,967        | \$ 397,019        | \$ 407,795        |
| 20% ALLOC. TO WASTEWATER           | \$ 99,742         | \$ 99,255         | \$ 101,949        |

|                                 |                   |                   |                   |
|---------------------------------|-------------------|-------------------|-------------------|
| <b>* OPERATING EXPENSES *</b>   |                   |                   |                   |
| PHONE SERVICES                  | \$ 10,223         | \$ 6,600          | \$ 8,000          |
| PROFESSIONAL SERVICES           | 2,135             | 1,800             | 2,500             |
| POSTAGE                         | 28,919            | 31,200            | 30,000            |
| CONTRACT SERVICES               | 17,940            | 15,000            | 24,000            |
| OFFICE SUPPLIES                 | 19,315            | 16,000            | 17,300            |
| REPAIR & MAINTENANCE            | 19                | 500               | 100               |
| PROFESSIONAL DEVELOPMENT        | -                 | 500               | 500               |
| DEPRECIATION                    | 3,028             | 3,000             | 1,600             |
| BAD DEBTS                       | 77                | 300               | 300               |
| DUES, FEES , TAXES & SUBSCRIPT. | 28,100            | 25,500            | 25,800            |
| <b>* TOTAL *</b>                | <b>\$ 109,756</b> | <b>\$ 100,400</b> | <b>\$ 110,200</b> |
| 80% ALLOCATED TO WATER          | \$ 87,805         | \$ 80,320         | \$ 88,160         |
| 20% ALLOC. TO WASTEWATER        | \$ 21,951         | \$ 20,080         | \$ 22,040         |

|   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|
| <b>* TOTAL CUST. SERVICE EXPENSES *</b> | <b>\$ 608,465</b> | <b>\$ 596,674</b> | <b>\$ 619,944</b> |
|---|-------------------|-------------------|-------------------|

|                                       |                   |                   |                   |
|---------------------------------------|-------------------|-------------------|-------------------|
| <b>* NET CUST. SERVICE EXPENSES *</b> | <b>\$ 396,100</b> | <b>\$ 377,774</b> | <b>\$ 396,344</b> |
|---------------------------------------|-------------------|-------------------|-------------------|

| <b>GENERAL &amp; ADMIN BUDGET</b>  | <b>2019/20<br/>PROJECTED</b> | <b>2019/20<br/>BUDGET</b> | <b>PROPOSED<br/>2020/21<br/>BUDGET</b> |
|------------------------------------|------------------------------|---------------------------|--|
| <b>* OTHER INCOME *</b>            |                              |                           |  |
| OTHER INCOME / FEES                | \$ 476                       | \$ 500                    | \$ 500                                 |
| DISCOUNTS TAKEN                    | 8                            | -                         | -                                      |
| <b>* TOTAL OTHER INCOME *</b>      | <b>\$ 484</b>                | <b>\$ 500</b>             | <b>\$ 500</b>                          |
| 80% ALLOCATED TO WATER (Pg. 2)     | \$ 387                       | \$ 400                    | \$ 400                                 |
| 20% ALLOC. TO WASTEWATER (Pg. 3)   | \$ 97                        | \$ 100                    | \$ 100                                 |
| <b>* SALARIES &amp; BENEFITS *</b> |                              |                           |  |
| SALARIES                           | \$ 246,527                   | \$ 241,456                | \$ 224,566                             |
| EMPLOYEE BENEFITS                  | 46,015                       | 25,703                    | 44,978                                 |
| OPEB - RETIREE HEALTH              | 6,797                        | 12,076                    | -                                      |
| CaIPERS PENSION                    | 26,969                       | 42,395                    | 92,676                                 |
| DIRECTOR FEES                      | 19,200                       | 19,300                    | 18,400                                 |
| PAYROLL TAXES                      | 5,047                        | 4,978                     | 4,664                                  |
| <b>* TOTAL *</b>                   | <b>\$ 350,555</b>            | <b>\$ 345,908</b>         | <b>\$ 385,284</b>                      |
| 80% ALLOCATED TO WATER (Pg. 2)     | \$ 280,444                   | \$ 276,726                | \$ 308,227                             |
| 20% ALLOC. TO WASTEWATER (Pg. 3)   | \$ 70,111                    | \$ 69,182                 | \$ 77,057                              |
| <b>* OPERATING EXPENSES *</b>      |                              |                           |  |
| ELECTRICAL SERVICES                | 14,551                       | \$ 14,500                 | \$ 2,100                               |
| PHONE SERVICES                     | 1,559                        | 1,400                     | 1,500                                  |
| PROFESSIONAL SERVICES              | 132,084                      | 66,700                    | 68,000                                 |
| POSTAGE                            | 1,597                        | 1,000                     | 1,400                                  |
| CONTRACT SERVICES                  | 24,527                       | 22,500                    | 50,000                                 |
| OFFICE SUPPLIES                    | 21,064                       | 18,000                    | 18,700                                 |
| LEGAL ADVERTISING                  | 6,157                        | 3,500                     | 1,500                                  |
| REPAIR & MAINTENANCE               | 3,393                        | 4,500                     | 4,100                                  |
| DIESEL                             | 64                           | -                         | -                                      |
| VEHICLE OPERATING EXPENSES         | 3,652                        | 2,500                     | 4,500                                  |
| PROFESSIONAL DEVELOPMENT           | 3,523                        | 5,000                     | 5,000                                  |
| SHOP SUPPLIES                      | 52                           | -                         | -                                      |
| MEETING EXPENSE                    | 385                          | 100                       | 1,150                                  |
| INSURANCE                          | 69,225                       | 70,000                    | 70,000                                 |
| DEPRECIATION                       | 131,049                      | 131,000                   | 140,000                                |
| BAD DEBTS                          | 129                          | -                         | 100                                    |
| DUES, FEES , TAXES & SUBSCRIPT.    | 9,869                        | 8,600                     | 7,500                                  |
| <b>* TOTAL *</b>                   | <b>\$ 422,880</b>            | <b>\$ 349,300</b>         | <b>\$ 375,550</b>                      |
| 80% ALLOCATED TO WATER (Pg. 2)     | \$ 338,304                   | \$ 279,440                | \$ 300,440                             |
| 20% ALLOC. TO WASTEWATER (Pg. 3)   | \$ 84,576                    | \$ 69,860                 | \$ 75,110                              |

| <b>GENERAL &amp; ADMIN BUDGET</b>       | <b>2019/20<br/>PROJECTED</b> | <b>2019/20<br/>BUDGET</b> | <b>PROPOSED<br/>2020/21<br/>BUDGET</b> |
|---|------------------------------|---------------------------|--|
| <b>* OTHER NON-OPERATING EXPENSES *</b> |                              |                           |  |
| <b>* TOTAL *</b>                        | \$ -                         | \$ -                      | \$ -                                   |
| 80% ALLOCATED TO WATER (Pg. 2)          | \$ -                         | \$ -                      | \$ -                                   |
| 20% ALLOC. TO WASTEWATER (Pg. 3)        | \$ -                         | \$ -                      | \$ -                                   |

|   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|
| <b>* TOTAL GEN &amp; ADMIN EXPENSES *</b> | <b>\$ 773,435</b> | <b>\$ 695,208</b> | <b>\$ 760,834</b> |
|---|-------------------|-------------------|-------------------|

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| <b>ALL DEPARTMENTS</b>             | <b>2019/20<br/>PROJECTED</b> | <b>2019/20<br/>BUDGET</b> | <b>PROPOSED<br/>2020/21<br/>BUDGET</b> |
|------------------------------------|------------------------------|---------------------------|--|
| <b>* SALARIES &amp; BENEFITS *</b> |                              |                           |  |
| SALARIES                           | \$ 2,485,707                 | \$ 2,575,958              | \$ 2,620,188                           |
| EMPLOYEE BENEFITS                  | 337,467                      | 254,728                   | 282,401                                |
| LABOR & BENEFITS BILLED TO OTHERS  | (42,296)                     | (19,000)                  | (22,000)                               |
| OPEB - RETIREE HEALTH              | 6,797                        | 12,076                    | 1,200                                  |
| CaIPERS PENSION                    | 235,618                      | 369,004                   | 368,620                                |
| DIRECTORS FEES                     | 19,200                       | 19,300                    | 18,400                                 |
| PAYROLL TAXES                      | 36,662                       | 38,856                    | 39,319                                 |
| <b>* TOTAL *</b>                   | <b>\$ 3,079,155</b>          | <b>\$ 3,250,922</b>       | <b>\$ 3,308,128</b>                    |

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**TIE TO WAGE & BENEFIT PROJECTION FOR FY 2019/20 (PERSONNEL BUDGET):**

|  |                                |
|--|--------------------------------|
| <b>SUBTOTAL FROM ABOVE</b>                             | <b>3,308,128</b>               |
| <b>DEDUCT: OPEB EXPENSE</b>                            | <b>(1,200)</b>                 |
| <b>ADD BACK: LABOR &amp; BENEFITS BILLED TO OTHERS</b> | <b>22,000</b>                  |
|  | <hr/>                          |
| <b>WAGE &amp; BENEFIT PROJECTION for FY 2020/21</b>    | <b><u><u>3,328,928</u></u></b> |



Sunnyslope County Water District

Proposed Budget

For the Year Ended June 30, 2021

|                                      | Water            | Waste- water     | General & Admin. | Customer Service | Total FY 2020/21 Budget | Increases / (Decreases) over Prior Year |            |               |           |                  |            |                  |             |                         |            |
|--------------------------------------|------------------|------------------|------------------|------------------|-------------------------|---|------------|---------------|-----------|------------------|------------|------------------|-------------|-------------------------|------------|
|                                      |                  |                  |                  |                  |                         | Water                                   | %          | Waste- water  | %         | General & Admin. | %          | Customer Service | %           | Total FY 2020/21 Budget | %          |
| <b>Ordinary Income/Expense</b>       |                  |                  |                  |                  |                         |   |            |               |           |                  |            |                  |             |                         |            |
| <b>Income</b>                        |                  |                  |                  |                  |                         |   |            |               |           |                  |            |                  |             |                         |            |
| 400 · Operating Revenue              |                  |                  |                  |                  |                         |   |            |               |           |                  |            |                  |             |                         |            |
| 401 · Water / 470 · Sewer            | 6,600,000        | 1,900,000        | 0                | 0                | 8,500,000               | -300,000                                | -4%        | 0             | 0%        | 0                | N/A        | 0                | N/A         | -300,000                | -3.4%      |
| 492 · Installation Fees              | 80,000           | 50               | 0                | 0                | 80,050                  | 40,000                                  | 100%       | 0             | 0%        | 0                | N/A        | 0                | N/A         | 40,000                  | 100%       |
| 495 · Late Fees                      | 52,000           | 13,000           | 0                | 0                | 65,000                  | -8,000                                  | -13%       | -2,000        | -13%      | 0                | N/A        | 0                | N/A         | -10,000                 | -13%       |
| <b>Total 400 · Operating Revenue</b> | <b>6,732,000</b> | <b>1,913,050</b> | <b>0</b>         | <b>0</b>         | <b>8,645,050</b>        | <b>-268,000</b>                         | <b>-4%</b> | <b>-2,000</b> | <b>0%</b> | <b>0</b>         | <b>N/A</b> | <b>0</b>         | <b>N/A</b>  | <b>-270,000</b>         | <b>-3%</b> |
| 520 · Miscellaneous Fees             | 4,000            | 0                | 0                | 223,600          | 227,600                 | 0                                       | 0%         | 0             | N/A       | 0                | N/A        | 4,700            | 2.1%        | 4,700                   | 2%         |
| 550 · Less Allocated to CS & G&      | 0                | 0                | 0                | -223,600         | -223,600                | 0                                       | N/A        | 0             | N/A       | 0                | N/A        | -4,700           | 2.1%        | -4,700                  | 2%         |
| 551 · Allocate from CS               | 178,880          | 44,720           | 0                | 0                | 223,600                 | 3,760                                   | 2%         | 940           | 2%        | 0                | N/A        | 0                | N/A         | 4,700                   | 2%         |
| 552 · Allocate from G&A              | 400              | 100              | 0                | 0                | 500                     | 0                                       | 0%         | 0             | 0%        | 0                | N/A        | 0                | N/A         | 0                       | 0%         |
| <b>Total Income</b>                  | <b>6,915,280</b> | <b>1,957,870</b> | <b>0</b>         | <b>0</b>         | <b>8,873,150</b>        | <b>-264,240</b>                         | <b>-4%</b> | <b>-1,060</b> | <b>0%</b> | <b>0</b>         | <b>N/A</b> | <b>0</b>         | <b>N/A</b>  | <b>-265,300</b>         | <b>-3%</b> |
| <b>Cost of Goods Sold</b>            |                  |                  |                  |                  |                         |   |            |               |           |                  |            |                  |             |                         |            |
| 601 · Salaries                       | 1,683,452        | 301,762          | 224,566          | 410,408          | 2,620,188               | 46,588                                  | 3%         | 1,043         | 0%        | -8,379           | -4%        | 22,983           | 5.9%        | 62,235                  | 2%         |
| 604 · Employee Benefits              | 166,514          | 33,546           | 44,978           | 37,363           | 282,401                 | 4,247                                   | 3%         | 343           | 1%        | 4,228            | 10%        | 4,471            | 13.6%       | 13,289                  | 5%         |
| 605 · Labor & Benefits Billed to     | -22,000          | 0                | 0                | 0                | -22,000                 | -3,000                                  | 16%        | 0             | N/A       | 0                | N/A        | 0                | N/A         | -3,000                  | 16%        |
| 607 · OPEB - Retiree Health          | 0                | 1,200            | 0                | 0                | 1,200                   | 0                                       | N/A        | 0             | N/A       | 0                | N/A        | 0                | N/A         | 0                       | N/A        |
| 608 · CalPERS Retirement             | 189,947          | 29,975           | 92,676           | 56,022           | 368,620                 | -34,423                                 | -15%       | -12,219       | -29%      | 53,450           | 136%       | -915             | -1.6%       | 5,893                   | 2%         |
| 609 · Directors Fees                 | 0                | 0                | 18,400           | 0                | 18,400                  | 0                                       | N/A        | 0             | N/A       | 5,200            | 39%        | 0                | N/A         | 5,200                   | 39%        |
| 610 · Payroll Taxes                  | 24,345           | 4,359            | 4,664            | 5,951            | 39,319                  | 588                                     | 2%         | -7            | 0%        | 277              | 6%         | 333              | 5.9%        | 1,191                   | 3%         |
| 611 · Less Allocated                 | 0                | 0                | -385,284         | -509,744         | -895,028                | 0                                       | N/A        | 0             | N/A       | -54,776          | 17%        | -26,872          | 5.6%        | -81,648                 | 10%        |
| 612 · Allocated C.S.                 | 407,795          | 101,949          | 0                | 0                | 509,744                 | 10,776                                  | 3%         | 2,694         | 3%        | 0                | N/A        | 0                | N/A         | 13,470                  | 3%         |
| 613 · Allocated G.&A.                | 308,227          | 77,057           | 0                | 0                | 385,284                 | 31,501                                  | 11%        | 7,875         | 11%       | 0                | N/A        | 0                | N/A         | 39,376                  | 11%        |
| <b>Total COGS</b>                    | <b>2,758,280</b> | <b>549,848</b>   | <b>0</b>         | <b>0</b>         | <b>3,308,128</b>        | <b>56,277</b>                           | <b>2%</b>  | <b>929</b>    | <b>0%</b> | <b>0</b>         | <b>0%</b>  | <b>0</b>         | <b>0.0%</b> | <b>57,206</b>           | <b>2%</b>  |
| <b>Gross Profit</b>                  | <b>4,157,000</b> | <b>1,408,022</b> | <b>0</b>         | <b>0</b>         | <b>5,565,022</b>        | <b>-320,517</b>                         | <b>-7%</b> | <b>-1,989</b> | <b>0%</b> | <b>0</b>         | <b>N/A</b> | <b>0</b>         | <b>N/A</b>  | <b>-322,506</b>         | <b>-5%</b> |
| <b>Expense</b>                       |                  |                  |                  |                  |                         |   |            |               |           |                  |            |                  |             |                         |            |
| 619 · Electrical Services            | 155,000          | 65,000           | 2,100            | 0                | 222,100                 | -1,000                                  | -1%        | 1,000         | 2%        | -12,400          | -86%       | 0                | N/A         | -12,400                 | -5%        |
| 620 · Telephone Services             | 1,200            | 5,000            | 1,500            | 8,000            | 15,700                  | -200                                    | -14%       | 500           | 11%       | 100              | 7%         | 1,400            | 21.2%       | 1,800                   | 13%        |
| 621 · Professional Services          | 2,500            | 1,000            | 68,000           | 2,500            | 74,000                  | 0                                       | 0%         | -400          | -29%      | 1,300            | 2%         | 700              | 38.9%       | 1,600                   | 2%         |
| 622 · Postage                        | 1,500            | 0                | 1,400            | 30,000           | 32,900                  | 0                                       | 0%         | 0             | N/A       | 400              | 40%        | -1,200           | -3.8%       | -800                    | -2%        |
| 623 · Contract Services              | 12,000           | 1,700            | 50,000           | 24,000           | 87,700                  | 2,000                                   | 20%        | 0             | 0%        | 27,500           | 122%       | 9,000            | 60.0%       | 38,500                  | 78%        |
| 624 · Office Supplies                | 500              | 100              | 18,700           | 17,300           | 36,600                  | 0                                       | 0%         | -100          | -50%      | 700              | 4%         | 1,300            | 8.1%        | 1,900                   | 5%         |
| 626 · Legal Advertising              | 0                | 0                | 1,500            | 0                | 1,500                   | 0                                       | N/A        | 0             | N/A       | -2,000           | -57%       | 0                | N/A         | -2,000                  | -57%       |
| 627 · Repairs & Maintenance          | 75,000           | 25,000           | 4,100            | 100              | 104,200                 | -5,000                                  | -6%        | -20,000       | -44%      | -400             | -9%        | -400             | -80.0%      | -25,800                 | -20%       |
| 632 · Diesel                         | 2,000            | 500              | 0                | 0                | 2,500                   | -500                                    | -20%       | 0             | 0%        | 0                | N/A        | 0                | N/A         | -500                    | -17%       |
| 633 · Vehicle Operating Expense      | 60,000           | 15,000           | 4,500            | 0                | 79,500                  | 0                                       | 0%         | 0             | 0%        | 2,000            | 80%        | 0                | N/A         | 2,000                   | 3%         |
| 635 · Professional Development       | 8,000            | 1,500            | 5,000            | 500              | 15,000                  | 6,000                                   | 300%       | 1,000         | 200%      | 0                | 0%         | 0                | 0.0%        | 7,000                   | 88%        |
| 637 · Shop Supplies                  | 25,000           | 24,000           | 0                | 0                | 49,000                  | 5,000                                   | 25%        | -1,000        | -4%       | 0                | N/A        | 0                | N/A         | 4,000                   | 9%         |
| 638 · Meeting Expense                | 0                | 0                | 1,150            | 100              | 1,250                   | 0                                       | N/A        | 0             | N/A       | 1,050            | 1050%      | 100              | N/A         | 1,150                   | 1150%      |
| 641 · Insurance                      | 0                | 0                | 70,000           | 0                | 70,000                  | 0                                       | N/A        | 0             | N/A       | 0                | 0%         | 0                | 0%          | 0                       | 0%         |
| 650 · Research & Monitoring          | 55,000           | 38,000           | 0                | 0                | 93,000                  | -5,000                                  | -8%        | -2,000        | -5%       | 0                | N/A        | 0                | N/A         | -7,000                  | -7%        |
| 654 · Depreciation                   | 843,000          | 407,000          | 140,000          | 1,600            | 1,391,600               | 343,000                                 | 69%        | 5,000         | 1%        | 9,000            | 7%         | -1,400           | -46.7%      | 355,600                 | 34%        |
| 659 · S.B.C.W.D. Pumping Fees        | 29,000           | 0                | 0                | 0                | 29,000                  | 5,000                                   | 21%        | 0             | N/A       | 0                | N/A        | 0                | N/A         | 5,000                   | 21%        |

Sunnyslope County Water District

Proposed Budget  
For the Year Ended June 30, 2021

|                                    | Water             | Waste- water    | General & Admin. | Customer Service | Total FY 2020/21 Budget | Increases / (Decreases) over Prior Year |             |                |            |                  |            |                  |             |                         |              |
|------------------------------------|-------------------|-----------------|------------------|------------------|-------------------------|---|-------------|----------------|------------|------------------|------------|------------------|-------------|-------------------------|--------------|
|                                    |                   |                 |                  |                  |                         | Water                                   | %           | Waste- water   | %          | General & Admin. | %          | Customer Service | %           | Total FY 2020/21 Budget | %            |
| 661 · Lessalt WTP - O&M Costs      | 705,500           | 0               | 0                | 0                | 705,500                 | 17,500                                  | 3%          | 0              | N/A        | 0                | N/A        | 0                | N/A         | 17,500                  | 3%           |
| 662 · West Hills WTP - O&M Cos     | 1,137,450         | 0               | 0                | 0                | 1,137,450               | 217,750                                 | 24%         | 0              | N/A        | 0                | N/A        | 0                | N/A         | 217,750                 | 24%          |
| 664.01 · Lessalt WTP O&M Rev.      | -1,077,730        | 0               | 0                | 0                | -1,077,730              | 102,030                                 | -10%        | 0              | N/A        | 0                | N/A        | 0                | N/A         | 102,030                 | -10%         |
| 664.02 · West Hills WTP O&M Re     | -1,573,700        | 0               | 0                | 0                | -1,573,700              | 201,600                                 | -15%        | 0              | N/A        | 0                | N/A        | 0                | N/A         | 201,600                 | -15%         |
| 665 · SBCWD - Lessalt WTP Cos      | 1,723,029         | 0               | 0                | 0                | 1,723,029               | 71,905                                  | 4%          | 0              | N/A        | 0                | N/A        | 0                | N/A         | 71,905                  | 4%           |
| 666 · SBCWD - West Hills WTP C     | 2,558,920         | 0               | 0                | 0                | 2,558,920               | -106                                    | 0%          | 0              | N/A        | 0                | N/A        | 0                | N/A         | -106                    | 0%           |
| 672 · Water Conservation (WRA)     | 152,000           | 0               | 0                | 0                | 152,000                 | -2,000                                  | -1%         | 0              | N/A        | 0                | N/A        | 0                | N/A         | -2,000                  | -1%          |
| 684 · Bad Debts                    | 800               | 200             | 100              | 300              | 1,400                   | -800                                    | -50%        | -200           | -50%       | 100              | N/A        | 0                | 0.0%        | -900                    | -39%         |
| 690 · Taxes- Fees- Permits         |                   |                 |                  |                  |                         | 0                                       | N/A         | 0              | N/A        | 0                | N/A        | 0                | N/A         | 0                       | N/A          |
| - Dues- Subscriptions              | 56,400            | 17,000          | 7,500            | 25,800           | 106,700                 | 2,900                                   | 5%          | 2,000          | 13%        | -1,100           | -13%       | 300              | 1.2%        | 4,100                   | 4%           |
| 695 · Less Allocated               | 0                 | 0               | -375,550         | -110,200         | -485,750                | 0                                       | N/A         | 0              | N/A        | -26,250          | 8%         | -9,800           | 9.8%        | -36,050                 | 8%           |
| 696 · Allocated from G. & A.       | 300,440           | 75,110          | 0                | 0                | 375,550                 | 21,000                                  | 8%          | 5,250          | 8%         | 0                | N/A        | 0                | N/A         | 26,250                  | 8%           |
| 697 · Allocated from C.S.          | 88,160            | 22,040          | 0                | 0                | 110,200                 | 7,840                                   | 10%         | 1,960          | 10%        | 0                | N/A        | 0                | N/A         | 9,800                   | 10%          |
| <b>Total Expense</b>               | <b>5,340,969</b>  | <b>698,150</b>  | <b>0</b>         | <b>0</b>         | <b>6,039,119</b>        | <b>-381,659</b>                         | <b>8%</b>   | <b>-6,990</b>  | <b>-1%</b> | <b>0</b>         | <b>N/A</b> | <b>0</b>         | <b>N/A</b>  | <b>374,669</b>          | <b>7%</b>    |
| <b>Net Ordinary Income</b>         | <b>-1,183,969</b> | <b>709,872</b>  | <b>0</b>         | <b>0</b>         | <b>-474,097</b>         | <b>-702,176</b>                         | <b>146%</b> | <b>5,001</b>   | <b>1%</b>  | <b>0</b>         | <b>N/A</b> | <b>0</b>         | <b>0.0%</b> | <b>-697,175</b>         | <b>-313%</b> |
| <b>Other Income/Expense</b>        |                   |                 |                  |                  |                         |   |             |                |            |                  |            |                  |             |                         |              |
| <b>Other Income</b>                |                   |                 |                  |                  |                         |   |             |                |            |                  |            |                  |             |                         |              |
| 805 · Connection Fees              | 0                 | 0               | 0                | 0                | 0                       | 0                                       | N/A         | 0              | N/A        | 0                | N/A        | 0                | N/A         | 0                       | N/A          |
| 808 · Miscellaneous Income         | 0                 | 0               | 0                | 0                | 0                       | 0                                       | N/A         | 0              | N/A        | 0                | N/A        | 0                | N/A         | 0                       | N/A          |
| 810 · Interest Income              | 0                 | 0               | 0                | 0                | 0                       | 0                                       | N/A         | 0              | N/A        | 0                | N/A        | 0                | N/A         | 0                       | N/A          |
| 840 · Less Allocated.              | 0                 | 0               | 0                | 0                | 0                       | 0                                       | N/A         | 0              | N/A        | 0                | N/A        | 0                | N/A         | 0                       | N/A          |
| 850 · Allocation G & A             | 0                 | 0               | 0                | 0                | 0                       | 0                                       | N/A         | 0              | N/A        | 0                | N/A        | 0                | N/A         | 0                       | N/A          |
| <b>Total Other Income</b>          | <b>0</b>          | <b>0</b>        | <b>0</b>         | <b>0</b>         | <b>0</b>                | <b>0</b>                                | <b>N/A</b>  | <b>0</b>       | <b>N/A</b> | <b>0</b>         | <b>N/A</b> | <b>0</b>         | <b>N/A</b>  | <b>0</b>                | <b>N/A</b>   |
| <b>Other Expense</b>               |                   |                 |                  |                  |                         |   |             |                |            |                  |            |                  |             |                         |              |
| 817 · Southside Road Slide Investi | 0                 | 30,000          | 0                | 0                | 30,000                  | 0                                       | N/A         | 30,000         | N/A        | 0                | N/A        | 0                | N/A         | 30,000                  | N/A          |
| 820 · Interest Expense             | 82,000            | 225,800         | 0                | 0                | 307,800                 | -8,000                                  | -9%         | -14,700        | -6%        | 0                | N/A        | 0                | N/A         | -22,700                 | -7%          |
| 832 · Allocation G&A               | 0                 | 0               | 0                | 0                | 0                       | 0                                       | N/A         | 0              | N/A        | 0                | N/A        | 0                | N/A         | 0                       | N/A          |
| 839 · Less Allocated .             | 0                 | 0               | 0                | 0                | 0                       | 0                                       | N/A         | 0              | N/A        | 0                | N/A        | 0                | N/A         | 0                       | N/A          |
| <b>Total Other Expense</b>         | <b>82,000</b>     | <b>255,800</b>  | <b>0</b>         | <b>0</b>         | <b>337,800</b>          | <b>-8,000</b>                           | <b>-9%</b>  | <b>15,300</b>  | <b>6%</b>  | <b>0</b>         | <b>N/A</b> | <b>0</b>         | <b>N/A</b>  | <b>7,300</b>            | <b>2%</b>    |
| <b>Net Other Income</b>            | <b>-82,000</b>    | <b>-255,800</b> | <b>0</b>         | <b>0</b>         | <b>-337,800</b>         | <b>8,000</b>                            | <b>-9%</b>  | <b>-15,300</b> | <b>6%</b>  | <b>0</b>         | <b>N/A</b> | <b>0</b>         | <b>N/A</b>  | <b>-7,300</b>           | <b>2%</b>    |
| <b>Net Income</b>                  | <b>-1,265,969</b> | <b>454,072</b>  | <b>0</b>         | <b>0</b>         | <b>-811,897</b>         | <b>-694,176</b>                         | <b>121%</b> | <b>-10,299</b> | <b>-2%</b> | <b>0</b>         | <b>0%</b>  | <b>0</b>         | <b>0.0%</b> | <b>-704,475</b>         | <b>656%</b>  |

# Sunnyslope County Water District

## Proposed Budget For the Year Ended June 30, 2021

|  | Total             | FY               |
|--|-------------------|------------------|
|  | 2020/21<br>Budget |                  |
| <b><u>DEBT SERVICE EXPENDITURES</u></b>                    |                   |                  |
| Capital Cost - Tranche 1 (Lessalt WTP Upgrades)            | \$                | 142,530          |
| Capital Cost - Tranche 2 (West Hills WTP Construction)     |                   | 348,163          |
| Capital Cost - Tranche 3 (West Hills WTP Construction)     |                   | 121,962          |
| City National Bank (Municipal Finance Corporation)         |                   | 247,280          |
| SRF Loan Principal   |                   | 530,562          |
| <b>Total Debt Service</b>                                  | <b>\$</b>         | <b>1,390,497</b> |
| <b><u>CAPITAL EXPENDITURES</u></b>                         |                   |                  |
| <b>Capital Budget Purchases:</b>                           |                   |                  |
| Meter Replacements   | \$                | 250,000          |
| Equipment Replacements                                     |                   | 45,000           |
| <b>Subtotal Capital Purchases</b>                          |                   | <b>295,000</b>   |
| <b>Capital Budget Projects:</b>                            |                   |                  |
| <b>Water Related:</b>                                      |                   |                  |
| Local Surface and North Coutny Water Supply Investigations |                   | 140,000          |
| <b>Subtotal Water Capital Projects</b>                     |                   | <b>140,000</b>   |
| <b>Wastewater Related:</b>                                 |                   |                  |
| WWTP Pond Area: Slide Study/Repair                         |                   | -                |
| <b>Subtotal Wastewater Capital Projects</b>                |                   | <b>-</b>         |
| <b>Total Capital Expenditures</b>                          | <b>\$</b>         | <b>435,000</b>   |
| <b>TOTAL DEBT AND CAPITAL OUTLAYS</b>                      | <b>\$</b>         | <b>1,825,497</b> |

# Sunnyslope County Water District

## Proposed Budget For the Year Ended June 30, 2021

| <u>RESERVE POLICY</u>                                 | <u>Estimated<br/>6/30/2020</u> | <u>Increase</u> | <u>Decrease</u>         | <u>Budgeted<br/>6/30/2021</u> |
|---|--------------------------------|-----------------|-------------------------|-------------------------------|
| <b>8600.04.A. <u>Legally Restricted Reserves:</u></b> |                                |                 |                         |                               |
| CSWRCB SRF Loan                                       | 760,000                        | 0               | 0                       | 760,000                       |
| Water Capacity Fees                                   | 2,524,186                      | 0               | -1,184,676 <sup>3</sup> | 1,339,510 <sup>1</sup>        |
| Wastewater Capacity Fees                              | 19,974                         | 0               | -19,974 <sup>4</sup>    | 0 <sup>1</sup>                |
| <b>    SUBTOTAL</b>                                   | <b>3,304,160</b>               | <b>0</b>        | <b>-1,204,650</b>       | <b>2,099,510</b>              |
| <b>8600.04.B. <u>Board Designated Reserves:</u></b>   |                                |                 |                         |                               |
| Capital Improvement Reserve Fund                      | 1,800,000                      | 0               | 0                       | 1,800,000                     |
| Vehicle Replacement Fund                              | 154,264                        | 45,880          | 0                       | 200,144 <sup>2</sup>          |
| Emergency Equipment Replacement Fund                  | 100,000                        | 0               | 0                       | 100,000                       |
| Office and Miscellaneous Equipment Replacement        | 302,670                        | 15,094          | 0                       | 317,764 <sup>2</sup>          |
| Drought Contingency Reserve                           | 400,000                        | 0               | 0                       | 400,000                       |
| <b>    SUBTOTAL</b>                                   | <b>2,756,934</b>               | <b>60,974</b>   | <b>0</b>                | <b>2,817,908</b>              |
| <b>TOTAL RESTRICTED RESERVES</b>                      | <b>6,061,094</b>               | <b>60,974</b>   | <b>-1,204,650</b>       | <b>4,917,418</b>              |

<sup>1</sup> Updated quarterly for actual capacity fees are collected. Rolled forward FY 19/20 balance for budget draft.

<sup>2</sup> Updated as of April 30, 2020 using the expected FY 19/20 depreciation calculation

<sup>3</sup> We are using water connection fees to pay the Lessalt WTP debt service payments for Tranche 1 and West Hills WTP debt service payments for Tranche 2 and Tranche 3.

<sup>4</sup> We are using wastewater connection fees toward the SRF Loan (RMK WWTP Upgrades) debt service payments. Refer to FY Debt Service payments above for total amount due.

**Sunnyslope County Water District**  
**Summary of FY 20/21 Budget**  
**Preliminary Draft May 11, 2020**

***FY 20/21 Material Changes compared to FY 19/20 Budget:***

|   |                  |
|---|------------------|
| Increase in Depreciation Expense (Crosstown Pipeline) | 355,600          |
| Decrease in Revenue                                   | (300,000)        |
| <b>Total Material Decreases from FY20/21</b>          | <b>(655,600)</b> |

***Analysis of Expected Budget compared to FY 19/20 Adopted Budget:***

|  |                 |
|--|-----------------|
| Budgeted Loss FY19/20  | (107,522)       |
| FY 20/21 Material Increases / (Decreases) listed above           | (655,600)       |
| Expected FY20/21 Budget Income / (Loss) Based of FY 19/20 Budget | (763,122)       |
| Proposed FY 20/21 Budget Income/(Loss)                           | (811,897)       |
| <b>FY20/21 Net Budget over expected loss</b>                     | <b>(48,775)</b> |

***Budgeted Cash Analysis:***

|   |                  |
|---|------------------|
| Proposed FY 20/21 Budget Income/(Loss)                                    | (811,897)        |
| <i>Adjustments to reconcile income from Operations</i>                    |                  |
| Depreciation  | 1,390,680        |
| Amortization  | 888,334          |
| Budgeted Cash from Operations   | 1,467,117        |
| <i>Less Budgeted Capital and Financing Activities</i>                     |                  |
| Debt Service  | (1,390,497)      |
| Capital Improvements  | (435,000)        |
| **  |                  |
| <b>Increase / (Decrease) in Cash (NoCapacity Fees or use of Reserves)</b> | <b>(358,380)</b> |

\*\* The decrease in Cash would result prior to use of Existing Reserves or Capacity Fees collected in FY 20/21

## Lessalt Water Treatment Plant

### Operations and Maintenance Budget for July 1, 2020 to June 30, 2021 (FY 2020/21)

| ACCT.#   | DESCRIPTION   | 2018 / 19<br>Approved<br>BUDGET | 2019 / 20<br>Year-to-Date<br>Feb. 2020 (8-mos.) | 2019 / 20<br>PROJECTED<br>(12-mos.) | 2020 / 21<br>Proposed<br>BUDGET |
|--|---|---------------------------------|---|-------------------------------------|---------------------------------|
| <b>* OPERATING EXPENSES *</b>                            |   |                                 |   |                                     |                                 |
| 661.01   | Telephone   | \$ 2,800                        | \$ 2,096  | \$ 3,144                            | \$ 2,800                        |
| 661.02   | Contract/Professional Services (Calcon, Razzolink, BKP) (2)   | 26,000                          | 908   | 1,361                               | 26,000                          |
| 661.03   | Office Supplies/Shop Supplies                                 | 700                             | 430   | 646                                 | 700                             |
| 661.04   | Repairs & Maintenance - Operations (3)                        | 50,000                          | 18,976  | 28,464                              | 50,000                          |
| 661.05   | Professional Development (4)                                  | 500                             | -   | -                                   | 2,500                           |
| 661.06   | Chemicals, Lab Supplies                                       | 8,000                           | 5,398   | 8,098                               | 10,000                          |
| 661.07   | GAC Filter Media Replacement (5)                              | 490,000                         | 338,814   | 508,221                             | 510,000                         |
| 661.08   | Environmental (Quality) Monitoring - Operations               | 30,000                          | 12,750  | 19,125                              | 22,000                          |
| 661.09   | Dues, Fees, Permits   | -                               | 807   | 1,211                               | 1,500                           |
| 661.10   | Chlorine & Other Treatment Chemicals                          | 80,000                          | 50,553  | 75,829                              | 80,000                          |
| 661.12   | Chemical Removal Costs  | -                               | -   | -                                   | -                               |
| 661.90   | Capital Assets - Equipment Purchased                          | -                               | -   | -                                   | -                               |
| <b>SUBTOTAL</b>  |   | <b>688,000</b>                  | <b>430,732</b>                                  | <b>646,098</b>                      | <b>705,500</b>                  |
| <b>* LABOR AND OVERHEAD EXPENSES *</b>                   |   |                                 |   |                                     |                                 |
|  | OPERATOR LABOR & BENEFITS (342 hrs/mo. or 4,108 hrs/year) (1) | 272,000                         | 147,807   | 221,711                             | 356,530                         |
|  | MANAGEMENT OVERHEAD PASS THRU (5 hrs/mo or 60 hrs/year)       | 3,700                           | 3,581   | 5,371                               | 3,700                           |
|  | VEHICLE OPERATION PASS THRU (5)                               | 12,000                          | -   | 12,000                              | 12,000                          |
| <b>* TOTAL OPERATING, LABOR, AND OVERHEAD EXPENSES *</b> |   | <b>\$ 975,700</b>               | <b>582,120</b>                                  | <b>885,180</b>                      | <b>\$ 1,077,730</b>             |
|  |   | <u>12</u>                       |   |                                     | <u>12</u>                       |
| Bill Monthly:  |   | <b>\$ 81,308</b>                |   |                                     | <b>\$ 89,811</b>                |
| <b>To Be Paid from Reserves:</b>                         |   |                                 |   |                                     |                                 |
| 661.90   | Capital Assets - Equipment Purchased (4)                      | 53,000                          | 52,447  | 52,447                              | -                               |

**NOTES:**

- (1) Based on Operator hours required in 19/20. 5% added to hourly rates in 20/21 due to steps and contract negotiations. Hours required at Lessalt plant decreased for time plant will be offline this year during Tracer Study at Westhills
- (2) Assumes continued Calcon assistance for SCADA upgrade, Hach meter calibration, First Trust Alarm, ArchFlash Study of MCCs.
- (3) Electrical switch gear cleaning.
- (4) Electrical/ArcFlash Training
- (5) GAC costs assume regenerated material at \$50,000 per filter (on schedule to complete 10 exchanges this year).
- (6) Vehicle costs include average maint., fuel, & depreciation from previous year and assume 1 truck per 2080 hours.

**West Hills Water Treatment Plant**  
**Operations and Maintenance Budget for**  
**July 1, 2020 to June 30, 2021 (FY 2020/21)**

| ACCT.#                                 | DESCRIPTION   | 2019 / 20<br>Approved<br>BUDGET | 2019 / 20<br>Year-to-Date<br>Feb. 2020 (8-mos.) | 2019 / 20<br>PROJECTED<br>(12-mos.) | 2020 / 21<br>Proposed<br>BUDGET |
|--|---|---------------------------------|---|-------------------------------------|---------------------------------|
| <b>* OPERATING EXPENSES *</b>          |   |                                 |   |                                     |                                 |
| 662.01                                 | Telephone   | \$ 1,000                        | \$ 322  | \$ 484                              | \$ 750                          |
| 662.02                                 | Contract/Professional Services (Calcon, First Trust Alarm, BKP) (2) | 30,000                          | 534   | 801                                 | 45,000                          |
| 662.03                                 | Office Supplies / Shop Supplies                                     | 1,200                           | 544   | 816                                 | 1,200                           |
| 662.04                                 | Repairs & Maintenance - Operations (3)                              | 120,000                         | 42,436  | 63,654                              | 75,000                          |
| 662.05                                 | Professional Development  | 500                             | -   | -                                   | 5,500                           |
| 662.06                                 | Chemicals, Lab Supplies   | 7,000                           | 10,254  | 15,381                              | 15,000                          |
| 662.07                                 | Powdered Activated Carbon (4)                                       | -                               | 170,907   | 256,361                             | 250,000                         |
| 662.08                                 | Environmental (Quality) Monitoring - Operations (5)                 | 40,000                          | 16,766  | 25,149                              | 30,000                          |
| 662.09                                 | Dues, Fees, Permits   | -                               | -   | -                                   | -                               |
| 662.10                                 | Chlorine & Other Treatment Chemicals (6)                            | 700,000                         | 424,390   | 636,586                             | 700,000                         |
| 662.11                                 | Sludge Removal Costs  | -                               | 5,863   | 8,795                               | 10,000                          |
| 662.90                                 | Capital Assets - Equipment Purchased (7)                            | 20,000                          | -   | -                                   | 5,000                           |
|  | <b>SUBTOTAL</b>   | <b>919,700</b>                  | <b>672,017</b>                                  | <b>1,008,026</b>                    | <b>1,137,450</b>                |
| <b>* LABOR AND OVERHEAD EXPENSES *</b> |   |                                 |   |                                     |                                 |
|  | OPERATOR LABOR & BENEFITS (542 hrs/mo. or 6,504 hrs/year) (1)       | 430,000                         | 233,121   | 349,681                             | 413,250                         |
|  | MANAGEMENT OVERHEAD PASS THRU (6 hrs/mo or 72 hrs/year)             | 4,400                           | 2,586   | 3,878                               | 5,000                           |
|  | VEHICLE OPERATION PASS THRU (8)                                     | 18,000                          | -   | 18,000                              | 18,000                          |
|  | <b>* TOTAL OPERATING, LABOR, AND OVERHEAD EXPENSES *</b>            | <b>\$ 1,372,100</b>             | <b>\$ 907,724</b>                               | <b>\$ 1,379,585</b>                 | <b>\$ 1,573,700</b>             |

12
12  
 Bill Monthly: **\$ 114,342**
**\$ 131,142**

**NOTES:**

- (1) Operator and Maintenance hours based prior year values. 5% added to hourly rates in 20/21 due to steps and contract negotiations.
- (2) Assumes continued Calcon assistance for SCADA upgrade, Hach meter calibration, First Trust Alarm, ArchFlash Study of MCCs.
- (3) Cleaning and adjustment of MCC, load testing of Generator and electrical system.
- (4) This item was not a line in last years budget but is a significant expenditure.
- (5) LT2 mandated water quality testing adding \$1,000 per month, & started October 2017 and ends September 2019.
- (6) Chemicals expenditure based on operational experience.
- (7) Valve replacement
- (8) Vehicle costs include average maint., fuel, & depreciation from previous year and assume 1 truck per 2080 hours.

# ***Staff Report***

Agenda Item: **J - 4**

DATE: May 12, 2020 (May 19, 2020 Meeting)

TO: Board of Directors

FROM: Drew Lander, General Manager

SUBJECT: Authorize the General Manager to open Contract Negotiations with City Management Staff for Contract Operation of the City of Hollister Wastewater Treatment Plant (WWTP).

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## **BACKGROUND:**

There are several operational modifications between the City of Hollister and SSCWD that would be mutually beneficial and result in a reduction in expenses for both public entities. Presently SSCWD maintains a high level of managerial experience and staff expertise for the operation of the Wastewater Treatment plant located in Ridgemark subdivision. SSCWD has exceptional staff who have the appropriate State licensing and capability to operate the City of Hollister WWTP also.

The General Manger would like to make a presentation to the City Council to present the District Qualifications and if the City agrees to negotiate a contract for operational services there are several benefits that will bring lower costs to both agencies and improve service. The proposed presentation is attached to this staff report. Staff expertise is one of these items that can be shared to improve services and reduce costs. Similar to the partnership that the County and City already maintain with the District regarding the contract operation of the potable water plants, the District Management endeavors to contract operate the City WWTP.

## **FINANCIAL IMPACT:**

The fiscal impacts to the District will not be present until after the City and the District have negotiated fees, responsibilities and staffing requirements. However it is the intent of SSCWD management to propose to contract operate the City facilities where all operational expenses are borne by the City with public accounting transparency. A reduction in District costs occurs in the sharing of equipment, staff expertise, licensing and leveraging Public purchasing power to provide the Public with the most efficient service at the lowest cost. A complete financial evaluation will be presented to the Wastewater Committee and a recommendation for Board approval will be sought prior to entering into contractual agreements.

## **ENVIRONMENTAL IMPACT:**

The proposed action is categorically exempt from the California Environmental Quality Act in accordance with Section 15301(b).



**RECOMMENDATION:**

Staff recommends that the Board authorize the General Manager to present the District qualifications to the City of Hollister City Council and to negotiate with City staff a contract for operation of the City of Hollister NBR.



# SUNNYSLOPE COUNTY WATER DISTRICT

Proposal for Management of the City of  
Hollister Wastewater Treatment

Drew A. Lander – General Manager  
Jose Rodriguez – Water/Wastewater  
Superintendent

5/14/2020

## UNIQUE OPPORTUNITY

- ▶ Sunnyslope County Water District is Uniquely Qualified to Manage and Operate the City of Hollister Wastewater Treatment Facilities
  - ▶ LOCAL STAFF AND MANAGEMENT
  - ▶ QUALIFIED OPERATORS AND MAINTENANCE PERSONNEL
  - ▶ INCREASED TRANSPARENCY FOR RATE PAYERS
  - ▶ DECREASED COSTS THROUGH ECONOMY OF SCALE

5/14/2020

- Sunnyslope Staff live in Hollister and surrounding Community.
- Emergency Response reduced.
- Locally invested in high-quality and efficient operation.
- Understanding of local issues and needs, including financial impacts and situations.
- Public Agency Accountability

## LOCAL STAFF AND MANAGEMENT

5/14/2020

- ▶ **General Manager** – Licensed Professional Engineer, 13yrs experience in operations, maintenance, construction and management of Wastewater Facilities.
- ▶ **Water/Wastewater Superintendent** – WW Grade 5, 22 years of hands on management of the Hollister NBR  
2015,2017,2019 CWEA Plant of the Year award.  
2018,2019 CWEA Plant Safety of the Year award.
- ▶ **Lead Operator** – WW Grade 3, 5 years of hands on operation of the Hollister NBR, Certified Lab Tech.
- ▶ **Operator** – WW Grade 3, 2 years of hands on operation of the Hollister NBR, Certified Lab Tech, CMMS coordination.
- ▶ **6 Additional maintenance staff** personnel available on limited/emergency basis – Maintenance Crew Chief WW Grade 3, and All remaining maintenance staff are WW Grade 2 certified.

## TEAM OF QUALIFIED OPERATORS AND MAINTENANCE PERSONNEL

5/14/2020

1. Budget Process approved by City Council annually.
2. City Management staff included in operational planning and CIP decisions.
3. All expenditures are public documents and follow public procurement, procedures and accounting policies.

## INCREASED TRANSPARENCY FOR THE CITY COUNCIL AND RATE PAYERS

5/14/2020

- ▶ A fraction of the SSCWD operational overhead is required to be calculated into the cost of operations.
- ▶ Strengthened relationship between SSCWD and the City of Hollister.
- ▶ Shared skills and training results in stronger workforce.
  - ▶ Reduce risk and potential violations.
  - ▶ Specialized skills.
- ▶ Potential to negotiate the future connection of SSCWD sewer customers into the City treatment plant.
  - ▶ Decreased per-capita operational costs.
  - ▶ Increased reclamation of treated water.

## DECREASED COSTS THROUGH ECONOMY OF SCALE

5/14/2020

## SSCWD SUMMARY

10 YR CONTRACT FOR OPERATION OF THE HOLLISTER CITY NBR

STAFF OVERSIGHT –

GENERAL MANAGER

SUPERINTENDENT, LICENSED WW GRADE 5 OPERATOR

LEAD OPERATOR – WW GRADE 3

OPERATOR – WW GRADE 3

ON CALL MAINTENANCE TEAM

OFFICE ADMINISTRATION

IMPROVED BUDGET PLANNING

NON-PROFIT = LOWER COST

5/14/2020