



Sunnyslope County Water District

BOARD OF DIRECTORS

REGULAR MEETING

District Office Board Room/Teleconference



3570 Airline Hwy., Hollister, CA

NOTICE & AGENDA

JULY 18, 2023

Regularly Scheduled Board Meeting - 5:15PM

IN PERSON PUBLIC ACCESS TO DISTRICT MEETINGS IS AVAILABLE AND REMOTE ACCESS CAN BE OBTAINED THROUGH THE FOLLOWING ACCESS POINTS:

ZOOM MEETING ACCESS LINK

<https://us06web.zoom.us/j/89028286111?pwd=a1diNzBjc3BRYWdjSUtsZGZpU2gyQT09>

Zoom Link Passcode: SSCWD

Or Telephone: Dial + 1 (669) 444-9171 and when prompted enter Meeting ID: 890 2828 6111

Dial in Passcode: 866864

HEALTH AND SAFETY GUIDELINES

Public access to this meeting is provided both in person and through electronic viewing. Virtual meeting access will continue to be provided as a public convenience until further notice by the District Board. Remote viewing interruptions due to internet quality, power outages or other factors may occur and will not stop the meeting while a quorum is present in the Board Room; To ensure the health, safety, and welfare of those in attendance, all attendees must comply with any procedures/instructions announced by the Board of Directors or as directed by Staff prior to commencement of the meeting. Face coverings will be provided if health concerns dictate and will be made available upon request. The meeting will be available through Zoom for those who wish to join remotely. Anyone requiring accommodations may contact the Main Office at: (831) 637-4670 a minimum of 24 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 - ROLL CALL

President Brown _____, Vice-President Mauro _____,

Director Parker _____, Director Alcorn _____, and Director Buzzetta _____.

REGULAR SESSION @ 5:15PM

B. PLEDGE OF ALLEGIANCE

C. APPROVAL OF AGENDA – Any requests to postpone consideration of an agenda item or move an item forward on the agenda will be considered at this time.

D. PUBLIC COMMENTS and AUDIENCE INTRODUCTIONS – The public may comment¹ on any District business, not on the agenda, with a time limit of three minutes per speaker. No action may be taken by the Board during the public comment period.

E. 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 requiring action shall be moved to New Business and treated as a matter of new business, or for matters needing clarification shall be moved to Staff Reports and addressed by the respective staff. The public may address the Board² on these items, not to exceed 3 minutes, when the Board reviews each pulled item.

1. Approve Minutes of the Regular Board Meeting of June 20th, 2023 (page 1)
2. Receive and Accept Allowance of Claims for Disbursements from June 1, 2023 Through June 30, 2023. (page 7)
3. Associate Engineer Monthly Status Report – (June Report Not Available)
4. Receive and Accept Finance Manager Monthly Status Reports:
 - a) Narrative Report (page 11)
 - b) Operation Summary (page 18)
 - c) Statement of Income (page 22)
 - d) Investment Summary (page 23)
 - e) Board Designated Reserves (page 24)

5. Receive and Accept Superintendent Monthly Status Reports:
 - a) Maintenance (page 25)
 - b) City Meter Reading (page 32)
 - c) Groundwater Level Measurement (page 33)
6. Receive and Accept General Manager Monthly Status Report. (page 34)

F. 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 Board² on these items as the Board reviews each item when directed to do so.

1. Authorize The General Manager To Execute A Contract With San Benito County Water District For The Renewal Of Hollister Urban Area Agreement Of Operations An Maintenance Services (Not A Project Under CEQA Per Article 20, Section 15378). (page 36)
2. Ratify General Manager Action To Sign Professional Services Contract With San Benito Engineering & Surveying Inc. For Temporary Field Inspection Services (Not a project under CEQA per Article 20, Section 15378). (page 71)
3. Board Discussion Regarding Fleet Electrification And Provide General Manager Direction Regarding Future Vehicle Purchases. (page 84)

G. STATUS REPORT

1. Governance Committee (JP, JB) – (No Meeting)
2. Water / Wastewater Committee (JP, JB) – (No Meeting)
3. Finance Committee (EM, MA) – (No Meeting)
4. Policy and Procedure Committee (JP, JB)– (No Meeting)
5. Personnel Committee (DB, EM) – (No Meeting)
6. Water Resources Association of San Benito County (MA, Alt. JP) – (Last Meeting Held June 1st, 2023)

H. BOARD and STAFF REPORTS

1. Directors
2. District Counsel
3. General Manager – General Manager Report, (Oral Report)

I. FUTURE AGENDA ITEMS:

1. **FY23-24 budget tracking.**
2. **Phoneline upgrade contract.**
3. **New vehicle purchase authorization.**

J. ADJOURNMENT

Upon request, Sunnyslope County Water District (SSCWD) will make a reasonable effort to provide written agenda materials in appropriate alternative formats, languages or disability-related modification or accommodation, including auxiliary aids or services, to enable all individuals to participate in public meetings. SSCWD 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 – August 15, 2023 @ 5:15 p.m., District Office

AGENDA DEADLINE: August 9, 2023 @ 12:00 p.m.

Future Scheduled Committee Meetings

Water Resources Association of San Benito County – August 3rd, 2023 @ 4pm

¹ 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.

July 18, 2023
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² 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 Meeting of the Board of Directors
of the
SUNNYSLOPE COUNTY WATER DISTRICT
June 20th, 2023

A. CALL TO ORDER: The meeting was called to order at 5:15 p.m. by President Brown, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

ROLL CALL: Present in Person: President Dee Brown (DB), Vice President Edward Mauro (EM), Director Jerry Buzzetta (JB), Director James Parker (JP), Director Mike Alcorn (MA).

B. PLEDGE OF ALLEGIANCE: Director Alcorn led those in attendance in the Pledge of Allegiance.

C. APPROVAL OF AGENDA: Upon a motion made to approve the agenda by Director Mauro, seconded by Director Alcorn, for which President Brown then took a roll call vote as follows: (MA), yes; (JP), yes; (EM), yes; (JB), yes; (DB), yes; the motion carried 5-0.

D. 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. No comments were received.

Staff Present for Open Session: In Person: General Manager/Secretary Drew Lander, Executive Assistant/Stenographer Madison Koester, Water/ Wastewater Superintendent Jose Rodriguez, Finance and HR Manager Barry Kelly.

E. CONSENT AGENDA:

1. Approval of Minutes of the Regular Board Meeting of May 16th, 2023
2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of May 1, 2023 through May 31, 2023, totaling \$1,386,745.23 which includes \$296,205.80 for payments to vendors, \$290,784.45 for Payroll, \$415,706.55 paid to the City of Hollister for collection of City sewer billings (net of our fees), and \$6,366.15 for customer refunds.

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
05/01/2023	51059	MERITAGE HOMES OF CALIFORNIA,	\$5,150.60
05/01/2023	51278	PEARSON PROPERTIES	\$132.16
05/01/2023	51279	MICHELLE FELIX	\$87.11
05/01/2023	ACH2579	Sterling Administration Health	\$5.00
05/02/2023	ACH2580	Sterling Administration Health	\$150.00
05/04/2023	51258	Ace Hardware (Johnson Lumber Co.)	\$327.67
05/04/2023	51259	American AED	\$6,256.00
05/04/2023	51260	AT&T	\$417.12
05/04/2023	51261	AT&T	\$498.32
05/04/2023	51262	Auto Tech Service Center, Inc.	\$3,080.00
05/04/2023	51263	Brigantino Irrigation	\$131.01
05/04/2023	51264	CWEA Membership- TCP	\$105.00
05/04/2023	51265	Hach Company	\$1,063.19
05/04/2023	51266	Hollister Auto Parts, Inc.	\$240.81
05/04/2023	51267	Iconix Waterworks (US) Inc.	\$4,751.68
05/04/2023	51268	Itron, Inc.	\$8,553.60
05/04/2023	51269	McKinnon Lumber Co., Inc.	\$169.79
05/04/2023	51270	Petty Cash	\$90.00

05/04/2023	51271	Recology San Benito County	\$326.68
05/04/2023	51272	San Benito Tire Pros & Automotive	\$25.00
05/04/2023	51273	State Water Resources Control Board-DWOC	\$60.00
05/04/2023	51274	State Water Resources Control Board-DWOC	\$60.00
05/04/2023	51275	State Water Resources Control Board-DWOC	\$60.00
05/04/2023	51276	True Value Hardware	\$6.10
05/04/2023	51277	Tyler Technologies, Inc.	\$5,397.13
05/05/2023	ACH2581	Sterling Administration Health	\$2,094.00
05/05/2023	ACH2582	Principal	\$3,648.60
05/05/2023	JN00404	Net Pay	\$72,804.01
05/05/2023	JN00404	Total Tax	\$18,838.89
05/08/2023	51281	Jesse Mack Company Inc.	\$92,425.95
05/08/2023	ACH2583	CalPERS - Retirement	\$23.08
05/08/2023	ACH2584	CalPERS - Retirement	\$240.17
05/08/2023	ACH2585	CalPERS - Retirement	\$3,997.58
05/08/2023	ACH2586	Sterling Administration Health	\$686.00
05/08/2023	ACH2587	CalPERS - Retirement	\$7,014.40
05/08/2023	ACH2588	CalPERS - Retirement	\$8,284.36
05/08/2023	ACH2589	iCloud	\$11,150.95
05/08/2023	ACH2590	Nationwide Retirements Solutions	\$15,246.13
05/10/2023	ACH2591	Sterling Administration Health	\$275.78
05/10/2023	ACH2592	Sterling Administration Health	\$685.00
05/11/2023	51282	Ace Hardware (Johnson Lumber Co.)	\$40.55
05/11/2023	51283	Brenntag Pacific, Inc.	\$6,710.76
05/11/2023	51284	C & N Tractors	\$1,470.94
05/11/2023	51285	City of Hollister-Finance Dept	\$415,706.55
05/11/2023	51286	DKF Solutions Group, LLC	\$4,860.00
05/11/2023	51287	Edges Electrical Group, LLC	\$67.57
05/11/2023	51288	Mission Uniform Service	\$788.79
05/11/2023	51289	Palace Business Solutions	\$70.35
05/11/2023	51290	San Benito Tire Pros & Automotive	\$211.95
05/11/2023	51291	Toro Petroleum Corp.	\$2,088.08
05/11/2023	51292	Trans Union LLC	\$170.29
05/11/2023	51293	U.S. Bank Corporate Payment Systems	\$2,582.54
05/11/2023	51294	USA Blue Book	\$450.27
05/11/2023	51295	Veolia Water Technologies	\$14,877.15
05/11/2023	51296	Wallace Group	\$6,757.50
05/11/2023	ACH2593	Sterling Administration Health	\$50.00
05/11/2023	JN00405	Net Pay	\$11,699.36
05/11/2023	JN00405	Total Tax	\$5,262.62
05/12/2023	ACH2594	Sterling Administration Health	\$225.00
05/12/2023	ACH2595	ADP	\$2,135.19
05/15/2023	ACH2596	Sterling Administration Health	\$134.00
05/15/2023	ACH2597	Sterling Administration Health	\$151.27
05/15/2023	ACH2598	Colonial Life	\$1,863.36
05/17/2023	ACH2599	Sterling Administration Health	\$92.93
05/17/2023	ACH2600	Sterling Administration Health	\$1,093.00
05/18/2023	51297	ACC Business	\$1,323.29
05/18/2023	51298	Ace Hardware (Johnson Lumber Co.)	\$28.12
05/18/2023	51299	Brigantino Irrigation	\$61.91
05/18/2023	51300	CM Analytical, Inc.	\$14,366.25
05/18/2023	51301	De Lay & Laredo	\$2,933.00
05/18/2023	51302	Ebix, Inc.	\$466.98
05/18/2023	51303	Iconix Waterworks (US) Inc.	\$177.53
05/18/2023	51304	Michael Hidalgo obo Life CPR Training	\$2,500.00

05/18/2023	51305	Mission Uniform Service	\$373.04
05/18/2023	51306	Monterey Bay Air Resources District	\$5,123.00
05/18/2023	51307	San Benito County Water District	\$377,682.28
05/18/2023	51309	Star Concrete	\$599.24
05/18/2023	51310	UWUA Local 820	\$784.72
05/18/2023	ACH2601	Sterling Administration Health	\$360.00
05/18/2023	JN00406	Net Pay	\$67,396.59
05/18/2023	JN00406	Total Tax	\$17,369.21
05/19/2023	ACH2602	Sterling Administration Health	\$40.00
05/22/2023	51311	101 Trailer Sales	\$6,792.53
05/22/2023	ACH2603	CalPERS - Retirement	\$23.08
05/22/2023	ACH2604	Sterling Administration Health	\$150.00
05/22/2023	ACH2605	CalPERS - Retirement	\$6,977.10
05/22/2023	ACH2606	CalPERS - Retirement	\$8,345.22
05/22/2023	ACH2607	CalPERS - Health Insurance	\$25,261.67
05/23/2023	ACH2608	Nationwide Retirements Solutions	\$9,971.81
05/25/2023	51279	MICHELLE FELIX	\$115.32
05/25/2023	51312	A-1 Services	\$403.00
05/25/2023	51313	Ace Hardware (Johnson Lumber Co.)	\$483.26
05/25/2023	51315	American Water Works Association (AWWA)	\$2,517.00
05/25/2023	51316	Bryan Mailey Electric, Inc	\$3,333.84
05/25/2023	51317	Central Ag Supply LLC	\$1,877.09
05/25/2023	51318	EBCO Pest Control	\$69.00
05/25/2023	51319	Exceedio	\$3,205.12
05/25/2023	51320	Extreme Air, Inc.	\$360.00
05/25/2023	51321	Iconix Waterworks (US) Inc.	\$6,847.50
05/25/2023	51322	InfoSend	\$3,248.39
05/25/2023	51323	Luis M. Vasquez-Herrera	\$53.36
05/25/2023	51324	Mission Uniform Service	\$452.08
05/25/2023	51325	Pinnacle HealthCare	\$115.00
05/25/2023	51326	San Benito Tire Pros & Automotive	\$25.00
05/25/2023	51327	Sharp Engineering and Construction, Inc.	\$22,475.00
05/25/2023	51328	Toro Petroleum Corp.	\$1,936.05
05/25/2023	51329	Transene Company Inc (Shape Products)	\$153.10
05/25/2023	51330	True Value Hardware	\$6.12
05/25/2023	51331	USA Blue Book	\$1,383.75
05/25/2023	51332	Velodyne	\$3,693.14
05/25/2023	51333	Verizon Wireless	\$418.38
05/25/2023	51345	LISA CAMPISI	\$13.76
05/25/2023	51347	DUANE H DIBBLE	\$140.45
05/25/2023	51348	STEVE TAYLOR	\$382.59
05/25/2023	51349	BARRY J BRADY	\$161.70
05/25/2023	51350	LYDIA NUNEZ	\$182.46
05/25/2023	ACH2609	Sterling Administration Health	\$35.23
05/25/2023	ACH2610	P G & E	\$29,143.08
05/30/2023	ACH2611	Sterling Administration Health	\$140.00
05/31/2023	ACH2612	Sterling Administration Health	\$150.00

-\$1,386,745.23

3. Receive Associate Engineer Monthly Status Report. (May Report Not Available)
4. Receive Finance Manager Monthly Status Reports: a. Narrative Report, b. Operation Summary, c. Statement of Income, d. Investment Summary, and e. Board Designated Reserves.
5. Receive Superintendent Monthly Status Reports: a. Maintenance, b. City Meter Reading, and c. Groundwater Level Measurement.
6. Receive General Manager Monthly Status Report.

President Brown asked for public comment and upon receiving none, President Brown requested a motion to approve the consent agenda. Upon a motion made by Director Mauro to approve the Consent Agenda, seconded by Director Parker, for which President Brown then took a roll call vote as follows: (JB), yes; (EM), yes; (JP), yes; (MA) yes; and (DB) yes; the motion carried 5-0.

F. NEW BUSINESS:

1. **Approve the Capital Expenditure and Authorize the General Manager to purchase 300 Replacement 1" Diameter Water Meters with accompanying Itron ERTs for a Total Cost not to Exceed \$107,000. (Not a project under CEQA per Article 20, Section 15378)**

General Manager Lander spoke on the matter informing the board that this is a typical yearly purchase of meters to restock our supply. Mr. Lander further explained that Itron is our reoccurring vendor and that the only way to get some sort of discount is to purchase meters at higher quantities.

President Brown then asked for any public comment. Upon receiving no public comment, President Brown requested a motion to approve the resolution. Director Alcorn made a motion to Approve the Capital Expenditure and Authorize the General Manager to purchase 300 Replacement 1" Diameter Water Meters with accompanying Itron ERTs for a Total Cost not to Exceed \$107,000. This motion was seconded by Director Mauro for which President Brown then took a roll call vote as follows: (JP), yes; (MA), yes; (JB) yes; (EM) yes; and (DB) yes; the motion carried 5-0.

2. **Authorize the General Manager to Purchase the Temetra Passive Data Colleciton Network Solution from Meter, Valve & Control for a Cost Not to Exceed \$412,000. (Categorically exempt from CEQA under Article 19, Section 15301 b) and d), and Article 19, Section 15302 c))**

General Manager Lander informed the board that this is a project that has been budgeted for the last two years, but now with supply being accessible the district is asking to move forward with it. The vendor has shipped all required hardware to the district already to confirm all materials are present to start work in July 2023, with a timeframe of 4-6 months to completion.

Mr. Lander explained that with this new software customers will be getting daily meter readings, which will be a topic of discussion in an upcoming newsletter. In addition to improved customer water management the software will be saving a minimum of 16 field operator hours monthly.

President Brown then asked for any public comment. Upon receiving no public comment, President Brown requested a motion to approve the resolution. Director Alcorn made a motion to Authorize the General Manager to Purchase the Temetra Passive Data Colleciton Network Solution from Meter, Valve & Control for a Cost Not to Exceed

\$412,000. This motion was seconded by Director Parker for which President Brown then took a roll call vote as follows: (JB), yes; (EM), yes; (JP) yes; (MA) yes; and (DB) yes; the motion carried 5-0.

3. Consider Approval and Adoption of the District Budget for Fiscal Year 2023-24.

General Manager/ Secretary Lander reported that overall, the district expects an increase in operational costs due to inflation pressure reaching 15% across the board. The proposed operational costs have increased by approximately \$1,000,000 over the last year. The district has been successful though in increasing efficiency, improving financial controls, and have spent more resources focusing on the long-term financial planning to prepare for these new challenges.

Mr. Lander informed the board that with our current allocation of water we are planning to operate both treatment plants as close to their operating capacities as possible for most of the year, a decision San Benito County Water District and the City of Hollister agreed on. In doing this the district will be improving water quality for customers and also increasing our historic usage so that in the event of future droughts we improve our CVP allocation when cuts get made. General Manager Lander continues by informing the board that with West Hills and Lessalt both being operational and producing at such a high rate and with chemical costs going up 15-20%, chemical costs are going to be significantly higher than previous years. In addition to increased chemical costs, raw water costs also went up significantly from approximately \$450 an acre foot to approximately \$750 an acre foot.

Finance and Human Resources Manager Barry Kelly included that the district's reserves are looking at \$600,000 worth of interest income and that the decrease to our net income is due to the increase of production costs with the two plants. The overall budget of FY 23/24 reflects a net loss of \$1,685,012, with no provision for non- operating revenues from capacity fees, miscellaneous fees, or interest income, the combination of which will decrease the projected loss.

Director Alcorn and Buzzetta discussed approving the budget but request that we review the budget on a bimonthly basis during the board meetings. Mr. Lander agreed that we should be able to work something out to provide the board with updates on how the budget is going.

President Brown then asked for any public comment. Upon receiving no public comment, Director Buzzetta made a motion to Consider Approval and Adoption of the District Budget for Fiscal Year 2023-24, with the added stipulation that an updated budget will be reported on a bimonthly basis. This motion was seconded by Director Parker for which President Brown then took a roll call vote as follows: (JB), yes; (EM), yes; (JP) yes; (MA) yes; and (DB) yes; the motion carried 5-0.

G. BOARD COMMITTEE and STATUS REPORTS

1. **Governance Committee:** (No meeting)
2. **Water/Wastewater Committee:** (No meeting)
3. **Finance Committee:** (Meeting Held June 16th) Regarding the FY 23/24 budget.
4. **Policy and Procedure Committee:** (No meeting)
5. **Personnel Committee:** (No meeting)
6. **Water Resources Association of San Benito County (WRA):** (Meeting Held June 1st)
Director Alcorn made a brief report on the meeting, stating that it was regarding budget and the various special programs they offer.

H. BOARD and STAFF REPORTS

1. **Directors:** No Report.
2. **District Counsel:** Attorney Michael Laredo commented that AB1343 training is required for all employees and his office can arrange that training.
3. **General Manager:** General Manager Lander discussed the Gavilan groundbreaking that he attended, informing the board that he emphasized the importance of supporting the sewer project to attendees. Mr. Lander continued with giving updates on the current projects the district is working towards before changing subject and discussing unpaid water issues. He informed the board the district is looking at approximately \$350,000 of unpaid water, which has put us in the position to start reinstating liens and shut offs for nonpayment.

I. FUTURE AGENDA ITEMS: Water rate study results are anticipated in August.

J. ADJOURNMENT: President Brown adjourned the meeting at 6:57 p.m.

APPROVED BY THE BOARD:

Dorothy J. L. Brown, President

RESPECTFULLY SUBMITTED:

Drew A. Lander, Secretary



Disbursement Summary

June 1, 2023 through June 30, 2023

Date	Num	Name	Amount
06/01/2023	51334	Ace Hardware (Johnson Lumber Co.)	\$247.33
06/01/2023	51335	AT&T	\$432.60
06/01/2023	51336	Brenntag Pacific, Inc.	\$19,339.32
06/01/2023	51337	Calgon Carbon Corporation	\$71,697.79
06/01/2023	51338	Edges Electrical Group, LLC	\$833.92
06/01/2023	51339	Mission Uniform Service	\$379.04
06/01/2023	51340	Municipal Maintenance Equipment	\$862.94
06/01/2023	51341	Petty Cash	\$15.00
06/01/2023	51342	Razzolink.com	\$76.95
06/01/2023	51343	USA Blue Book	\$306.44
06/01/2023	51344	Veolia Water Technologies	\$723.60
06/01/2023	JN00428	Net Pay	\$69,607.14
06/01/2023	JN00428	Total Tax	\$17,089.16
06/02/2023	51163	JUNE & JIMMIE MILLER	\$7.01
06/02/2023	51352	Bryan Mailey Electric, Inc	\$5,985.97
06/02/2023	ACH2613	Sterling Administration Health	\$382.09
06/05/2023	ACH2614	CalPERS - Retirement	\$23.08
06/05/2023	ACH2615	Sterling Administration Health	\$161.78
06/05/2023	ACH2616	CalPERS - Retirement	\$240.17
06/05/2023	ACH2617	Principal	\$3,648.60
06/05/2023	ACH2618	CalPERS - Retirement	\$3,997.58
06/05/2023	ACH2619	CalPERS - Retirement	\$6,920.63
06/05/2023	ACH2620	CalPERS - Retirement	\$7,777.07
06/05/2023	ACH2621	Nationwide Retirements Solutions	\$9,156.61
06/05/2023	ACH2622	P G & E	\$29,333.84
06/05/2023	JN00416	SBCWD March 2023 Payment Correction	\$226,763.71
06/06/2023	ACH2623	iCloud	\$11,869.10
06/07/2023	51353	Ace Hardware (Johnson Lumber Co.)	\$260.08
06/07/2023	51355	AT&T	\$279.53
06/07/2023	51356	Backflow Apparatus & Valve Co. (BAVCO)	\$121.40
06/07/2023	51357	Badger Meter, Inc.	\$28,873.26
06/07/2023	51358	Brenntag Pacific, Inc.	\$14,134.08
06/07/2023	51359	Central Ag Supply LLC	\$703.21
06/07/2023	51360	CM Analytical, Inc.	\$11,728.75
06/07/2023	51361	Iconix Waterworks (US) Inc.	\$1,017.98
06/07/2023	51362	J M Electric	\$5,594.50
06/07/2023	51363	Jacob Machado	\$248.00
06/07/2023	51364	Mission Uniform Service	\$421.75
06/07/2023	51365	Recology San Benito County	\$326.68
06/07/2023	51366	RJR Recycling	\$1,000.00
06/07/2023	51367	Simplot Grower Solutions	\$1,331.00
06/07/2023	51368	Star Concrete	\$767.49
06/07/2023	51369	U.S. Bank Corporate Payment Systems	\$5,261.79
06/07/2023	51370	USA Blue Book	\$1,083.09

Disbursement Summary

06/07/2023	ACH2624	Sterling Administration Health	\$150.00
06/09/2023	51399	ADAM & COLLEEN SOARES	\$23.06
06/09/2023	51400	FLORENCIO MARQUEZ	\$1,082.60
06/09/2023	51401	NATALIE & MICHAEL KEAVENEY	\$120.26
06/09/2023	ACH2625	ADP	\$200.43
06/12/2023	ACH2626	Sterling Administration Health	\$150.00
06/14/2023	51371	All American Mailing, Inc.	\$3,069.32
06/14/2023	51372	A-1 Services	\$403.00
06/14/2023	51373	ACC Business	\$1,323.29
06/14/2023	51374	Atlas Copco Compressors LLC	\$1,018.59
06/14/2023	51375	Auto Tech Service Center, Inc.	\$120.00
06/14/2023	51376	Brenntag Pacific, Inc.	\$38,037.66
06/14/2023	51377	Brigantino Irrigation	\$24.05
06/14/2023	51378	City of Hollister-Finance Dept	\$4,461.96
06/14/2023	51379	City of Hollister-Finance Dept	\$443,433.62
06/14/2023	51379	City of Hollister-Finance Dept Reversal	-\$443,433.62
06/14/2023	51380	Dee J Burbank	\$250.00
06/14/2023	51381	Edges Electrical Group, LLC	\$18.40
06/14/2023	51382	Green Line	\$4,552.50
06/14/2023	51383	Hach Company	\$835.61
06/14/2023	5138450807	KB Home	\$14,205.00
06/14/2023	51385	Manuel Chavez	\$192.37
06/14/2023	51386	Mission Uniform Service	\$379.04
06/14/2023	51387	O'Reilly Auto Parts	\$72.63
06/14/2023	51388	Ryan Herco Flow Solutions	\$483.04
06/14/2023	51389	San Benito County Water District	\$384,031.69
06/14/2023	51391	Scott Watson	\$166.54
06/14/2023	51392	Shape, Inc.	\$4,297.52
06/14/2023	51393	The Door Company	\$2,314.00
06/14/2023	51394	Toro Petroleum Corp.	\$2,614.55
06/14/2023	51395	TPO	\$1,976.25
06/14/2023	51396	Trans Union LLC	\$182.70
06/14/2023	51397	Triplepoint Environmental LLC	\$71,033.65
06/14/2023	51398	Velodyne	\$192.01
06/14/2023	ACH2627	Sterling Administration Health	\$376.00
06/14/2023	ACH2628	Colonial Life	\$1,881.16
06/15/2023	ACH2629	Sterling Administration Health	\$5.00
06/15/2023	JN00429	Net Pay	\$68,852.24
06/15/2023	JN00429	Total Tax	\$17,802.58
06/16/2023	ACH2630	ADP	\$2,146.41
06/20/2023	51402	Ace Hardware (Johnson Lumber Co.)	\$233.70
06/20/2023	51403	Badger Meter, Inc.	\$5,083.49
06/20/2023	51404	Brenntag Pacific, Inc.	\$56,661.75
06/20/2023	51405	Brigantino Irrigation	\$211.29
06/20/2023	51406	Central Ag Supply LLC	\$324.71
06/20/2023	51407	Community Printers, Inc.	\$2,320.07
06/20/2023	51408	De Lay & Laredo	\$2,644.50

Disbursement Summary

06/20/2023	51409	DKF Solutions Group, LLC	\$2,925.00
06/20/2023	51410	EBCO Pest Control	\$69.00
06/20/2023	51411	Iconix Waterworks (US) Inc.	\$2,789.87
06/20/2023	51412	John Smith Road Landfill	\$785.99
06/20/2023	51413	Metropolitan Compounds Inc	\$5,984.18
06/20/2023	51414	Mission Uniform Service	\$421.75
06/20/2023	51415	Postal Graphics	\$70.89
06/20/2023	51416	Primex	\$7,708.84
06/20/2023	51417	Reliable Translations	\$212.94
06/20/2023	51418	TPO	\$1,974.00
06/20/2023	51419	USA Blue Book	\$484.37
06/20/2023	ACH2631	CalPERS - Retirement	\$23.08
06/20/2023	ACH2632	Sterling Administration Health	\$134.00
06/20/2023	ACH2633	CalPERS - Retirement	\$7,088.03
06/20/2023	ACH2634	CalPERS - Retirement	\$7,784.19
06/20/2023	ACH2635	CalPERS - Health Insurance	\$25,261.67
06/21/2023	ACH2636	Nationwide Retirements Solutions	\$9,156.61
06/22/2023	51420	All American Mailing, Inc.	\$2,993.69
06/23/2023	ACH2637	Sterling Administration Health	\$204.00
06/26/2023	50908	LACY & WYATT BOURDET	\$248.46
06/26/2023	51437	PATRICK DUNN	\$144.97
06/26/2023	51438	AMANDA C PERRY	\$14.89
06/26/2023	51440	DAVID & ISAAK RODRIGUEZ	\$11.99
06/26/2023	51441	JENNIFER MATTSON & JOSEPH RONDINA	\$50.24
06/28/2023	51421	Ace Hardware (Johnson Lumber Co.)	\$32.04
06/28/2023	51422	AT&T	\$1,928.24
06/28/2023	51423	Brenntag Pacific, Inc.	\$15,236.53
06/28/2023	51424	Buckles-Smith	\$802.88
06/28/2023	51425	City of Hollister-Finance Dept	\$438,971.66
06/28/2023	51426	exceedio	\$3,205.12
06/28/2023	51427	Extreme Air, Inc.	\$360.00
06/28/2023	51428	Filmtec Corporation	\$1,089.63
06/28/2023	51429	First Trust Alarm Company	\$698.00
06/28/2023	51430	InfoSend	\$3,258.20
06/28/2023	51431	Razzolink.com	\$76.95
06/28/2023	51432	San Benito County Water District	\$117,488.00
06/28/2023	51433	San Benito County Water District	\$316,959.24
06/28/2023	51434	San Benito Tire Pros & Automotive	\$196.54
06/28/2023	51435	Toro Petroleum Corp.	\$1,797.96
06/28/2023	51436	Veolia Water Technologies	\$1,782.88
06/29/2023	JN00430	Net Pay	\$66,944.47
06/29/2023	JN00430	Total Tax	\$17,285.75
06/30/2023	51478	RICHARD & LAURA MOORER	\$99.56
06/30/2023	51479	PHILIP & ANTOINETTE RODRIGUEZ	\$102.36
06/30/2023	51480	DIANNA & ALEX DININNO	\$139.81
06/30/2023	51481	MARK NICHOLSON, INC.,	\$323.02
			\$2,322,877.17

Disbursement Summary

S U M M A R Y: Accounts

Payable Paid to:

Vendors	\$460,396.15
Payroll - Employee	\$371,436.53
San Benito County	\$1,045,242.64
City of Hollister for City Billing Collected, Net of Fees	\$443,433.62
Customer Refunds & Returned Checks/ACH	\$2,368.23
Debt & Finance	\$0.00
Total Disbursements	<u><u>\$2,322,877.17</u></u>

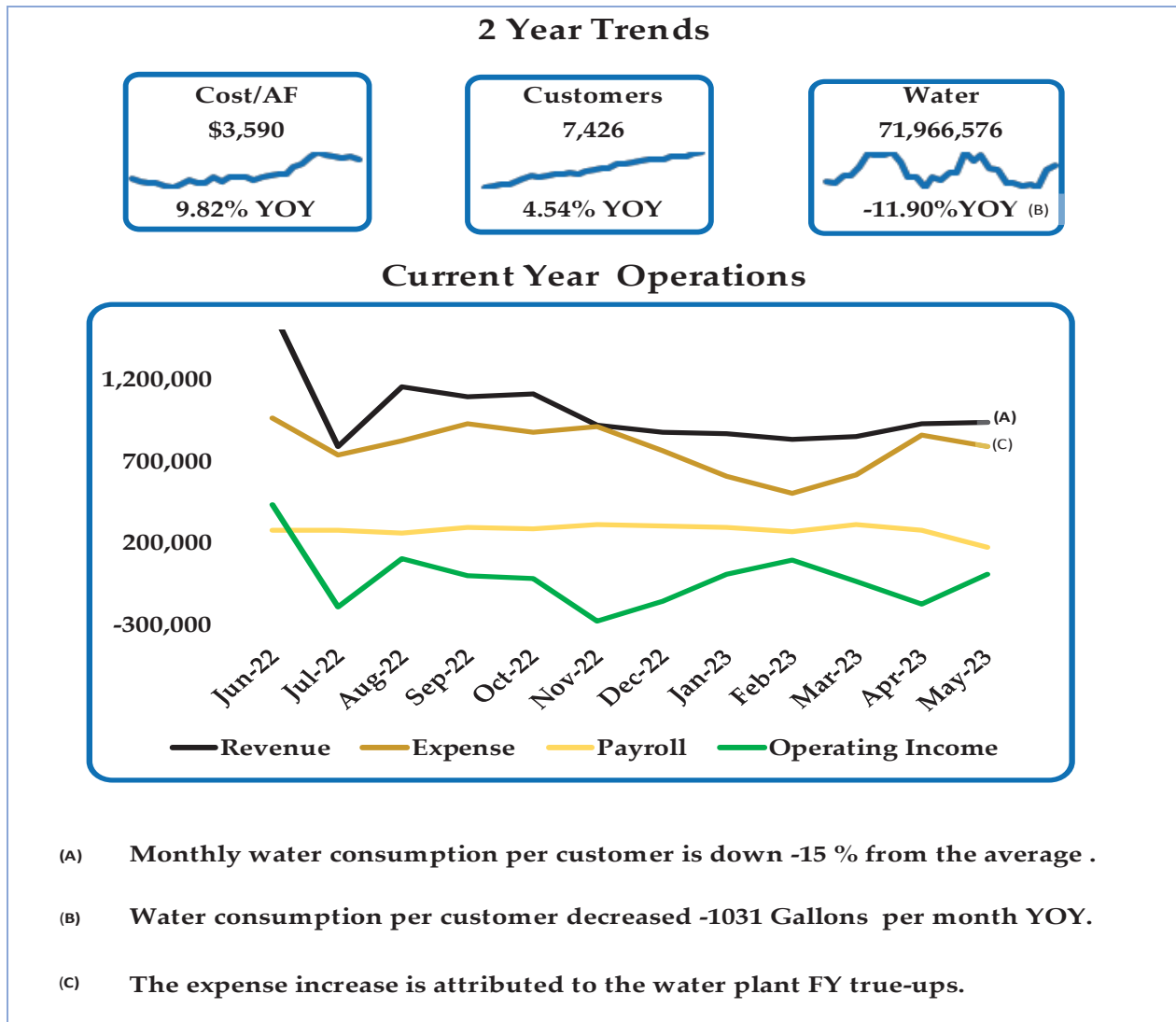
Staff Report

Agenda Item: **F – 4a**

DATE: July 11, 2023 (July 18, 2023 Meeting)
TO: Board of Directors
FROM: Finance & Human Resource Manager, Barry Kelly
SUBJECT: Statements of: a. Operations, b. Income, c. Investment, and d. Board Designated Reserves.

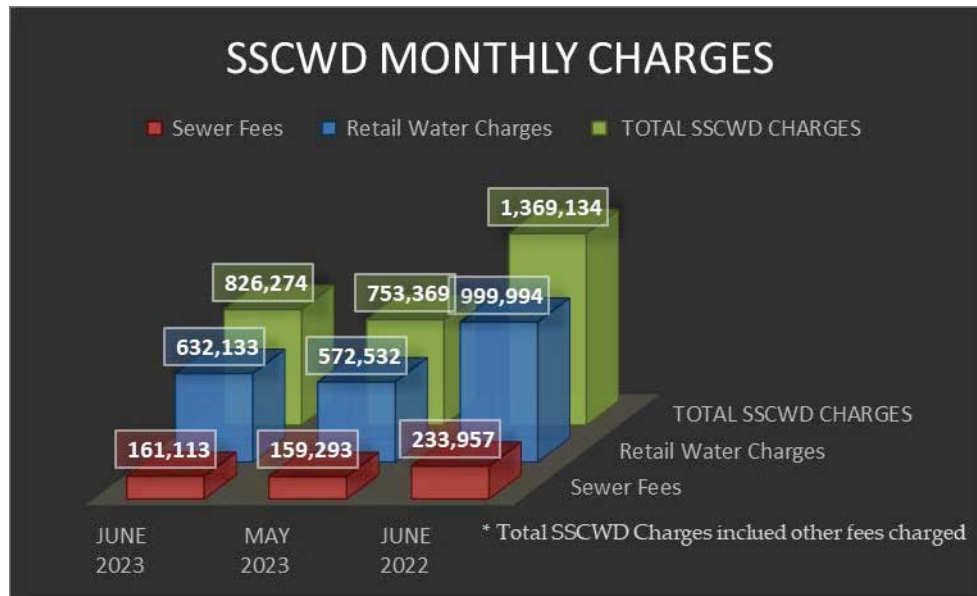
OPERATION SUMMARY

(June 2023)



Connections increased by just 102 accounts in FY23 an 80% decrease YOY. We now serve 7,426 customers and 5,541 accounts utilize online services and electronic payments.

YTD Revenue for FY 23 has decreased 8.9% YOY but is projected to fall short of the budget by less than 1%. The budget assumes that water conservation efforts equal growth in accounts. Actual water consumption per customer is down 14% versus 4% growth in customers. Billed Metered water YTD through was 723.7 MM gallons vs 804.3 MM in the prior year.



The percentage of past due accounts receivable through May 23 is 15%.

STATEMENT OF INCOME

(May 23)

YTD, we show an overall Net Operating loss of \$(577k) vs a gain of \$123k in the prior year. The variance is attributed to a 7% decrease in revenue and a 1.1% increase in costs. The projected FY 23 net income from operations exceeds the budget by 977k. The favorable performance is largely due to both water plants being shut down. The cost per Acre Foot, CPAF, of SSCWD water in FY 23 is \$3635 which is an 11% increase over FY22. FY 21 CPAF was \$2985. Since then, Raw Water cost has increased by \$334. Net of this impact, the annual increase in CPAF is less than 5%.

INVESTMENT SUMMARY

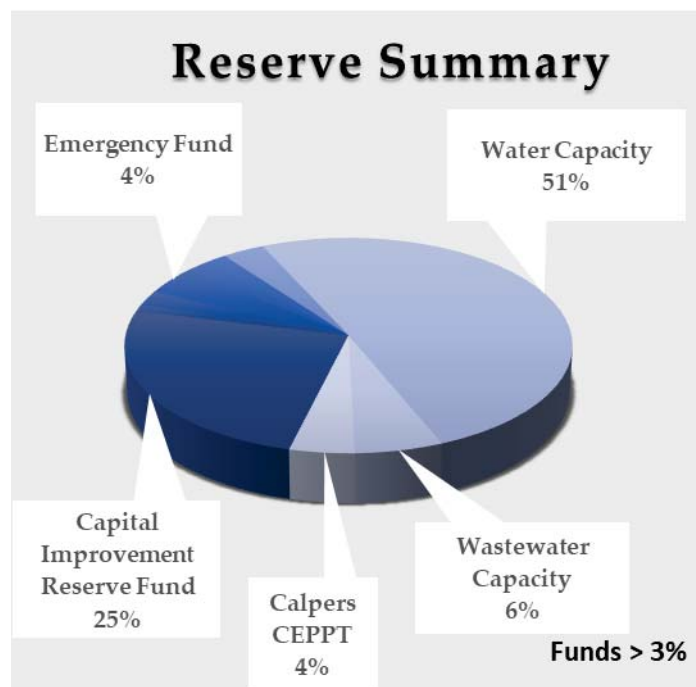
(May 2023)

Cash and invested funds total \$24.4 million. Funds invested at MBS now total 17.2 million. The CD's purchased yield between 2.5% and 4.5% By FY24 income from investments is projected to be 600k.

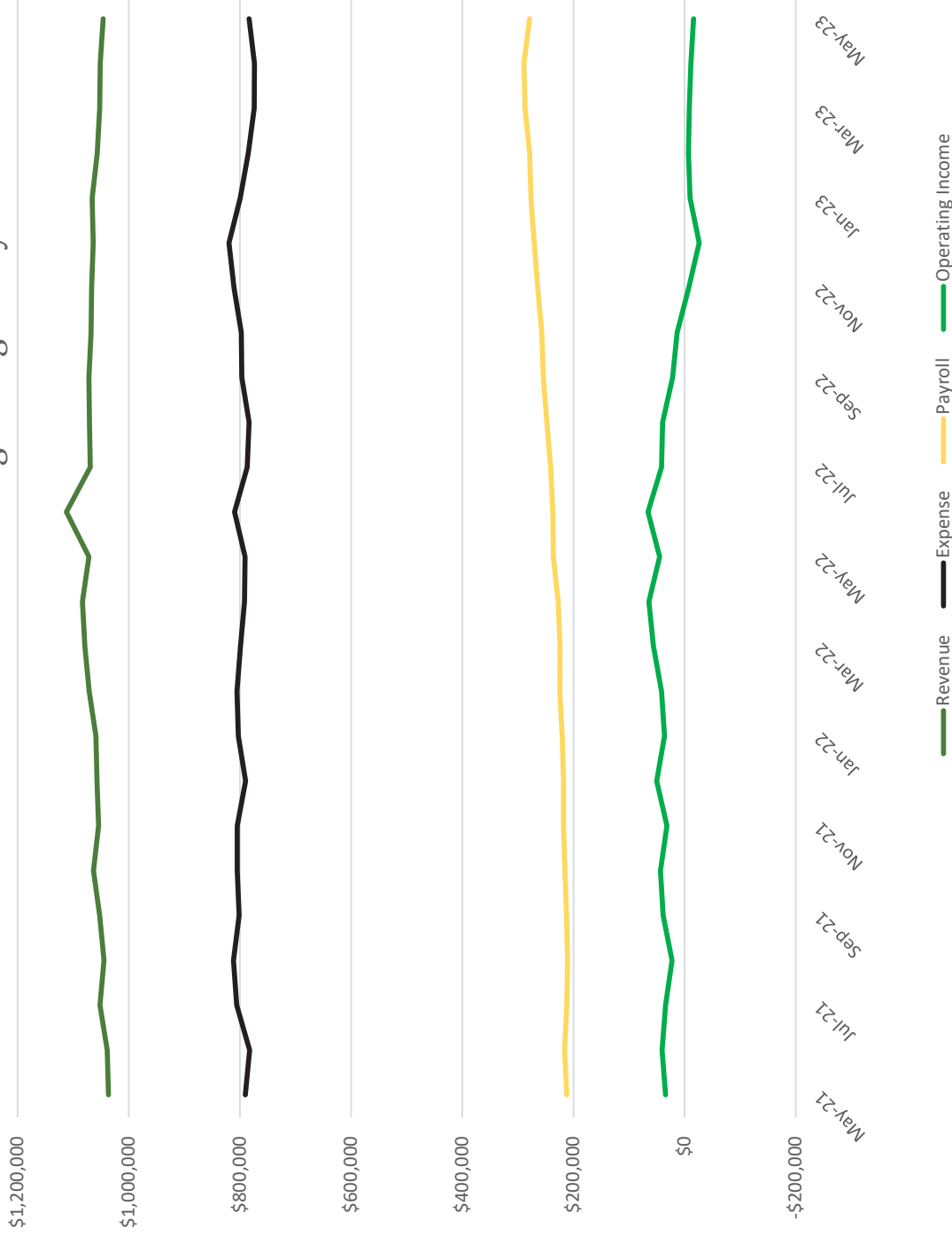
RESERVES

(May 2023)

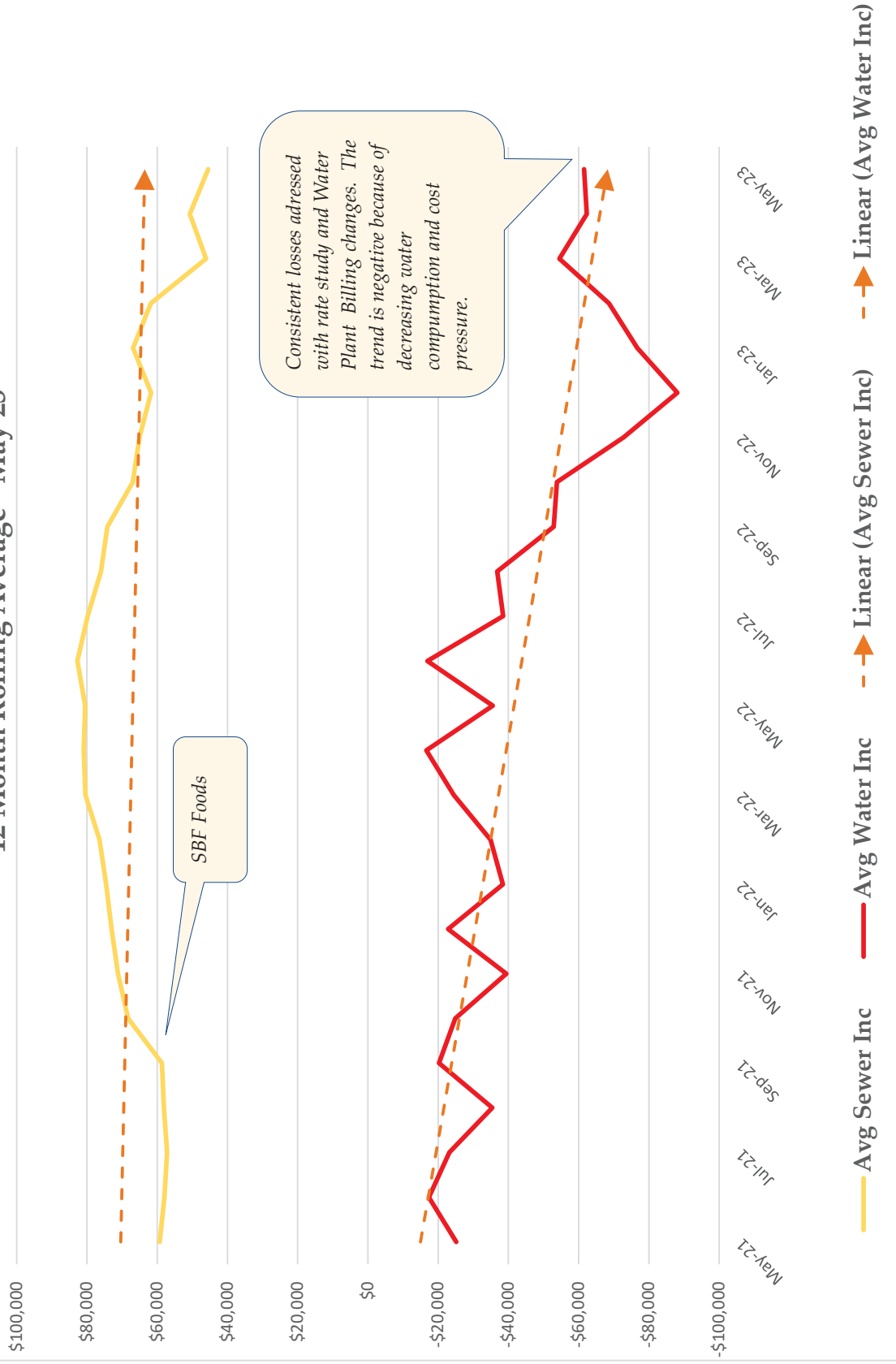
Reserves total \$23.2 million which equals 45% of capitalized assets. See the Board Designated Reserve report for a summary of the transactions and the status of actual expenditures per Board authorized expenditures.



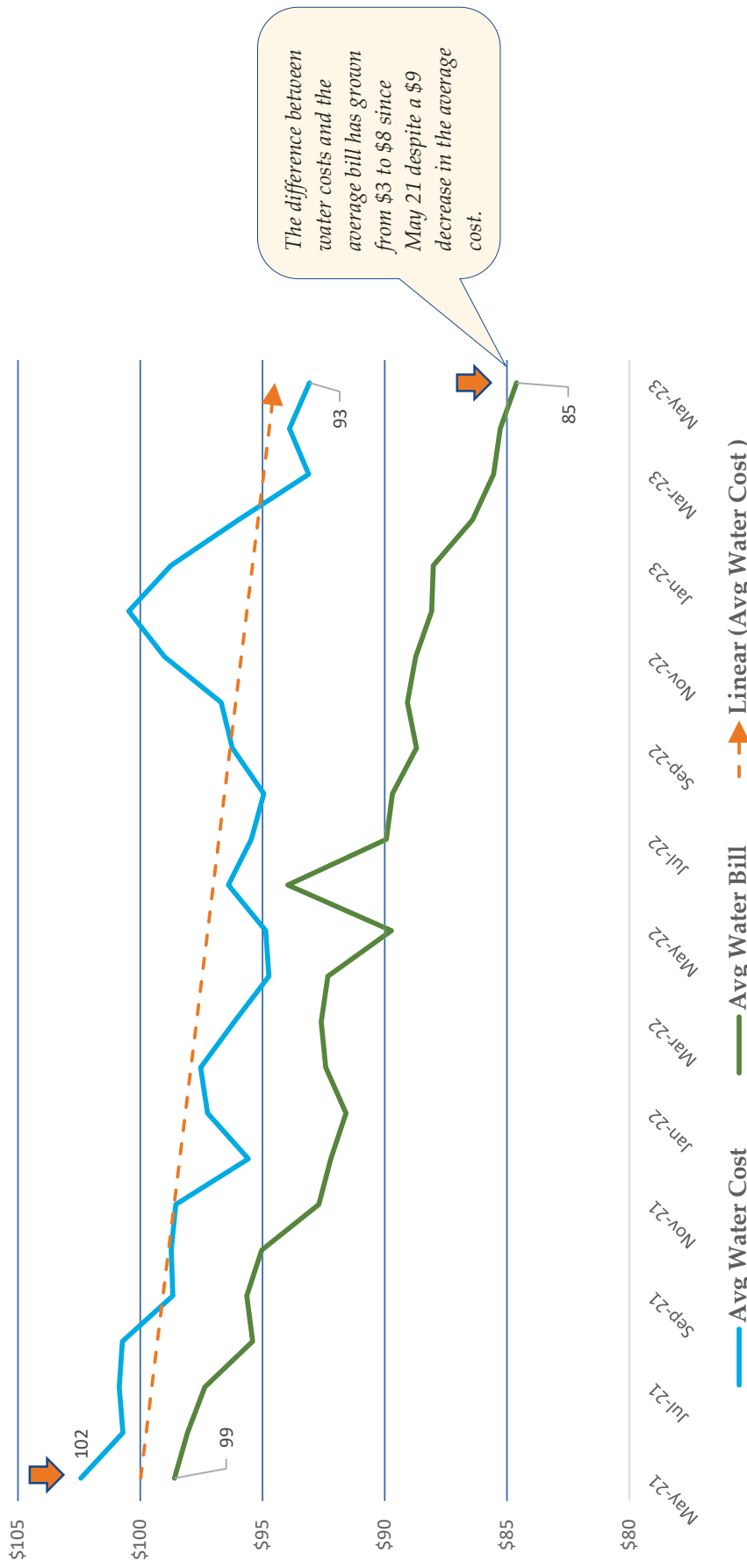
Statement of Operating Income 12 Month Rolling Average - May 23



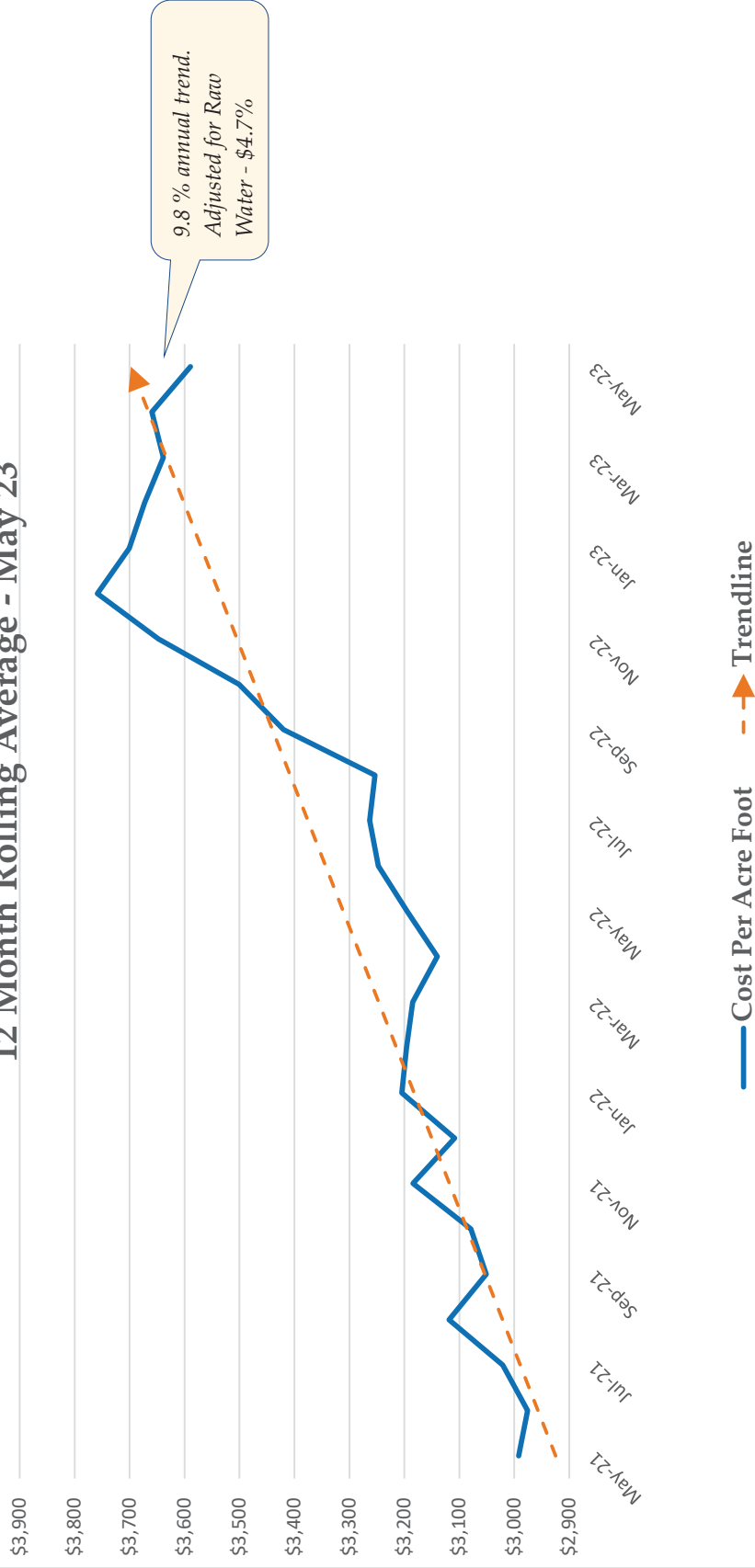
Operating Income by Segment 12 Month Rolling Average - May 23



Per Customer Water Charges 12 Month Rolling Average - May 23



Cost Per Acre Foot 12 Month Rolling Average - May 23



Sunnyslope County Water District
2022 / 2023
OPERATION SUMMARY (This Year)

ITEMS	JULY 2022	AUG. 2022	SEPT. 2022	OCT. 2022	NOV. 2022	DEC. 2022	JAN. 2023	FEB. 2023	MAR. 2023	APR. 2023	MAY 2023	JUNE 2023	TOTALS
NO. WATER CAPACITY FEE RECD	-	5	14	-	1	7	5	2	18	16	8	26	102
NO. WW CAPACITY FEE RECD	-	5	14	-	1	7	5	2	18	16	8	26	102
NO WATER ACCOUNTS	7,136	7,171	7,184	7,210	7,252	7,255	7,254	7,305	7,316	7,321	7,389	7,436	
NO. SSCWD SEWER ACCTS	1,234	1,238	1,234	1,240	1,241	1,261	1,261	1,276	1,271	1,272	1,294	1,298	
NO. COH SEWER ACCTS	4,638	4,675	4,692	4,709	4,757	4,738	4,771	4,790	4,807	4,807	4,834	4,887	
WaterSmart / Invoice Cloud													
Auto Pay	3,308	3,340	3,014	3,370	3,445	3,474	3,431	3,445	3,468	3,504	3,529	3,571	
Billar Portal	5	4	14	15	4	4	7	6	24	14	32	18	
Cloud Store	59	47	57	32	40	31	41	29	50	50	50	64	
Customer Portal	414	411	388	296	713	654	474	453	455	384	435	408	
Express Payments	316	217	317	190	302	259	281	265	302	248	313	277	
IVR	88	83	123	92	31	86	93	94	99	102	91	91	
Mobile Express Payments	442	298	366	281	41	328	322	350	360	323	372	349	
Mobile Bank Direct	613	564	647	590	541	580	571	510	582	493	482	461	
Payment Request	27	20	25	17	16	18	18	16	18	16	19	16	
Scheduled Payment	27	20	25	17	16	18	18	16	18	16	19	16	
Shopping Card	266	240	255	238	142	200	159	28	40	42	45	43	
ShopSmart / Invoice Cloud	5,616	5,274	5,264	5,115	4,979	5,683	5,410	5,402	5,533	5,550	5,604	5,541	
Total WaterSmart / Invoice Cloud													
NO. E-BILL / Invoice, Cloud (Paperless)	1,711	1,774	1,792	1,837	1,910	1,842	1,910	1,959	2,008	2,023	2,043	2,091	
MONTHLY CHARGES													
Retail Water Charges	\$ 453,214.18	\$ 752,415.08	\$ 699,038.85	\$ 604,203.62	\$ 581,689.21	\$ 452,124.65	\$ 454,761.20	\$ 426,471.03	\$ 436,572.59	\$ 413,759.79	\$ 572,532.31	\$ 632,132.59	\$ 6,478,915.10
Sewer Fees	116,635.17	175,778.36	175,854.39	175,167.28	175,014.76	176,198.26	178,424.98	177,336.75	176,855.25	157,786.82	159,293.02	161,112.98	2,005,458.02
Installation Fees	-	405.00	7,290.00	-	880.00	2,835.00	2,025.00	1,090.00	7,290.00	6,480.00	3,240.00	10,530.00	42,065.00
Late Fees	8,935.54	11,140.54	12,150.06	12,659.14	-	1,460.65	7,198.64	6,649.18	5,754.48	5,700.23	4,823.88	5,456.95	81,969.29
Water Collection Fees, net	13,989.00	14,091.00	14,120.00	14,178.00	14,313.00	14,292.00	14,361.00	14,397.00	14,457.00	14,439.00	14,556.00	14,610.00	171,813.00
COH Biller Fees	690.00	810.00	980.00	650.00	1,170.00	1,010.00	1,042.80	1,097.00	532.70	(249.77)	(1,076.08)	2,431.02	8,880.67
Other Misc. Fees	593,463.89	954,639.98	909,483.30	806,858.04	773,066.97	647,920.56	657,813.62	626,833.96	641,462.02	597,916.07	753,369.13	826,273.54	8,789,101.08
TOTAL SSCWD CHARGES	\$ 416,964.67	\$ 420,086.18	\$ 421,288.49	\$ 423,329.93	\$ 424,769.20	\$ 424,636.60	\$ 427,158.47	\$ 428,282.81	\$ 428,179.64	\$ 428,121.53	\$ 429,396.48	\$ 437,436.56	\$ 5,109,650.56
CITY OF HOLLISTER CHARGES	\$ 10,688.28	\$ 10,783.04	\$ 10,809.92	\$ 10,849.04	\$ 10,867.20	\$ 10,884.08	\$ 10,959.16	\$ 10,983.87	\$ 11,000.11	\$ 11,032.66	\$ 11,077.20	\$ 11,115.66	\$ 131,045.22
COH Sewer Fees	(1,246.20)	(1,286.40)	(1,306.50)	(1,326.60)	(1,326.60)	(1,306.50)	(1,321.41)	(1,346.70)	(1,326.60)	(1,366.80)	(1,386.90)	(1,394.68)	(15,941.89)
COH Senior Discount	426,401.75	429,582.82	430,791.91	432,852.37	434,309.80	434,214.18	436,796.22	437,919.98	437,853.15	437,787.39	439,086.78	447,157.54	5,224,753.29
Total COH Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,887.44	\$ 4,623.05	\$ 4,461.96	\$ 4,309.98	\$ 4,536.69	\$ 29,033.23
Late Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL COH CHARGES	\$ 426,401.75	\$ 429,582.82	\$ 430,791.91	\$ 432,852.37	\$ 434,309.80	\$ 434,214.18	\$ 443,000.83	\$ 442,807.42	\$ 442,476.20	\$ 442,449.45	\$ 445,396.76	\$ 451,704.23	\$ 5,253,787.12
ACCOUNTS RECEIVABLE - Aged													
A/R for Sunnyslope Water**	\$ 948,794.59	\$ 1,011,469.90	\$ 975,756.28	\$ 975,638.28	\$ 947,830.97	\$ 785,518.99	\$ 792,811.27	\$ 766,980.93	\$ 820,686.60	\$ 741,591.28	\$ 866,661.71	\$ 935,366.23	
A/R for City of Hollister**	458,304.45	471,886.29	471,274.87	515,020.33	540,851.83	528,888.69	547,402.34	554,320.88	516,845.22	561,327.62	551,196.72	556,018.85	
Unapplied Payments	\$ 1,407,099.04	\$ 1,483,358.19	\$ 1,447,031.15	\$ 1,490,458.61	\$ 1,488,682.80	\$ 1,314,407.68	\$ 1,283,600.43	\$ 1,260,121.73	\$ 1,275,965.83	\$ 1,242,988.07	\$ 1,354,858.44	\$ 1,438,115.32	
Outstanding Bills Owed	\$ 188,801.28	\$ 189,085.53	\$ 209,454.47	\$ 303,265.45	\$ 303,265.45	\$ 0.00%	\$ 233,774.16	\$ 179,217.49	\$ 252,565.58	\$ 261,448.31	\$ 198,606.12	\$ 219,237.80	
Past Due	13.42%	12.75%	14.47%	20.35%	0.00%	0.00%	18.21%	14.22%	19.79%	21.03%	14.66%	15.24%	
% Past Due													

Sunnyslope County Water District

2022 / 2023

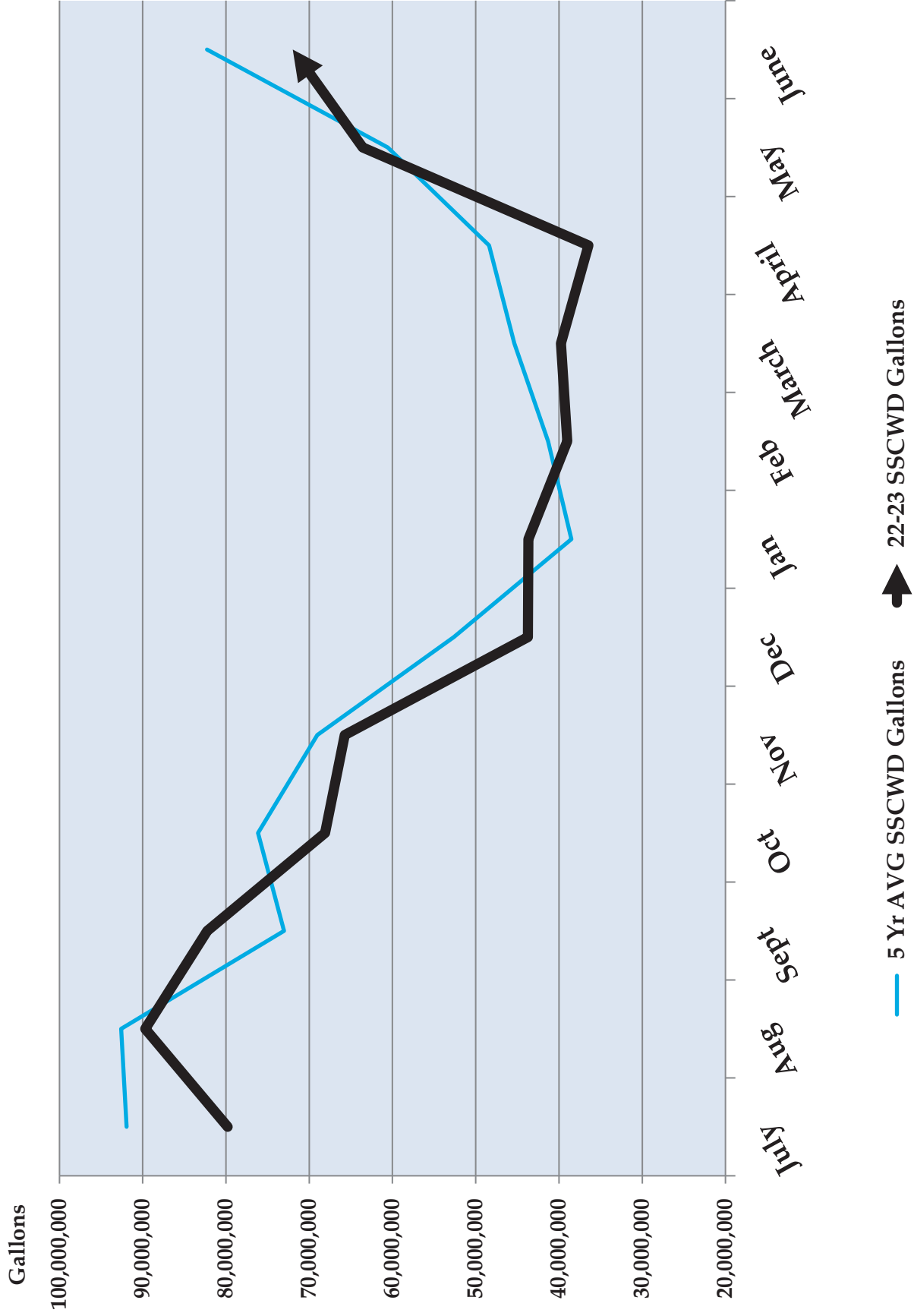
OPERATION SUMMARY (This Year)

ITEMS	JULY 2022	AUG. 2022	SEPT. 2022	OCT. 2022	NOV. 2022	DEC. 2022	JAN. 2023	FEB. 2023	MAR. 2023	APR. 2023	MAY 2023	JUNE 2023	TOTALS
WATER METERED													
Cubic Feet	10,668,300	11,991,600	10,996,600	9,102,500	8,788,100	5,845,300	5,839,700	5,201,300	5,315,900	4,885,500	8,501,100	9,621,200	96,757,100
Total SSCWD Gallons	79,798,884	89,697,168	82,254,568	68,086,700	65,734,988	43,722,844	43,680,956	38,905,724	39,762,932	36,543,540	63,588,228	71,966,576	723,743,108
WATER SOURCE													
Well #2 (Southside Road)	14,620,800	16,109,000	17,999,800	12,772,800	3,458,800	5,745,000	6,947,000	4,962,000	6,232,000	7,733,000	9,746,000	832,000	107,158,200
Well #5 (Ray Cir/Enterprise)	4,426,629	2,873,649	5,474,117	12,491,741	10,164,533	7,892,574	2,227,923	4,243,329	1,254,190	1,076,585	3,000,000	1,124,284	56,249,554
Well #7 (Enterprise Rd)	13,104,944	14,774,745	14,101,175	6,192,146	8,357,979	7,714,600	7,395,829	5,318,110	5,560,339	5,196,576	6,153,498	3,743,329	94,244,570
Well #8 (Ridgemark)	16,505,000	15,396,000	10,433,000	10,553,000	24,089,000	19,848,000	22,382,000	17,690,000	2,243,000	2,660,000	15,414,000	9,433,000	166,646,000
Well #11 (Southside Road)	29,613,000	28,949,000	24,292,000	18,279,000	16,165,000	17,275,000	18,236,000	15,228,000	13,301,000	11,070,000	16,960,000	2,215,000	206,085,000
TOTAL from Wells	72,270,373	78,102,394	72,500,092	60,288,687	62,235,312	58,975,174	57,188,752	47,441,439	28,590,529	27,736,461	51,273,498	13,978,613	630,381,324
Lessah W.T.P. I (High Zone)	-	-	-	-	-	-	-	-	-	-	-	-	-
Lessah W.T.P. I (Middle Zone)	-	-	360,000	-	-	-	-	-	-	22,515,000	23,096,000	26,720,000	93,339,000
West Hills W.T.P. @ COH #2	7,554,000	11,434,000	11,937,000	9,931,000	4,239,000	-	-	-	-	945,000	11,823,000	12,915,000	26,043,000
West Hills W.T.P. @ COH #4	10,714,000	15,648,000	14,613,000	14,188,000	14,211,000	-	-	-	-	-	1,218,000	13,456,000	59,769,000
West Hills W.T.P. @ COH #5	10,473,000	14,824,000	13,997,000	11,801,000	11,593,000	-	-	-	-	-	2,773,000	19,024,000	91,171,000
West Hills W.T.P. @ Well #2	12,203,000	15,694,000	12,456,000	11,640,000	11,006,000	-	-	-	-	-	1,187,000	19,481,000	83,356,000
West Hills W.T.P. @ Well #11	19,908,000	25,536,000	20,356,000	18,911,000	14,476,000	-	-	-	-	-	1,593,000	15,136,000	79,728,000
TOTAL Surface Water (Plant Production)	60,852,000	83,136,000	73,719,000	66,471,000	55,525,000	-	-	-	21,008,000	23,460,000	44,891,000	130,671,000	559,733,000
City Well Flow to SSCWD Gallons	190,200	163,000	143,200	79,000	218,500	-	-	-	-	-	-	-	793,900
City Surface Flow to SSCWD Gallons	14,400	14,400	8,900	10,200	10,800	-	100	-	200	119,600	-	-	793,900
Surface Flow to COH Gallons	(9,943,200)	(12,445,000)	(10,460,000)	(10,240,000)	(10,032,000)	(7,464,145)	(7,781,400)	(5,910,600)	(6,171,000)	(8,220,000)	(12,592,100)	(7,855,900)	(109,155,275)
Surface Flow to City Interities	(4,672,919)	(6,033,117)	(2,849,503)	(3,281,157)	(3,964,120)	(1,121,683)	(1,591,315)	(578,720)	(1,171,683)	(1,570,526)	(3,871,557)	(10,390,559)	(38,518,276)
TOTAL from City Interities	(14,464,919)	(18,343,217)	(13,166,803)	(13,432,457)	(13,772,620)	(7,464,145)	(7,940,615)	(6,489,320)	(7,243,383)	(9,683,626)	(16,463,657)	(18,246,459)	(146,711,421)
City Gallons	48,649,000	67,442,000	60,903,000	54,831,000	44,519,000	-	-	-	-	-	5,178,000	51,961,000	333,483,000
SSCWD Gallons	70,008,454	75,453,177	71,949,289	58,496,230	59,468,692	51,511,029	49,248,137	40,952,119	42,355,146	41,512,635	74,522,841	74,442,154	682,779,903
TOTAL Water Source	118,657,454	142,895,177	132,852,289	113,327,230	103,987,692	51,511,029	49,248,137	40,952,119	42,355,146	41,512,635	79,700,841	126,403,154	1,043,402,903
Estimated Water Gain(Loss)	9,790,430	14,243,991	10,305,279	9,590,470	6,266,296	(7,788,185)	(5,567,181)	(2,046,395)	(2,592,214)	(4,969,095)	(10,934,613)	(2,475,578)	40,962,205
Percent Difference	8.25%	9.97%	7.76%	8.46%	6.03%	-15.12%	-11.30%	-3.00%	-6.12%	-11.97%	-13.72%	-1.96%	3.95%
Estimated SSCWD Plant Usage	28.79%	28.94%	27.71%	27.14%	24.38%	82.32%	82.32%	82.32%	82.32%	72.61%	55.48%	58.34%	42.89%
Cost of Water Produced (Per Acre Foot)	2,666	2,445	3,115	3,970	4,342	5,073	4,324	3,128	3,406	7,175	3,740	-	3,635
Prior YTD Cost	2,652	2,588	2,250	3,210	3,909	3,262	6,078	3,955	4,210	3,903	3,312	2,865	3,277

(SSCWD Raw Water & Power increased \$110in 12 mths, \$534 in 24 mths)

Chart Includes: Only Water Metered to SSCWD Customers,
Chart Does Not Include: COH Interties Wholesale Water Flow

Total Water Metered to SSCWD Customers



Sunnyslope County Water District
 STATEMENT OF INCOME
 FOR THE FISCAL YEAR ENDING JUNE 30, 2023 (This Year)
 UN-AUDITED 6/22/2023

*** WATER ***	Apr-23	May-23	Variance Over / (Under) Prior Month	Mar-22	Apr-22
OPERATING REVENUES					
Water Sales	409,685	564,272	154,587	477,914	520,061
Contracted Services	209,947	209,947	-	228,312	228,312
Installation Fees	6,480	3,240	(3,240)	7,290	12,150
Late Fees	4,489	3,933	(556)	7,564	7,046
Other Revenue	136,509	(56,518)	(193,027)	11,787	10,686
TOTAL OPERATING REVENUES	767,110	724,874	(42,236)	732,866	778,255
OPERATING EXPENSES					
Salaries and Benefits	(257,336)	(257,979)	(643)	(178,463)	(224,159)
Operating Expenses	(757,310)	(681,722)	75,588	(682,083)	(707,794)
TOTAL OPERATING EXPENSES	(1,014,646)	(939,701)	74,945	(860,546)	(931,953)
NET OPERATING INCOME	(247,536)	(214,827)	32,709	(127,680)	(153,698)
NON OPERATING INCOME & (EXPENSES)					
Capacity Fees	220,800	110,400	(110,400)	216,000	360,000
Donated Asset	266,990		(266,990)		
Miscellaneous Income (Farm Labor Camp)			-		
Adjust LAIF Investment to Fair Value			-		
Interest Income	22,751	69,781	47,030	1,315	5,805
Allocated from G & A (Interest & Sale of Assets)	507	21,138	20,631	(636)	-
Other Non-Operational	6,460		(6,460)		
TOTAL NON OPERATING INCOME & (EXPENSES)	517,508	201,319	(316,189)	216,679	365,805
NET WATER INCOME (LOSS)	\$ 269,972	\$ (13,508)	(283,480)	\$ 88,999	\$ 212,107
NET WATER INCOME (LOSS) Adjusted for Non Budgeted Items	\$ (241,076)	\$ (214,827)	26,249	\$ (127,680)	\$ (153,698)

YEAR- TO-DATE	PRIOR YEAR-TO- DATE	PROJECTED 22/23 ACTUAL	FY 22/23 BUDGET
5,850,734	6,308,068	6,889,292	7,387,000
2,309,417	2,520,123	2,537,729	2,518,770
31,535	100,105	135,495	
61,052	80,431	73,947	
209,906	166,293	221,525	140,000
8,462,644	9,175,019	9,857,988	10,045,770
(2,619,310)	(2,807,865)	(2,833,346)	(3,315,612)
(7,091,743)	(6,979,738)	(7,928,289)	(8,344,748)
(9,711,054)	(9,787,603)	(10,761,635)	(11,660,360)
(1,248,410)	(612,584)	(903,647)	(1,614,590)
1,093,151	2,966,475	1,093,151	-
3,356,028	-	3,356,028	-
-	-	-	-
-	-	-	-
294,317	21,086	321,073	48,000
50,610	(6,713)	55,211	
4,437	(65,564)	4,841	
4,798,543	2,915,284	4,830,304	48,000
\$ 3,550,133	\$ 2,302,700	\$ 3,926,657	\$ (1,566,590)
\$ (1,243,972)	\$ (678,148)	\$ (898,806)	\$ (1,614,590)

Sunnyslope County Water District
 STATEMENT OF INCOME
 FOR THE FISCAL YEAR ENDING JUNE 30, 2023 (This Year)
 UN-AUDITED 6/22/2023

	Apr-23	May-23	Variance Over / (Under) Prior Month	Mar-22	Apr-22
*** WASTEWATER ***					
OPERATING REVENUES					
Sewer Sales	163,463	155,803	(7,659)	172,096	174,711
Contracted Services	35,154	34,442	(712)	29,213	29,213
Installation Fees			-		
Late Fees	1,272	950	(321)	1,891	1,761
Other Revenue	1,827	2,483	656	2,943	1,054
TOTAL OPERATING REVENUES	201,715	193,679	(8,036)	206,143	206,739
OPERATING EXPENSES					
Salaries and Benefits	(20,409)	(59,714)	(39,304)	(34,140)	(26,851)
Operating Expenses	(103,580)	(110,930)	(7,350)	(61,782)	(157,691)
TOTAL OPERATING EXPENSES	(123,989)	(170,644)	(46,654)	(95,922)	(184,542)
NET OPERATING INCOME	77,725	23,035	(54,600)	110,221	22,197
NON OPERATING INCOME & (EXPENSES)					
Capacity Fees			-	-	-
Miscellaneous Income			-	-	-
Adjust LAIF Investment to Fair Value			-		
Interest Income	2,658	17,438	14,780	619	2,732
Allocated from G & A (Interest & Sale of Assets)			-	(159)	(730)
Other Non-Operational	864	3,808	2,944	(16,800)	(30,953)
TOTAL NON OPERATING INCOME & (EXPENSES)	3,522	21,246	17,724	(16,340)	(28,951)
NET WASTEWATER INCOME (LOSS)	81,247	44,281	(36,967)	93,881	(6,754)
NET WASTEWATER INCOME (LOSS)	\$ 78,589	\$ 26,843	(36,967)	\$ 93,421	(8,756)
<i>Adjusted for Non Budgeted Items</i>					
*** WATER & WASTEWATER ***					
*** COMBINED INCOME (LOSS) WATER & WASTEWATER***	351,219	30,772	(320,447)	182,880	205,353
*** COMBINED INCOME (LOSS) WATER & WASTEWATER	\$ (162,487)	\$ (187,985)	\$ (25,498)	\$ (34,259)	(162,454)
<i>Adjusted for Non - Budgeted Items</i>					

YEAR- TO-DATE	PRIOR YEAR-TO- DATE	PROJECTED ACTUAL	FY 22/23 BUDGET
1,851,199	1,897,351	2,070,500	2,149,000
491,010	549,344	544,038	421,848
-	25	1,500	
16,597	20,107	18,705	
34,266	29,739	37,015	35,000
2,393,073	2,496,567	2,671,758	2,605,848
(589,398)	(425,302)	(653,974)	(784,542)
(1,345,909)	(1,166,554)	(1,370,005)	(1,225,103)
(1,935,307)	(1,591,856)	(2,023,979)	(2,009,645)
457,766	904,711	647,779	596,203
-	-	-	
-	-	-	
-	-	-	
47,265	10,113	51,562	12,000
1,733	(1,700)	1,891	-
8,096	(103,664)	8,832	-
57,094	(95,252)	62,285	12,000
514,860	809,459	710,064	608,203
\$ 465,862	\$ 801,046	\$ 656,611	\$ 596,203

YEAR- TO-DATE	PRIOR YEAR-TO- DATE	PROJECTED ACTUAL	FY 22/23 BUDGET
4,064,993	3,112,159	4,636,721	(958,387)
\$ (778,111)	\$ 122,898	\$ (242,195)	(1,018,387)

Sunnyslope County Water District
 Investment Summary
 2022 / 2023 (This Year)

BANK ACCOUNT	INTEREST RATE	JULY 2022	AUGUST 2022	SEPTEMBER 2022	OCTOBER 2022	NOVEMBER 2022	DECEMBER 2022	JANUARY 2023	FEBRUARY 2023	MARCH 2023	APRIL 2023	MAY 2023	JUNE 2022
<u>Heritage Bank of Commerce</u>													
CHECKING ACCOUNT													
Operating - General Fund	0	6,474,985	6,595,525	8,198,265	5,876,164	3,873,807	4,746,499	4,834,665	4,276,739	1,430,021	1,685,119	1,492,690	6,296,579
CHECKING SUBTOTAL		6,474,985	6,595,525	8,198,265	5,876,164	3,873,807	4,746,499	4,834,665	4,276,739	1,430,021	1,685,119	1,492,690	6,296,579
MONEY MARKET ACCT (MMA)													
Invested - General Fund	0.75%	4,082,888	4,085,316	4,086,491	4,087,880	2,088,588	2,089,275	589,971	590,310	90,491	90,543	90,605	4,082,888
MMA SUBTOTAL		4,082,888	4,085,316	4,086,491	4,087,880	2,088,588	2,089,275	589,971	590,310	90,491	90,543	90,605	4,082,888
<u>L.A.I.F.</u>													
(Local Agency Investment Fund)	As of: Mar 2022												
General Fund	2.74%	-10,115,844	-9,993,451	-9,898,728	-9,804,006	-9,818,425	-8,096,152	-8,096,152	-8,100,152	-4,104,152	-4,104,152	-4,104,152	-10,115,844
Water Connect. Fee	2.74%	4,705,166	4,576,720	477,998	387,497	333,049	0	0	0	0	0	0	4,705,166
Sewer Connect. Fee	2.74%	1,320,135	1,320,135	1,320,135	1,328,357	1,328,357	0	0	0	0	0	0	1,320,135
SRF Loan Reserve	2.74%	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	765,564	765,564	774,890	760,000
Board Designated Reserves	2.74%	8,380,859	8,386,912	8,390,912	8,394,409	8,394,409	8,402,912	7,902,912	7,906,912	7,910,912	7,910,912	7,910,912	8,380,859
L.A.I.F. SUBTOTAL		5,050,316	5,050,316	1,050,316	1,066,257	997,390	1,066,760	566,760	566,760	4,572,324	4,572,324	4,581,650	5,050,316
<u>CEPPT</u>													
(CA Employee Pension Plan Trust)													
Employee Pension Reserve	0	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	640,401
CEPPT SUBTOTAL		1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	640,401
<u>MBS Securities</u>													
(CD Brokerage - Water Capacity Funds)													
General Fund	4.00%	6,971,574	6,976,565	8,971,305	10,984,409	15,200,354	2,516,716	3,921,550	3,650,399	3,650,399	3,693,577	3,794,884	6,704,841
Board Designated Reserves	4.00%								505,029	505,943	506,944	509,999	
Water Connect. Fee	4.00%						11,389,421	11,250,548	11,420,159	11,590,509	11,577,492	11,568,228	
Sewer Connect. Fee	4.00%						1,333,920	1,337,780	1,340,511	1,342,938	1,345,596	1,353,709	
MBS SUBTOTAL		6,971,574	6,976,565	8,971,305	10,984,409	15,200,354	15,240,058	16,509,879	16,916,097	17,089,789	17,123,609	17,226,820	6,704,841
GRAND TOTAL		23,579,763	23,707,721	23,306,377	23,014,710	23,160,140	24,142,592	23,501,274	23,349,906	24,182,625	24,471,596	24,391,765	22,775,024
* TOTAL INTEREST RECORDED	YTD Total	17,038	6,283	5,915	30,937	40,654	40,391	44,796	34,747	36,968	33,874	103,211	44,848

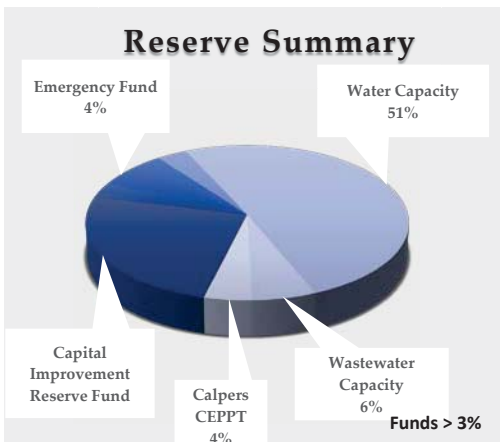
Sunnyslope County Water District

Reserve Summary As of May 31, 2023 (Policy #8600)

	<u>5/31/2023</u>	<u>Increase</u>	<u>Decrease</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>Change</u>
1 Capital Improvement Reserve Fund	\$ 5,771,510		\$ 92,426	\$ 5,863,936	\$ 1,709,419	\$ 4,154,517
2 Rate Stabilization Fund	250,000		-	250,000	-	\$ 250,000
3 Drought Contingency Reserve	500,000			500,000	400,000	100,000
4 Emergency Fund	1,000,000			1,000,000	100,000	900,000
5 Vehicle Replacement Fund	394,132	46,054		348,078	197,549	150,529
6 Office and Misc. Equipment Replacement Fund	420,864	2,019		418,845	266,754	152,091
Board Designated Reserves	8,336,505	48,073	92,426	8,380,859	2,673,722	5,707,137
7 CSWRCB Loan	774,889	14,889		760,000	760,000	-
8 Water Capacity	11,750,220	1,426,163	1,085,949	11,410,006	6,732,709	4,677,298
9 Wastewater Capacity	1,353,709	22,803		1,320,135	21,125	1,299,010
10 Calpers CEPPT	1,000,000		(359,599)	640,401	-	640,401
Legally Restricted Reserves	14,878,819	1,463,855	726,350	14,130,542	7,513,834	6,616,708
TOTAL	\$ 23,215,324	\$ 1,511,928	\$ 818,776	\$ 22,511,401	\$ 10,187,556	\$ 12,323,845
Unreserved Cash	\$1,176,441.01					
Percentage of Total Capital Assets	45.21%					

Detailed Transactions:

Depr. Expense	\$ 42,054		\$ 461,194
Board Authorized Changes to Policy #8600	\$ -		\$ 5,729,257
Interest	\$ 396,481		\$ 25,685
Debt Amortization		1,085,949	\$ (1,184,682)
Water Capacity Fees	1,093,150		\$ 6,087,125
Sewer Capacity Fees			\$ 1,299,000
CEPPT Funding			\$ 1,000,000
Fixed asset Additions	-	92,426	\$ (483,314)
Fair Market Value & Misc Adj	(19,757)	(359,599)	\$ (610,420)
	\$ 1,511,928	\$ 818,776	\$ 12,323,845



Board Approved Disbursement Analysis

Date:	Description:	Vendor	Resolution	# Actual
1/19/2021	Audit (FY21,FY22 & FY 23)	Mc Gilloway	76,160	56,270
2/21/2023	Rate Study	Raftelis	110,502	34,432
2/15/2022	Ignition SCADA part 2	Frisch & Calcon	127,000	168,119
8/16/2022	Fuel Trailer	LDJ Mfg	30,000	28,935
10/18/2022	Itron Meters	Meter Valve & Cc	156,849	120,296
11/15/2022	Promontory Amendment 2	Century Homes	110,000	0
4/18/2023	Green Climber Mower	Jesse Mack Co	116,000	92,426
4/18/2023	Best Road Initiative	Wallace Group	40,000	0
2/28/2023	Solar Project - SBR	Eva Green Power	1,300,000	148,964
2/28/2023	Solar Project - Lessalt	Eva Green Power	39,131	3,958
6/20/2023	Itron Meters	Meter Valve & Cc	107,000	3,958
6/20/2023	Temetra	Meter Valve & Cc	412,000	0

Staff Report

Agenda Item: E – 5a

DATE: July 13, 2023 (July 18, 2023, Meeting)

TO: Board of Directors

FROM: Water/Wastewater Superintendent, Jose J. Rodriguez

SUBJECT: Superintendent Monthly Status Report: a. Maintenance, b. City Meter Reading, and c. Groundwater Level Measurement.

Narrative

1. All three water reports were completed and submitted on time by June 9, 2023.
2. Westhills WTP and Lessalt WTP are now treating 3.8 MGD and 1.8 MGD, respectively. In the month of June, Westhills WTP produced a total of 98.282 million gallons with Lessalt WTP producing 47.052 million gallons. The total acre foot produced in June 2023 was 446-acre feet with a balance of 4,330-acre feet for the rest of the 2023-2024 year.
3. General Manager Drew A. Lander and Superintendent Jose J. Rodriguez attended the Gavilan College's San Benito County Campus Project Groundbreaking Ceremony.
4. Lessalt WTP received two separate after hour emergency call outs related to the Sodium Permanganate system. Piping ruptured due to a combination of factors having to do with pressure, chemical make up and weak points in the line. Staff responded after hours and worked to correct those issues and increase the reliability of the system.
5. Westhills staff dealt with various issues as plant flows where increased. Now that we are operating at higher flows, different pump combinations were used which led to logic faults and alarms. Parameters needed to be adjusted to better represent the actual system operation. Programming adjustments and new alarm setpoints were created, tested, and implemented.
6. Both Lessalt WTP and Westhills WTP's continue to utilize the Computer Maintenance Management System (CMMS) to better manage treatment facilities equipment and document preventative maintenance activities. A total of 219 Work Orders were completed by Sunnyslope Staff between the two facilities.
7. Total chemical usage has increased proportional to the flow increase. Staff will continue to optimize chemical additional for treatment. The bigger Sodium Hydroxide tank which was installed last year has helped reduce delivery cost as chemical usage increases.
8. Sunnyslope submitted required documentation to the Monterey Air Quality Air Board (MBARD) and designate the 6-inch dewatering pump from a Tier-2 engine-dewatering status to a Teir-4 engine. The new designation is now a Low-use engine and would be limited to 200 hours or less in a calendar year.

9. Sunnyslope staff met with Neil Jones to discuss the upcoming season and responsibilities. Sunnyslope staff gave Neil Jones a tour of Monitoring Well locations and a quote to replace or rehabilitate monitoring wells. Sampling responsibilities were discussed and assigned, and operational strategies were reviewed.
10. Since water conservation efforts have eased, Sunnyslope staff has increased their fire hydrant flushing program. Sunnyslope staff were able to exercise and flush 58% of the district's hydrants in the last twelve months. The flushing program helps prevent dead ends from sitting too long which could cause several aesthetic problems.

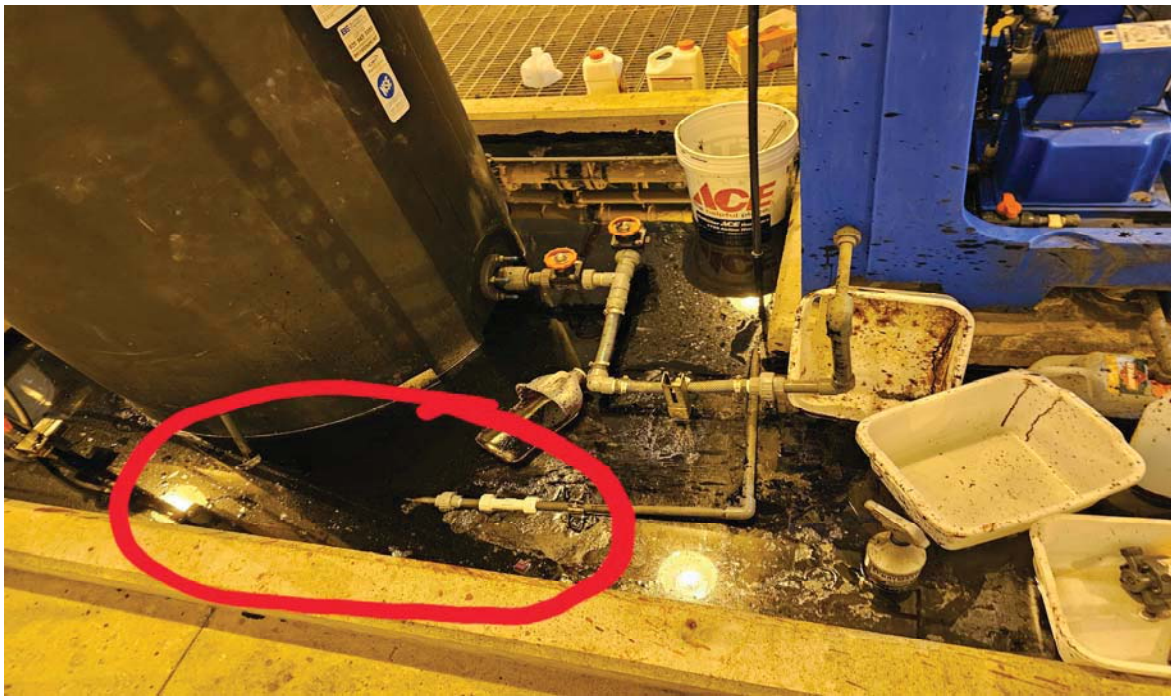
In addition to the daily, weekly & monthly work schedule, our maintenance personnel also performed these additional special work projects.

Water (7) June 2023

1. Cleared and removed old fencing, gate, and barbed wire at Fairview tanks to complete mowing.
2. Pulled, cleaned, and inspected all well site chlorine injectors.
3. Weed whacked and sprayed around district facilities.
4. Completed follow-up training on utility locator.
5. John from Calcon completed calibrating flow meters at well sites and SBR wastewater plant.
6. Completed taking inventory for shop stock and parts.
7. Completed testing district backflow assemblies.

LESSALT Water Treatment Plant (9)

1. Replaced fitting at the permanganate injector. The fitting at the injector ruptured due to multiple repairs made over a long period of time which eventually caused a weak stress point in the line. Due to the increased flow demand, additional chemical is now being delivered to the system causing additional stress in the line, eventually causing the rupture. Staff worked to eliminate these weak point by installing continues piping system and minimizing weak points.
2. Cleaned in place (CIP) all three filters. Performed CIP on all 3 Memcor units as required bi-annually. To complete this process, three days are required. The procedure requires that each unit receive several chemical treatments for an allotted amount of time to remove any build-up that may accumulate over time.
3. Replaced Air Valve 9 (AV9) solenoid on filter #3.
4. Replaced peristaltic pump inside TOC analyzer.
5. GAC exchange for filter #3.
6. Replaced Air Valve 12 (AV12) solenoid on filter #2.
7. SBCWD installed repair clamp on leaking surface wash line inside GAC #3.
8. Replaced batteries on the plants back-up battery supply station.
9. Luis from JM Electric trouble shot pressure differential issue on Green Sand Filter #2 (GRF2).



Project Location	: Sunnyslope County Water District - Lessalt Water Treatment Plant
Project	: Permanganate piping repair
Department	: Water Department
Description	: Staff noticed abnormal data on SCADA at night and after some investigation realized that the permanganate level was not normal. After arriving at the facility, staff encountered that the permanganate injector system had ruptured and was not dosing the proper dose amount to achieve full treatment. Additional staff were called out after hours to assist in the repair and get the system back into operation for the night.

West Hills Water Treatment Plant (13)

1. Returned faulty CL17's back to manufacture.
2. Continued clearing weeds around plant.
3. Luis from JM Electrical trouble shot Auto Strainer issue and resolved it.
4. Replaced braided feed line from permanganate tank skid.
5. Cleaned and vacuumed out all raw sumps.
6. Completed testing all plant backflow devices.
7. Washed down and cleaned filter control deck and control panels.
8. Insulated permanganate feed lines.
9. Fixed chlorine and caustic eyewash flow sensors.
10. JM Electrical trouble shot Raw Water Pump #3 which kept failing due to loose wiring.
11. JM Electrical wired in new CWI sample pump.

- 12. Extreme Air replaced the heating module in the storage room.
- 13. Tim from Quinn replaced the fire pump block heater.



Project Location	: Sunnyslope County Water District - Westhills Water Treatment Plant
Project	: Continue repairs after a lengthy downtime.
Department	: Water Department
Description	: Staff continued to work through various issues caused from the accident that were not discovered until plant was set to higher flows. Pump failures, tubing ruptures and over run alarms were discovered and addressed as soon as possible to eliminate any down time.

Wastewater (4)

1. Pumped down, inspected, and cleaned all district lift stations with Greenline.
2. Pulled, cleaned, and inspected pumps at Oak Canyon lift station.
3. Installed free-board pole at SBR Pond #6.
4. Repaired headworks water solenoid valve at SBR.

Industrial Plant (7)

1. Sharp Inc. continued working on plant upgrades.
2. Continued cutting, clearing, and spraying weeds around ponds.
3. Greenline cleaned and jetted transmission lines from headworks to Pond #1.
4. Received and spread asphalt grindings on roadways throughout plant.
5. Jimmy from Calcon trouble shot communication issue at plant.
6. Completed sludge depths for pond #1.
7. Maintenance aerators and checked cables in pond #1.





Project Location	: Industrial Wastewater Treatment Plant
Project	: Basin upgrades
Department	: Utilities/Maintenance Department
Description	: Sharp Eng. has completed basin 1 & 2 upgrade and blower installation. Sunnyslope staff tested the blower and new aeration system.

Completed This Month	Job Descriptions	Completed YTD 2022 – 2023 July 1 to June 30	Completed 2021 – 2022 July 1 to June 30	Completed 2020 – 2021 July 1 to June 30	Completed 2019 – 2020 July 1 to June 30
268	Work Orders	2480	2520	2469	2715
51	Temporary Manual Read Water Meters Installed in New Construction Accounts	287	292	368	256
0	Radio Read Meters & ERTs Installed in New Construction Accounts	3	1	21	0
52	Total: Manual Read Meters Replaced with Radio Read Meters & ERT's, including Radio Meters Installed in New Construction Accounts	268 (Total = 7192)	300	282	191
1	Existing Radio Read Meters & ERTs Replaced with New Radio Read Meters & ERTs	247	309	322	304
74	Valves Exercised (Approx. 2674 in SSCWD System 3/2021)	528	487	721	319
34	Fire Hydrants Flushed (Approx. 938 in SSCWD System 3/2021)	537	342	749	281
1	Meters on Repair List	250	335	326	449
10	Emergency Calls	158	161	174	156
142	Locates on our Water/Sewer Lines	1512	1816	1732	1037
0	Sewer Inspections	0	0	0	0
0	Shutoff Notices	0	0	0	112
0	Water Services Replaced	12 (Total = 946)	39	12	15

(3/2021 Update Valve and Fire Hydrant Count, Includes Santana Ranch pH 1, Villages, Tyler Knoll, Walnut Park, Creekside)



Hollister/Sunnyslope Intertie Water Balance

Report Date: July 1, 2023		to		May 15, 2023	
Current Consumption Period: June 14, 2022		to		May 15, 2023	
Intertie Location	Groundwater Flow to COH	Surface Flow to COH	Groundwater Flow to SSCWD	Surface Flow to SSCWD	to
	i n G a l l o n s				
Southside Road Intertie Water Total Flow	0	2,313,359			
Sunset & Memorial Water Total Flow	7,273,500	6,593,000	0		0
Sunnyslope & Memorial Water Total Flow	0	0	0		0
Hillcrest and Memorial Water Total Flow	40,300	84,200	0		0
Santa Ana & La Baig Water Total Flow	542,100	1,400,000			
Intertie Sub-Total Water Flow	7,855,900	10,390,559	0		0
<i>Total Combined Surface and Ground Water Intertie Flow</i>	18,246,459		0		
City of Hollister Well 2 Surface Water Total Flow (West Hills)		13,456,000			
City of Hollister Well 4 Surface Water Total Flow (West Hills)		19,024,000			
City of Hollister Well 5 Surface Water Total Flow (West Hills)		19,481,000			
Sunnyslope Well 2 Surface Water Total Flow (West Hills)				15,136,000	
Sunnyslope Well 11 Surface Water Total Flow (West Hills)				23,939,000	
Sunnyslope Surface Water Total Flow (LESSALT)				39,635,000	
Surface Water Flow Sub-Totals		51,961,000		78,710,000	
Ground Water and Surface Water Flow Totals	7,855,900	62,351,559	0		78,710,000
Current Period:	COH half of Surface Water Flow to Distribution (LESSALT & WH)		65,335,500		
	Net Ground/Surface Water Balance Owed to SSCWD (to COH)	7,855,900	-2,983,941		
	Beginning Water Balance Owed to SSCWD (to COH)	784,420,000	-360,456,199		
	Gallons Billed to COH thru Report Date April 1, 2023	0		Informational Last Month Net Total	423,963,801
	Sub-total Ending Water Balance Owed to SSCWD (to COH)	792,275,900	-363,440,140	Net Sub Total	428,835,760
	Half of Total Gallons LESSALT Discharge to City of Hollister Wastewater Treatment Plant during the current consumption period		1,472,000		
	Exchange Factor; Half of the total gallons discharged to COH WWTP from LESSALT multiplied by a factor of 4				5,888,000.00
	Ending Water Balance Owed to SSCWD (to COH)	786,387,900	-363,440,140	Net Total	422,947,760

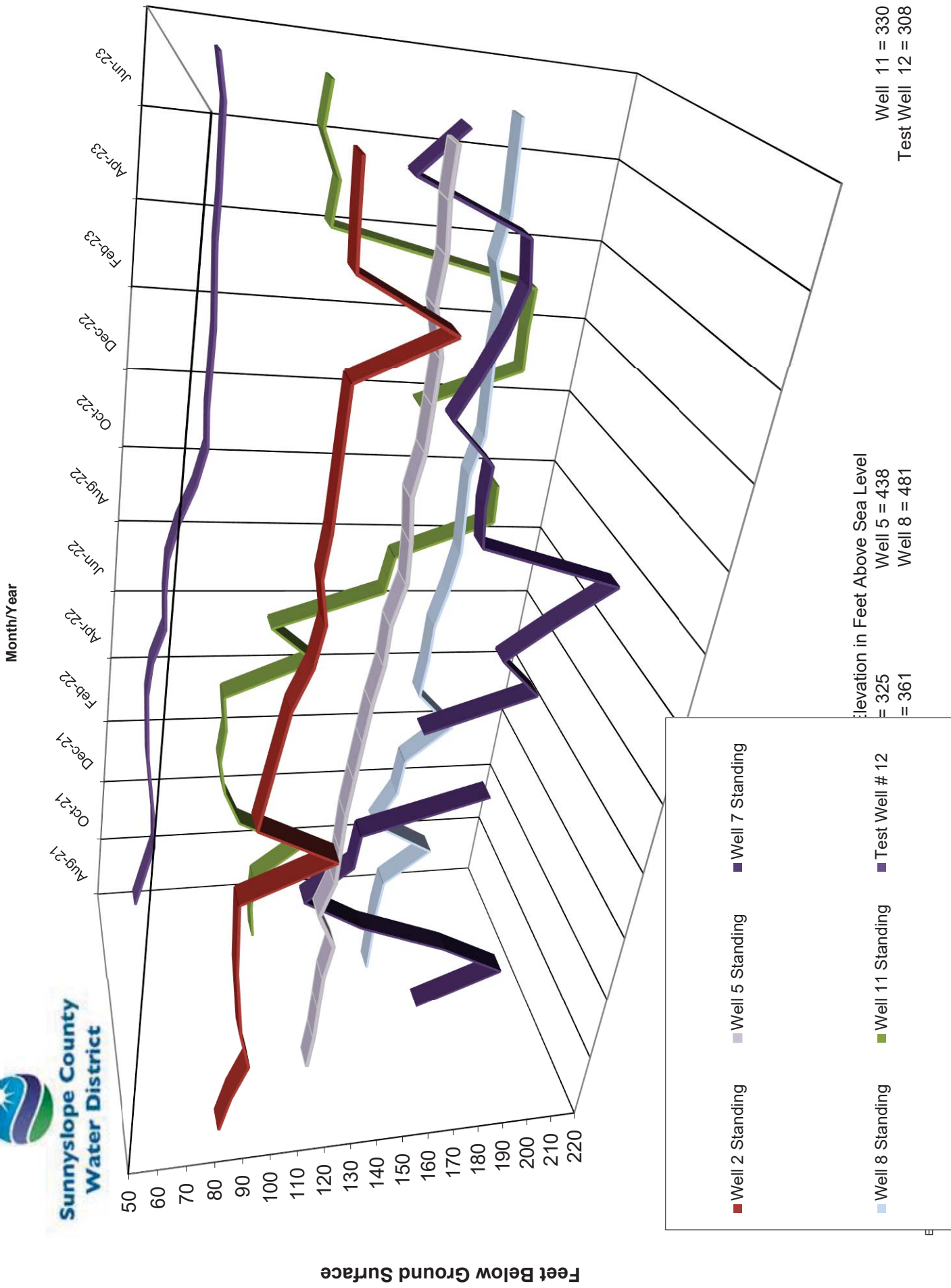
Current:	West Hills WTP Total Flow to Distribution	91,036,000			
	Percent of Surface Water Received	COH	57.1%	SSCWD	42.9%
Current:	COH half of West Hills WTP Total Flow to Distribution	45,518,000			
	West Hills WTP Surface Water Total Flow to COH	51,961,000			

From April 1, 2023 to Present					
YTD	LESSALT WTP Total Flow to Distribution	98,014,000			
	West Hills WTP Total Flow to Distribution	42,869,000			
	Surface WTPs Total Flow to Distribution	140,883,000			
	Total YTD Surface Flow to COH/SSCWD	COH	15,719,142	SSCWD	125,163,858
	Percent of Surface Water Received	COH	11.2%	SSCWD	88.8%

Depth to Standing Water Level Below Ground Surface



**Sunnyslope County
 Water District**



Elevation in Feet Above Sea Level
 = 325
 Well 5 = 438
 Well 8 = 481

Well 11 = 330
 Test Well 12 = 308

- Well 2 Standing
- Well 5 Standing
- Well 7 Standing
- Well 8 Standing
- Well 11 Standing
- Test Well # 12

Staff Report

Agenda Item: E – 6

DATE: July 13, 2023 (July 18, 2023 Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: General Manager Monthly Status Report

ACTIVE TASKS:

1. **IWTP Season Preparation** – Processing improvements have been completed and the plant is ready to receive processed water from San Benito Foods.
2. **Solar Field Design** – County permitting for the electrical connections have been submitted. Construction is tentatively scheduled to begin at the end of August with a completion date in December of this year.
3. **Water Production** – Both treatment plants are operating well and remain near capacity. Water quality through the Sunnyslope system has improved significantly with water hardness dropping in all areas of the distribution system.
4. **Office Technology and Public Access** – The Antenna installation project had a kickoff meeting this month and antenna installation will begin in August. A proposal is before the board this month to purchase new telephones that will integrate into the web platforms already operating here in the District. With the completion of these items the technology upgrade process will have achieved the initial goals identified in 2020 to improve transparency and provide public access to account information.
5. **Permit Compliance** – Monthly water reports have been completed on time and no violations were reported.

6. **Staffing** – The Assistant/Associate Engineering position remains open. Additional field inspection services have been procured through contract services to ensure new construction quality remains high while we continue to recruit for the Engineering position.

Staff Report

Agenda Item: F - 1

DATE: July 14, 2023 (July 18, 2023 Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: Consider Approval and Authorize the General Manager to Execute a Five Year Extension of the Operation and Maintenance Agreement Between San Benito County Water District and Sunnyslope County Water District for the Lessalt and West Hills Water Treatment Plants (Not a project under CEQA per Article 20, Section 15378).

RECOMMENDATION:

Approve and authorize the General Manager to execute a five year extension of the Operation and Maintenance Agreement between San Benito County Water District and Sunnyslope County Water District for the Lessalt and West Hills Water Treatment Plants.

BACKGROUND:

Sunnyslope County Water District entered into a five year Operations and Maintenance Agreement with San Benito County Water District (SBCWD) for the operation of the Lessalt and West Hills Water Treatment Plants in August of 2013 with provisions for five year extensions. This agreement was extended for an additional five years in May of 2018 and once again it is under consideration for renewal.

The original contract was a result of Sunnyslope becoming part of the Hollister Urban Area Water and Wastewater Master Plan (HUAWWMP) in 2008. The HUAWWMP contemplated Sunnyslope becoming the operator of the upgraded Lessalt Water Treatment Plant and the new West Hills Water Treatment Plant.

Sunnyslope has been the operator of the Lessalt Water Treatment Plant since its construction in 2002. The Lessalt Plant was originally owned by a Joint Powers Authority made up of the City of Hollister and Sunnyslope. As part of the HUAWWMP it was agreed to transfer ownership of Lessalt Water Treatment Plant to SBCWD and that the new West Hills Water Treatment Plant would be owned by SBCWD. The upgrade to the Lessalt Water Treatment Plant was completed in December of 2014 and the West Hills Water Treatment Plant was completed September of 2017.

Sunnyslope has successfully operated both treatment plants under the existing Operation and Maintenance Agreement. The City and SBCWD have both been very happy with Sunnyslope's performance and staff from the agencies meet regularly to discuss budgets and operational issues that come up. The SBCWD Board will ratify this contract later this month after the approval of this Board.

This agreement has the following amendments:

- All parties have agreed that costs will be paid monthly based on actual accrued charges and will no longer be spread monthly based on the budget with an annual true up.
- The timing of invoices has been clarified.
- Wording identifying additional terms may be granted in the future has been clarified.

FINANCIAL IMPACT:

The fiscal impact to the District of approving the five year extension to the Operations and Maintenance Agreement will not result in any additional fiscal impacts not already budgeted for by Sunnyslope. Contracting the operation and maintenance of the treatment plants to another party would result in loss of Sunnyslope control of the treatment operations costs and would result in the need to reduce staffing levels. A third party or private operator may also result in costs escalating at an unknown amount in future years.

ENVIRONMENTAL IMPACT:

Approval of the Operation and Maintenance Agreement five year extension is not a project under the California Environmental Quality per Article 20, Section 15378.

ATTACHMENTS:

- Notice of Renewal of Hollister Urban Area Agreement for Operation and Maintenance Services
- Hollister Urban Area Agreement for Operation and Maintenance Services

NOTICE OF RENEWAL OF HOLLISTER URBAN AREA AGREEMENT FOR
OPERATION AND MAINTENANCE SERVICES

On August 14, 2013, the San Benito County Water District (OWNER) and the Sunnyslope County Water District (OPERATOR) entered into the Hollister Urban Area Agreement for Operation and Maintenance Services (AGREEMENT).

The term of the AGREEMENT was 5 years, commencing August 14, 2013. The AGREEMENT provides that the term of the AGREEMENT may be renewed for an additional 5 years at the OWNER'S discretion upon providing notice to OPERATOR within 180 days prior to expiration of the AGREEMENT. The term of the AGREEMENT was renewed for an additional 5 years, commencing August 14, 2018.

OWNER hereby notifies OPERATOR that the term of the AGREEMENT shall be renewed for an additional 5 years, commencing August 14, 2023, with the following modifications to the contract. Unless otherwise noted below, all other conditions of the original AGREEMENT remain in effect.

Article 7. Payment and Compensation

Item 7.1 is deleted in its entirety.

Item 7.2 OWNER shall pay on a monthly basis all actual O&M Costs, including both fixed and variable costs to treat water supply at the Plant(s), and deliver such treated water to the distribution system. OPERATOR shall submit an invoice for Costs by the 10th of the month following the performance of services. Upon approval of the invoice, OWNER shall pay the contractor with thirty (30) days.

Article 9. Term, Termination and Default

Item 9.1 The initial term of this AGREEMENT shall be 5 years commencing on the date of signing of this AGREEMENT. Thereafter, this AGREEMENT may be renewed for additional terms of five (5) years at the discretion of OWNER. OPERATOR shall give OWNER notice of whether it desires to extend the AGREEMENT not less than one hundred eight (180) days prior to expiration of AGREEMENT or any extension. OWNER shall notify OPERATOR of whether it desire to renew the AGREEMENT within 180 days prior to expiration of the AGREEMENT or any extension.

Commented [SW1]: Made it clear that multiple extensions are appropriate

DATED: _____

SAN BENITO COUNTY WATER DISTRICT (OWNER)

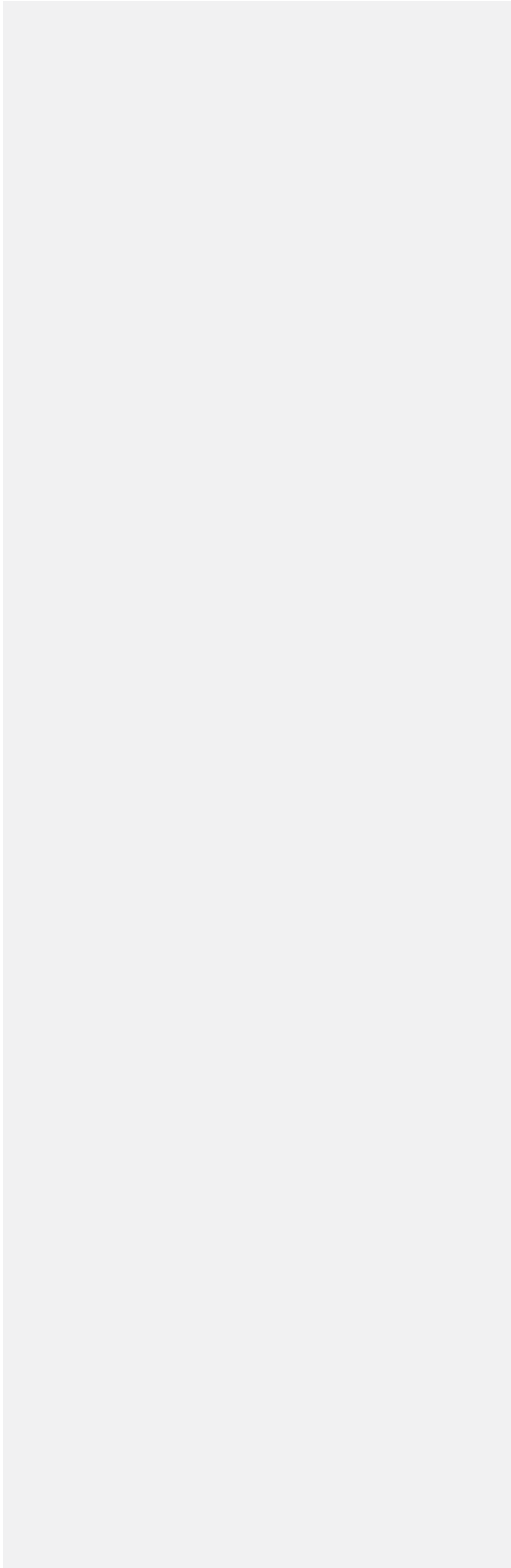
By: _____
Steve Wittry, General Manager

ACKNOWLEDGEMENT OF RECEIPT

The Sunnyslope County Water District acknowledges receipt by personal service of this Notice of Renewal of Hollister Urban Area Agreement for Operation and Maintenance Services.

SUNNYSLOPE COUNTY WATER DISTRICT (OPERATOR)

By: _____
Drew Lander, General Manager



DOCUMENT #

CON 00002

HOLLISTER URBAN AREA

AGREEMENT FOR OPERATION AND MAINTENANCE SERVICES

**SAN BENITO COUNTY WATER DISTRICT
SUNNYSLOPE COUNTY WATER DISTRICT**

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AGREEMENT FOR OPERATION AND MAINTENANCE SERVICES

This OPERATION AND MAINTENANCE SERVICES AGREEMENT (“O&M Agreement” or “Agreement”) is made and entered into effective 8/14/13, by and between the SAN BENITO COUNTY WATER DISTRICT (OWNER) and SUNNYSLOPE COUNTY WATER DISTRICT (OPERATOR), hereinafter called the Parties.

WITNESSETH:

- A. WHEREAS, the City of Hollister (CITY), OWNER, AND OPERATOR entered into a Water Supply and Treatment Agreement (WS&T Agreement) dated 5/29/13. The WS&T Agreement establishes the terms and conditions pursuant to which OWNER will provide wholesale treated surface water to the City and OPERATOR for municipal and industrial service in the Hollister Urban Area.
- B. WHEREAS, a provision of the WS&T Agreement includes transfer of ownership of the Lessalt Water Treatment Plant (Lessalt WTP or Plant) from the Joint Powers Agency (JPA composed of City and OPERATOR) to OWNER.
- C. WHEREAS, the City, OWNER and OPERATOR have determined that it is in their mutual interest to have OPERATOR continue to operate the Lessalt WTP.
- D. WHEREAS, the WS&T Agreement includes the construction of a new West Hills WTP to be owned by OWNER.
- E. WHEREAS, This O&M Agreement may be amended to include operation and maintenance of the West Hills WTP by OPERATOR.

NOW, THEREFORE, in consideration of the terms and conditions contained herein, the Parties hereby agree as follows:

ARTICLE 1. GENERAL

- 1.1 Definitions of words and phrases used in this O&M Agreement and the attached exhibits are contained in Exhibit A.
- 1.2 All land, buildings, facilities, easements, licenses, rights-of-way, equipment and vehicles presently or hereinafter acquired or owned by OWNER relating to the Lessalt WTP shall remain the exclusive property of OWNER unless specifically provided for otherwise in this O&M Agreement.
- 1.3 This O&M Agreement shall be governed by and interpreted in accordance with the laws of the State of California.
- 1.4 All notices shall be in writing and transmitted to the Parties at such addresses as each Party may designate by written notice to each other. All notices shall be deemed effectively given when delivered, either by personal service or by certified U.S. mail, return receipt requested.
- 1.5 This O&M Agreement, including Exhibits A through E, is the entire agreement between the Parties. This O&M Agreement may be modified only by written agreement signed by both Parties. Wherever used, the terms OWNER and OPERATOR shall include the elected or appointed officials and employees.
- 1.6 If any term, provision, covenant or condition of this O&M Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remainder of the provisions shall remain in full force and effect, and shall in no way be affected, impaired or invalidated.

- 1.7 It is understood that the services provided under this O&M Agreement are of a professional nature and shall be performed in accordance with good and accepted industry practices.
- 1.8 Prior to the commencement of work under this O&M Agreement, each Party shall designate in writing, an employee or other representative of the designating Party who shall have full authority to negotiate changes to the scope of the agreement and fee. All such changes will require approval by the Board of Directors of OWNER and the Board of Directors of OPERATOR.
- 1.9 OPERATOR shall not assign or transfer this Agreement or any part hereof or any rights hereunder without the prior written approval of OWNER. Subject to the preceding sentence, this Agreement and all terms and conditions contained herein shall inure to the benefit of and be binding upon the successors and assigns of the Parties hereto.

ARTICLE 2. OPERATOR RESPONSIBILITIES

2.1 Personnel

- (a) OPERATOR will staff the Plant with employees who have met appropriate licensing and certification requirements of the State of California and are qualified in technical, laboratory and administrative/management issues to satisfy regulatory requirements and provide O&M services under the scope of the Agreement.
 - OPERATOR shall submit a staffing and organizational structure to OWNER on an annual basis.

- OPERATOR shall conduct a background check on all new employees and assure OWNER that all employees are qualified to perform their assigned tasks and meet any State or Federal employment and security laws or regulations applicable to working in or with water treatment facilities. OPERATOR shall appoint a full-time Plant Chief operator (“Chief Operator”) who will be the primary on-site agent in all matters pertaining to this Agreement.
- OPERATOR shall provide for a DPH certified on-call operator at all times.
- OPERATOR shall provide ongoing training and education for appropriate personnel in all necessary areas of modern water treatment process control, operations, maintenance, safety, laboratory quality control/quality assurance, and supervisory skills. All training shall be consistent with maintaining Department of Public Health (DPH) certification of all plant operators. The training shall be documented and maintained by OPERATOR and available to OWNER upon request.

2.2 Operations and Maintenance

- (a) Within the design capacity and capabilities of the Water Treatment Plant described in Exhibit B, OPERATOR will manage, operate and maintain the Plant so that treated water supplied from the Plant meets the requirements specified in Exhibit C.
- (b) OPERATOR shall operate and manage the Plant on a 24-hour per day, 7 day per week (24/7) basis for O&M and asset management, including grounds maintenance of the treatment plant, maintenance and operation of on-site pumps,

meters, storage tanks, and cathodic protection system in accordance with generally accepted industry practices, within the treatment facility design capacity and capabilities, in full compliance with all applicable Federal, State and local laws, regulations, policies, rules and permits. It shall be understood that as designed the water treatment facilities will provide for remote monitoring, and therefore will not require on-site personnel on a 24/7 basis.

- (c) OPERATOR shall provide all preventive, predictive and corrective maintenance and repairs on the treatment plant equipment buildings, and fencing. OPERATOR shall provide an annual list of all preventive, predictive, and corrective maintenance and repairs anticipated to be provided for the upcoming year (“Annual Maintenance Schedule”). The Annual Maintenance Schedule shall be provided by March 30 of the preceding fiscal year and shall be a comprehensive list of maintenance, repair, and replacement obligations anticipated by OPERATOR in the upcoming fiscal year. The Annual Maintenance Schedule may be modified throughout the course of the year, by mutual agreement, upon OPERATOR reviewing and documenting system maintenance needs.

- (d) OPERATOR shall prepare a series of standard operating procedures (“SOPs”) for each unit process at the Plant. Preparation of the SOPs shall occur within 180 days from the date of plant commissioning. The SOPs shall provide appropriate step-by-step instructions on the operation of each unit process and associated equipment and controls. The SOPs shall include, as needed, startup procedures and shutdown procedures, adjustment of variable functions and settings, interface with other Plant systems, troubleshooting, and remedying unit process upsets,

process and regulatory sampling and analysis, routine monitoring checklists and reporting forms.

- (e) OPERATOR shall maintain the facilities in a clean, neat, and orderly fashion. OPERATOR shall keep equipment, tools, materials, and supplies properly and safely stored. OPERATOR shall be responsible for maintaining all manufacturers' warranties on new equipment purchased by OWNER and assist OWNER in enforcing existing equipment warranties and guarantees.
- (f) OPERATOR will provide laboratory testing by OPERATOR staff or contract services required for compliance with all Federal, State, and local laws, regulations and permits and provide a Quality Control/Quality Assurance program for such sampling, testing and analyses satisfactory to OWNER. OPERATOR shall estimate laboratory testing services costs to be included in OPERATOR's annual budget. At the end of each fiscal year, actual costs shall be trued up. Any overage or underage shall be applied to the next year's budget for services.
- (g) OPERATOR shall prepare a draft site specific emergency response/disaster recovery plan (Plan) for the Plant based on guidelines stipulated by OWNER and applicable governmental agencies. The draft Plan shall be submitted to OWNER within 120 days from the date of signing of the Agreement. The final Plan shall be prepared within 30 days following receipt of OWNER comments. Copies of the final Plan shall be distributed to OWNER and local public safety and emergency management personnel. The Plan shall be reviewed annually and modified to ensure that it continues to meet local, State, and Federal (OSHA)

regulations. OPERATOR shall also coordinate with local emergency programs and work with fire, police, and other public agencies to resolve any conflicts.

- (h) In any emergency, OPERATOR may act without written amendment or change order, at the OPERATOR's discretion, to prevent threatened damage, injury or loss and to maintain treated water service. An emergency shall include, but not be limited to, damages to property caused by high voltage surges, vehicle accidents impacting operations, and any other incident deemed to cause a safety condition to motorists, pedestrians, fire department or customer, or that significantly impacts operations. Provided that the emergency is not the result of OPERATOR's negligence or willful misconduct in performing its obligations under this Agreement, OPERATOR shall be compensated by OWNER for any such emergency work notwithstanding the lack of a written amendment or change order. If the emergency costs exceed \$5,000, the emergency costs will not be due and payable until 30 days after OWNER has authorized the expenses. OPERATOR shall provide such documents as OWNER may reasonably request as evidence of the emergency situation and the emergency services performed.
- (i) OPERATOR shall submit a monthly operation and maintenance report to OWNER by the 10th of the following month. The information and form of the report shall be mutually agreed upon by OWNER and OPERATOR, and, at a minimum, shall include those items contained in Exhibit D.
- (j) As certified OPERATOR of the Plant, OPERATOR shall prepare and sign all operating and reporting documents and permit renewals pertaining to the operation of the facilities as authorized and/or required by the following State and local governments: DPH; Monterey Bay Air Pollution Control; OWNER;

and San Benito County Environmental Health Services. OPERATOR shall provide OWNER with copies of all reports and documents within ten (10) days of submitting the reports or documents to an outside agency.

2.3 Other Requirements

- (a) OPERATOR shall maintain a professional, responsible, and responsive working relationship with OWNER's citizens, staff, advisors, consultants, regulatory agencies and other OWNER stakeholders.
- (b) OPERATOR shall refer inquiries from the news media regarding O&M of the water treatment facilities or other activities of OWNER to OWNER's Manager.
- (c) OPERATOR shall meet at least quarterly with OWNER to review and discuss O&M activities and plans.
- (d) Upon reasonable notice, OPERATOR shall provide OWNER's Manager and OWNER's designated water treatment liaison, with unlimited access to the Plant on a twenty four (24) hours per day basis, including providing all necessary safety equipment and safe access for those areas to be inspected, toured and evaluated. In addition, OPERATOR shall provide other personnel designated by OWNER's Manager with reasonable access to the Plant on a twenty four (24) hours per day basis. It is understood that any access will be in the presence of an authorized OPERATOR representative.
- (e) OPERATOR shall develop and maintain all required Hazardous Materials, and OSHA plans, procedures and programs as specified by Federal, State or local laws, regulations, or permits and such additional plans, procedures and programs as may be necessary to detail contingencies to handle conditions that would

threaten the provision of the water utility services consistent with Federal, State and local laws, regulations and permits.

- (f) OWNER shall provide for an annual audit of its workplace health, safety and environmental compliance programs by the Joint Powers Insurance Authority.

ARTICLE 3. TREATED WATER DELIVERY

3.1 Water Quality

- (a) As operator of the plant, OPERATOR is solely responsible, within the design capability of the plant, for ensuring the quality of treated water, and for all aspects of compliance with applicable Federal and State water quality regulations and standards, up to the point of delivery.
- (b) The City and OPERATOR are solely responsible for ensuring water quality, and for all aspects of compliance with applicable Federal and State water quality regulations and standards downstream of the point of delivery and throughout each of their distribution systems. City and OPERATOR shall be responsible to receive and respond to communications from customers relating to water quality concerns.

3.2 Point of Delivery

- (a) The point of delivery shall be the discharge side of the pumps used to deliver treated water to the Middle and High Zones of the distribution system. Risk of loss and responsibility for the handling and storage of water shall pass to the City and OPERATOR at this point of delivery

- (b) The quantity of water delivered to the distribution system shall be measured and recorded by OPERATOR at this point of delivery.

ARTICLE 4. CAPITAL PROJECTS

- 4.1 OWNER shall be responsible to implement capital improvements to the Plant, including those related to regulatory requirements, renewal and replacement, and other capital improvements. Capital projects are major improvements exclusive of the annual maintenance projects defined in Article 2.2(c) as part of the Annual Maintenance Schedule.
- 4.2 OWNER shall be responsible for financing, designing, and managing the construction of any such capital improvements. OWNER shall work with OPERATOR to develop an implementation plan and schedule to minimize disruption and shutdown of Plant.

ARTICLE 5. OWNER OBLIGATIONS

- 5.1 OWNER shall pay all costs associated with delivery of untreated water to the Plant. All other O&M costs from said point of delivery are the responsibility of OPERATOR. Parts and supplies that are not considered a Capital Project are the responsibility of OPERATOR. Any change in process chemicals shall be approved in writing by OWNER. Upon approval, OWNER shall pay the monthly cost associated with the modification and/or addition of a chemical.
- 5.2 OWNER shall fund all necessary expenditures outlined in the HOLLISTER URBAN AREA WATER SUPPLY AND TREATMENT AGREEMENT. Priority shall be given to safety and Americans with Disabilities Act (ADA) related expenses.

5.3 OWNER shall provide for OPERATOR's exclusive use of all equipment as referenced in Appendix B.

ARTICLE 6. COMPENSATION

6.1 On or before April 1 of each year, OPERATOR shall submit to OWNER a budget for the fiscal year commencing on the next July 1. The budget shall specify the amount of O&M expenses required for the ensuing fiscal year and set forth in reasonable detail the fixed and variable cost components of such O&M expenses.

6.2 OWNER shall review the budget and shall, within 60 days after receipt thereof, submit its comments to OPERATOR. The Parties shall agree upon and approve a budget not later than June 30. If such agreement is not reached, the Parties will abide by the Dispute Resolution procedures set forth in Article 10. During such time OPERATOR shall continue to operate the plant for a minimum of 180 days.

ARTICLE 7. PAYMENT OF COMPENSATION

7.1 One-twelfth (1/12) of the annual fee for the current year shall be paid by OWNER to OPERATOR on the first of the month for each month that services are provided.

7.2 OWNER shall pay on a monthly basis all O&M Costs, including both fixed and variable costs to treat the water supply at the Plant, and to deliver such treated water to the distribution system. The allocation of such fixed and variable costs shall be adjusted within ninety (90) days of the close of each fiscal year to reflect the actual fixed and variable costs incurred. OWNER shall pay or receive a refund or credit for any adjustments to costs charged to OWNER within thirty (30) days of finalizing the adjustment.

ARTICLE 8. INDEMNITY, LIABILITY, AND INSURANCE

- 8.1 Each Party shall defend, indemnify and hold harmless the other Party, its officers directors, employees and agents, from and against any loss, cost or expense, including reasonable attorneys' fees, where such losses, costs or expenses are caused, or claimed or alleged to be caused, by the sole negligence or willful misconduct of the indemnifying Party or its officers, directors, employees or agents, or by a breach of any obligation of this Agreement by the indemnifying Party.
- 8.2 Where such loss, cost or expense is caused, or claimed or alleged to be caused, by the negligence or willful misconduct of both Parties, or their officers, directors, employees or agents or by a breach of any obligation of this Agreement by both Parties, each Party shall defend, indemnify and hold harmless the other Party in proportion to their proportional fault as determined by mutual agreement or by arbitration or judicial decree.
- 8.3 OPERATOR shall be liable for those fines or civil penalties imposed by a regulatory or enforcement agency for violations of treated water quality requirements provided for in Exhibit C that are a result of OPERATOR's negligence on or after the date of signing of this Agreement.
- 8.4 Each Party shall obtain and maintain insurance coverage of a type and in the amounts described in Exhibit E and each Party shall be a named insured on the other Party's policy. Each Party assumes the risk of loss or damage to its respective property, from any cause, including the actual or alleged negligence or strict liability of the other Party, and shall maintain broad form property insurance in order to protect both Parties against any such loss. Each Party shall provide the other Party with satisfactory proof of insurance.

ARTICLE 9. TERM, TERMINATION, AND DEFAULT

9.1 The initial term of this Agreement shall be 5 years commencing on the date of signing of this Agreement. Thereafter, this Agreement may be renewed for a term of five (5) years at the discretion of OWNER. OPERATOR shall give OWNER notice of whether it desires to extend the Agreement not less than one hundred eighty (180) days prior to expiration of Agreement or any extension. OWNER shall notify OPERATOR of whether it desires to renew the Agreement within 180 days prior to expiration of the Agreement or any extension.

9.2 A Party may terminate this Agreement only for a material breach by the other Party. The Party initiating termination shall provide written notice of breach and allow sixty (60) days to cure or commence taking reasonable steps to cure the breach. If OWNER and OPERATOR cannot resolve the dispute, the matter shall immediately be referred to the provisions outlined in Article 10.

9.3 Upon termination of this Agreement and all renewals and extensions of it, OPERATOR shall return the Plant to OWNER in the same condition as it was upon the effective date of this Agreement, ordinary wear and tear excepted. Equipment and other personal property purchased by OPERATOR for use in the operation or maintenance of the Plant shall remain the property of OPERATOR upon termination of this Agreement, unless the property was directly paid for by OWNER, or OWNER specifically reimbursed OPERATOR for the cost incurred to purchase the property, or this Agreement provides to the contrary. If it is determined that the equipment or property has not been maintained in accordance with the Annual Maintenance Plans submitted in the years preceding the termination, the portion of the reduction in value of the item attributed to the non-adherence to the maintenance schedules shall be OPERATOR's sole responsibility.

ARTICLE 10. DISPUTE RESOLUTION

10.1 If a dispute arises between the Parties regarding breach of this Agreement or interpretation of any term of this Agreement, the Parties shall first attempt to resolve the dispute by negotiation followed by mediation if negotiation fails to resolve the dispute. During such time OPERATOR shall continue to operate the Plant under the terms of this Agreement.

10.1.1 Step One: The General Managers or other persons designated by the Parties will negotiate on behalf of the entities they represent. The nature of the dispute shall be reduced to writing and shall be presented to each General Manager who shall then meet and attempt to resolve the issue. If the dispute is resolved at this step, there shall be a written determination of such resolution, signed by each Party's General Manager and ratified by each agency, which shall be binding upon the Parties.

10.1.2 Step Two: If the dispute cannot be resolved within ten (10) days at Step One, the Parties shall submit the matter to non-binding mediation. The dispute shall be heard by a panel of three (3) mediators selected by mutual agreement of the Parties hereto. If the Parties are unable to agree on a mediation panel, each Party shall select a mediator and the two mediators selected shall appoint the third mediator by mutual agreement. Any common costs of mediation shall be borne equally by the Parties who shall each bear their own costs and fees therefore. If the issue is resolved at this step, a written determination of such resolution shall be signed by each General Manager and approved by the respective agencies.

10.2 Other disputes not resolved under Step 2 above shall be resolved by proceedings in the Superior Court of the County of San Benito, State of California. If arbitration, suit or

action is commenced, the prevailing Party in any such action shall be entitled to its reasonable attorney fees and court costs as may be awarded by the arbitration panel, trial court or upon appeal.

Both Parties indicate their approval of this O&M Agreement by their signatures below, and each Party warrants that all governmental actions necessary to bind the Parties to the terms of this O&M Agreement have been and will be taken.

SAN BENITO COUNTY WATER DISTRICT

By: John Jobus

Attest: ASK

Date: 7/31/13

SUNNYSLOPE COUNTY WATER DISTRICT

By: Dane Murray

Attest: Bill B. Hill

Date: 8/14/13

EXHIBIT A

Definitions and Acronyms

DPH: California Department of Public Health, a division of the California Department of Human Health that regulates drinking water quality.

Water Supply and Treatment Program Facilities: The Lessalt Water Treatment Plant Upgrade, the distribution pipeline to serve the High Pressure Zone, and the West Hills Water Treatment Plant.

WTP: Water Treatment Plant

Emergency response/disaster recovery plan: A plan for use when unusual or emergency situations arise at a water treatment facility. This document should assist public water systems in planning and preparing for both natural or man-made disasters.

Annual Maintenance Schedule: A comprehensive list of maintenance, repair, and replacement obligations anticipated by OPERATOR in the upcoming fiscal year.

Standard Operating Procedures: Documentation of plant facilities and appurtenances that provides step-by-step instructions on the operation of each unit process and associated equipment and controls.

OSHA: Occupational Safety and Health Administration; a federal agency of the United States that regulates workplace safety and health.

Joint Powers Insurance Authority: A group of progressive government agencies that have pooled resources for the purpose of providing liability protection for its members.

Hollister Urban Area Water Supply and Treatment Agreement: The binding agreement laying out the terms and conditions between the three agencies involved in the Hollister Urban Area Water Plan — City of Hollister, the San Benito County Water District and the Sunnyslope County Water District.

Capital Projects: Major plant improvements exclusive of the annual maintenance projects defined as part of the Annual Maintenance Schedule.

EXHIBIT B

DESIGN CAPACITY & CAPABILITIES OF WATER TREATMENT PLANTS

1.0 SURFACE WATER TREATMENT CAPACITY & CAPABILITY

1.1 The initial capacities of the surface water treatment plants shall be as follows:

Average 24 hour Capacity

- Lessalt WTP – 2.0 mgd
- West Hills WTP – 4.5 mgd

1.2 The treatment process shall be as follows:

- Lessalt WTP – Preoxidation/Coagulation/Flocculation/Filtration/GAC/Microfiltration
- West Hills WTP – Preoxidation/ActifloCarb/Gravity Media Filtration

EXHIBIT C

DESIGN WATER QUALITY OF WATER TREATMENT PLANTS

1.0 SURFACE WATER TREATMENT QUALITY

1.2 The treatment process for each surface water treatment plant will meet State and Federal drinking water regulations at the following time periods under the stated conditions:

- Trihalomethanes measured at 14 days in distribution system at ph of 8.0 shall be designed to be less than 80 micrograms per liter (parts per billion).
- Haloacetic Acids measured at 14 days in the distribution system at ph of 8.0 shall be designed to be less than 60 micrograms per liter (parts per billion).
- All other federal & state requirements for potable drinking water as defined by the State of California, Department of Health Services.

EXHIBIT D

LESSALT & WEST HILLS MONTHLY OPERATIONS & MAINTENANCE REPORT

1.0 LESSALT MONTHLY OPERATION & MAINTENANCE REPORT TO CDHS

1.1 Monthly Treatment Plant Report Form

1.2 Monthly Summary of Monitoring for Surface Water Treatment Regulations

1.3 CT Compliance for Giardia Inactivation by Free Chlorine

1.4 Pressure Decay Tests

1.5 Trans Membrane Pressure Results

1.6 LSWTP Flow to Distribution

1.7 Analytical Reports

1.8 Hollister Conduit Pump Station 9L Analytical Results

1.9 Lessalt Treated Water Sample Tap Analytical Results

(See Example Letter to CDHS dated July 1, 2012 for a detailed report example)

EXHIBIT D - CONTINUED

2.0 LESSALT DAILY OPERATION & MAINTENANCE ACTIVITIES TO SBCWD

Lessalt Daily Maintenance Activities		
	Equipment	Maintenance Performed
1	Air Compressors	Bleed moisture trap on both units
2	All Plant Equipment	As you walk through the hole plant checking for leaks or problems
3	Check Raw Water Turbidity Meter for proper Flow	You should see flow from clear overflow tube, / 250 to 750 ml should flow from black overflow tube.
4	Check Filtered Water PH Meter	Is it within range pH 7 to pH 9, and that the unit has proper water flow through it.
5	Check Filtered Water Turbidity Meter for proper Flow	You should see flow from clear overflow tube, / 250 to 750 ml should flow from black overflow tube.
6	Check Treated Water pH meter and flow	Is it within range pH 7 to pH 9, and that the unit has proper water flow through it.
7	Check the Filtered water Chlorine Residual Analyzer	The sensor should have electrolyte solution, Sand should be visibly moving in the mixing chamber, Check the level of pH 4 Buffer Solution, Check for proper flow from overflow tube
8	Check the Treated water Chlorine Residual Analyzer	Check the level of Buffer Solutions, Check for proper flow from overflow tube
9	Check Air Receiver for leaks	
10	Check Chlorine Pumps for proper operation	
11	Check Chlorination Pumps and area for leaks	
12	Check Caustic Pumps for proper operation	
13	Check Caustic Pumps and area for leaks	
14	Check CMF Individual Turbidity Meters for Proper Flow	You should see flow from clear overflow tube, / 250 to 750 ml should flow from black overflow tube.
15	Pressure Decay Test Results	Check the computer for the pressure decay results to see if they are within acceptable range.
16	Chlorine Residual	Check the computer for the chlorine residual results to see if they are within acceptable range.
17	pH	Check the computer for the pH levels to see if they are within acceptable range.
18	Turbidity	Check the computer for the turbidity levels to see if they are in the acceptable range

EXHIBIT D - CONTINUED

3.0 LESSALT PERIODIC OPERATION & MAINTENANCE ACTIVITIES TO SBCWD

1	Daily Readings
2	Chlorine Residual, Conductivity, pH Distribution System Readings
3	Clean Raw Water Turbidity Meter
4	Clean Combined Turbidity Meter
5	Clean CMF # 1 Turbidity Meter
6	Clean CMF # 2 Turbidity Meter
7	Clean CMF # 3 Turbidity Meter
8	Calibrate all Turbidity Meters with 20 NTU StableCal
9	Replace light bulbs in turbidity meters prior to calibration with 20 NTU StableCal
10	Dose CL2 Analyzer Maintenance
11	Final CL2 Analyzer Acid Clean Maintenance
12	Dose CL2 Analyzer Replace Tubing Maintenance
13	Final CL2 Analyzer Replace Tubing Maintenance
14	Weekly Instrumentation Check
15	Vacuum Plant
16	Wet Mop the Office, Lab & Bathroom
17	Flush Eye Wash Stations
18	Check Underground Outdoor Sample Pits
19	Wash Windows
20	CL2 Dosing Pump Maintenance
21	Caustic Dosing Pump Maintenance
22	Clean Caustic and CL2 Area
23	Print Next Weeks Chain of Custody Sheet for Lab Testing
24	Acid and Caustic CIP on CMF # 1
25	Acid and Caustic CIP on CMF # 2
26	Acid and Caustic CIP on CMF # 3
27	Check Piping in the pit for leaks
28	Change Oil and Filters on Air Compressor # 1
29	Change Oil and Filters on Air Compressor # 2
30	Blow out or Replace Filters on Air Compressor # 1
31	Blow out or Replace Filters on Air Compressor # 2
32	Install new Air Compressor 30" Coalescer, Membrane and 10" Control Air Coalescer Filters
33	Reboot Computers
34	Install new Salt Bridge and Electrolyte and Calibrate the Acid and Caustic CIP pH Probes
35	Grease Motors (backwash, sww, cip)
36	Flush Fire Lines
37	Tighten all nuts and bolts in plant
38	Bleed Pressure Transducers - SWW, Forwarding, SBCWD, Strainer Differential, PR Valves
39	Bleed Air from Top of 500 Micron Strainers
40	Flush Pressure Relief Valve by Fairview Road

EXHIBIT D

LESSALT & WEST HILLS MONTHLY OPERATIONS & MAINTENANCE REPORT

1.0 LESSALT MONTHLY OPERATION & MAINTENANCE REPORT TO DPH

1.1 Monthly Treatment Plant Report Form

1.2 Monthly Summary of Monitoring for Surface Water Treatment Regulations

1.3 CT Compliance for Giardia Inactivation by Free Chlorine

1.4 Pressure Decay Tests

1.5 Trans Membrane Pressure Results

1.6 LSWTP Flow to Distribution

1.7 Analytical Reports

1.8 Hollister Conduit Pump Station 9L Analytical Results

1.9 Lessalt Treated Water Sample Tap Analytical Results

(See Example Letter to CDHS dated July 1, 2012 for a detailed report example)

EXHIBIT D - CONTINUED

2.0 LESSALT DAILY OPERATION & MAINTENANCE ACTIVITIES TO SBCWD

Lessalt Daily Maintenance Activities		
	Equipment	Maintenance Performed
1	Air Compressors	Bleed moisture trap on both units
2	All Plant Equipment	As you walk through the hole plant checking for leaks or problems
3	Check Raw Water Turbidity Meter for proper Flow	You should see flow from clear overflow tube, / 250 to 750 ml should flow from black overflow tube.
4	Check Filtered Water PH Meter	Is it within range pH 7 to pH 9, and that the unit has proper water flow through it.
5	Check Filtered Water Turbidity Meter for proper Flow	You should see flow from clear overflow tube, / 250 to 750 ml should flow from black overflow tube.
6	Check Treated Water pH meter and flow	Is it within range pH 7 to pH 9, and that the unit has proper water flow through it.
7	Check the Filtered water Chlorine Residual Analyzer	The sensor should have electrolyte solution, Sand should be visibly moving in the mixing chamber, Check the level of pH 4 Buffer Solution, Check for proper flow from overflow tube
8	Check the Treated water Chlorine Residual Analyzer	Check the level of Buffer Solutions, Check for proper flow from overflow tube
9	Check Air Receiver for leaks	
10	Check Chlorine Pumps for proper operation	
11	Check Chlorination Pumps and area for leaks	
12	Check Caustic Pumps for proper operation	
13	Check Caustic Pumps and area for leaks	
14	Check CMF Individual Turbidity Meters for Proper Flow	You should see flow from clear overflow tube, / 250 to 750 ml should flow from black overflow tube.
15	Pressure Decay Test Results	Check the computer for the pressure decay results to see if they are within acceptable range.
16	Chlorine Residual	Check the computer for the chlorine residual results to see if they are within acceptable range.
17	pH	Check the computer for the pH levels to see if they are within acceptable range.
18	Turbidity	Check the computer for the turbidity levels to see if they are in the acceptable range

EXHIBIT D - CONTINUED

3.0 LESSALT PERIODIC OPERATION & MAINTENANCE ACTIVITIES TO SBCWD

1	Daily Readings
2	Chlorine Residual, Conductivity, pH Distribution System Readings
3	Clean Raw Water Turbidity Meter
4	Clean Combined Turbidity Meter
5	Clean CMF # 1 Turbidity Meter
6	Clean CMF # 2 Turbidity Meter
7	Clean CMF # 3 Turbidity Meter
8	Calibrate all Turbidity Meters with 20 NTU StableCal
9	Replace light bulbs in turbidity meters prior to calibration with 20 NTU StableCal
10	Dose CL2 Analyzer Maintenance
11	Final CL2 Analyzer Acid Clean Maintenance
12	Dose CL2 Analyzer Replace Tubing Maintenance
13	Final CL2 Analyzer Replace Tubing Maintenance
14	Weekly Instrumentation Check
15	Vacuum Plant
16	Wet Mop the Office, Lab & Bathroom
17	Flush Eye Wash Stations
18	Check Underground Outdoor Sample Pits
19	Wash Windows
20	CL2 Dosing Pump Maintenance
21	Caustic Dosing Pump Maintenance
22	Clean Caustic and CL2 Area
23	Print Next Weeks Chain of Custody Sheet for Lab Testing
24	Acid and Caustic CIP on CMF # 1
25	Acid and Caustic CIP on CMF # 2
26	Acid and Caustic CIP on CMF # 3
27	Check Piping in the pit for leaks
28	Change Oil and Filters on Air Compressor # 1
29	Change Oil and Filters on Air Compressor # 2
30	Blow out or Replace Filters on Air Compressor # 1
31	Blow out or Replace Filters on Air Compressor # 2
32	Install new Air Compressor 30" Coalescer, Membrane and 10" Control Air Coalescer Filters
33	Reboot Computers
34	Install new Salt Bridge and Electrolyte and Calibrate the Acid and Caustic CIP pH Probes
35	Grease Motors (backwash, sww, cip)
36	Flush Fire Lines
37	Tighten all nuts and bolts in plant
38	Bleed Pressure Transducers - SWW, Forwarding, SBCWD, Strainer Differential, PR Valves
39	Bleed Air from Top of 500 Micron Strainers
40	Flush Pressure Relief Valve by Fairview Road

EXHIBIT D - CONTINUED

4.0 WEST HILLS MONTHLY OPERATION & MAINTENANCE REPORT TO CDHS

- 4.1 Monthly Treatment Plant Report Form
- 4.2 Monthly Summary of Monitoring for Surface Water Treatment Regulations
- 4.3 CT Compliance for Giardia Inactivation by Free Chlorine
- 4.4 West Hills Flow to Distribution
- 4.5 Analytical Reports
- 4.6 Hollister Conduit Pump Station on Union Road Analytical Results
- 4.7 West Hills Treated Water Sample Tap Analytical Results

EXHIBIT D – CONTINUED

5.0 WEST HILLS DAILY OPERATION & MAINTENANCE ACTIVITIES TO SBCWD

West Hills Daily Maintenance Activities		
	Equipment	Maintenance Performed
1	Air Compressors (if present)	Bleed moisture trap on both units
2	All Plant Equipment	As you walk through the hole plant checking for leaks or problems
3	Check Raw Water Turbidity Meter for proper Flow	You should see flow from clear overflow tube, / 250 to 750 ml should flow from black overflow tube.
4	Check Filtered Water PH Meter	Is it within range pH 7 to pH 9, and that the unit has proper water flow through it.
5	Check Filtered Water Turbidity Meter for proper Flow	You should see flow from clear overflow tube, / 250 to 750 ml should flow from black overflow tube.
6	Check Treated Water pH meter and flow	Is it within range pH 7 to pH 9, and that the unit has proper water flow through it.
7	Check the Filtered water Chlorine Residual Analyzer	The sensor should have electrolyte solution, Sand should be visibly moving in the mixing chamber, Check the level of pH 4 Buffer Solution, Check for proper flow from overflow tube
8	Check the Treated water Chlorine Residual Analyzer	Check the level of Buffer Solutions, Check for proper flow from overflow tube
9	Check Air Receiver for leaks	
10	Check Chlorine Pumps for proper operation	
11	Check Chlorination Pumps and area for leaks	
12	Check Caustic Pumps for proper operation	
13	Check Caustic Pumps and area for leaks	
14	Chlorine Residual	Check the computer for the chlorine residual results to see if they are within acceptable range.
15	pH	Check the computer for the pH levels to see if they are within acceptable range.
16	Turbidity	Check the computer for the turbidity levels to see if they are in the acceptable range

EXHIBIT D - CONTINUED

6.0 WEST HILLS PERIODIC OPERATION & MAINTENANCE ACTIVITIES TO SBCWD

1	Daily Readings
2	Chlorine Residual, Conductivity, pH Distribution System Readings
3	Clean Raw Water Turbidity Meter
4	Clean Combined Turbidity Meter
5	Clean CMF # 1 Turbidity Meter
6	Clean CMF # 2 Turbidity Meter
7	Clean CMF # 3 Turbidity Meter
8	Calibrate all Turbidity Meters with 20 NTU StableCal
9	Replace light bulbs in turbidity meters prior to calibration with 20 NTU StableCal
10	Dose CL2 Analyzer Maintenance
11	Final CL2 Analyzer Acid Clean Maintenance
12	Dose CL2 Analyzer Replace Tubing Maintenance
13	Final CL2 Analyzer Replace Tubing Maintenance
14	Weekly Instrumentation Check
15	Vacuum Plant
16	Wet Mop the Office, Lab & Bathroom
17	Flush Eye Wash Stations
18	Check Underground Outdoor Sample Pits
19	Wash Windows
20	CL2 Dosing Pump Maintenance
21	Caustic Dosing Pump Maintenance
22	Clean Caustic and CL2 Area
23	Print Next Weeks Chain of Custody Sheet for Lab Testing
24	Acid and Caustic CIP on CMF # 1
25	Acid and Caustic CIP on CMF # 2
26	Acid and Caustic CIP on CMF # 3
27	Check Piping in the pit for leaks
28	Change Oil and Filters on Air Compressor # 1
29	Change Oil and Filters on Air Compressor # 2
30	Blow out or Replace Filters on Air Compressor # 1
31	Blow out or Replace Filters on Air Compressor # 2
32	Install new Air Compressor 30" Coalescer, Membrane and 10" Control Air Coalescer Filters
33	Reboot Computers
34	Install new Salt Bridge and Electrolyte and Calibrate the Acid and Caustic CIP pH Probes
35	Grease Motors (backwash, sww, cip)
36	Flush Fire Lines
37	Tighten all nuts and bolts in plant
38	Bleed Pressure Transducers - SWW, Forwarding, SBCWD, Strainer Differential, PR Valves

EXHIBIT E

INSURANCE COVERAGE

1. Comprehensive General Liability Insurance.
 - a) Limits of liability and coverage: Minimum of \$3,000,000 combined single limit for each occurrence of bodily injury and property damage, insuring each Party from any loss, liability, damages or claims arising out of or connected with this agreement
 - b) Insured Parties for Owner: San Benito County Water District and its board members, officers, agents and employees.
 - c) Insured Parties for Operator: Sunnyslope County Water District and its board members, officers, agents and employees.
2. Property Damage Insurance for all water treatment and transmission facilities in an amount to be determined by the Parties hereto.
3. Workers' Compensation Insurance as required by law.
4. Automobile Liability Insurance with a minimum combined single limit of liability for bodily injury and property damage of \$3,000,000.

Each Party shall supply to the other a Certificate of Insurance along with the endorsements as required herein. The Certificates shall name the Parties hereto as additional insureds. The Certificates shall provide for written notice from one Party to the other 30 days before the policies are canceled, modified or allowed to expire.

Such insurance shall be primary and all other insurance shall be noncontributory and shall waive all rights of subrogation against the additional insureds.

Staff Report

Agenda Item: F – 2

DATE: July 13, 2023 (July 18, 2023 Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: Ratify General Manager Action To Sign Professional Services Contract With San Benito Engineering & Surveying Inc. For Temporary Field Inspection Services (Not a project under CEQA per Article 20, Section 15378).

RECOMMENDATION:

Approve a motion ratifying the General Managers actions to contract profession services with San Benito Engineering & Surveying Inc. (SBE&S) for temporary Field Inspection Services.

BACKGROUND:

In the absence the Associate Engineer the General Manager has taken over responsibility to perform review new construction proposals, field inspections, and document compliance with District standards for infrastructure planned for acceptance into the district.

The time required to perform that work correctly prevents the General Manager from completing other district management tasks. The previous General Manager, Don Ridenhour, currently is employed by SBE&S to perform inspection services for other local projects. Mr. Ridenhour offered to assist the district and perform required field tasks until a replacement Associate Engineer has been hired and if needed assist with training of the new hire.

Mr. Ridenhour will work part time as needed and a contract with SBE&S has been executed for a no to exceed value of \$20,000. This contract is T&M and can be canceled at any time. This action item is to inform the board of a contractual service engaged by the General Manager and for the board to approve this action or provide direction to cancel the contract. The standard District professional services contract has been utilized for this contract.

If services exceeding \$20,000 are required a new item will come before the board for consideration.

FINANCIAL IMPACT:

The maximum contract value is not to exceed \$20,000.

ENVIRONMENTAL IMPACT:

This action is not a project under CEQA per Article 20, Section 15378. All work inspected in the field is reviewed and approved by external CEQA action.

ATTACHMENTS:

1. Executed Contract between SSCWD and SBE&S

PROJECT CONTRACT 20230630-01

**Supplemental Engineering Support
Contract for Professional Services**

THIS CONTRACT is made on June 30, 2023 by and between SUNNYSLOPE COUNTY WATER DISTRICT (District) and San Benito Engineering & Surveying, Inc. (Contractor). Any and all obligations of the District and Contractor, collectively "Parties" are fully set forth and described herein.

In consideration of the mutual covenants and conditions set forth in this Contract, the Parties agree as follows:

1. **WORK TO BE PROVIDED**

Contractor agrees to furnish all tools, equipment, apparatus, facilities, labor, transportation, and material necessary to perform and complete the Work unless otherwise described below. Work shall be performed to general industry standards and in a professional manner, as designated and in strict conformity with the following work description.

The Work is generally described as follows:

- a. San Benito Engineering will provide engineering support of one person on a contract basis estimated at 16-32 hours per month but may be adjusted based on workload.
- b. It is understood that Don Ridenhour will provide general engineering assistance on an as-needed basis to the Sunnyslope County Water District and will be assigned as the project manager of this contract for the purpose of contract fulfilment and shall not be exchanged or replaced without written approval of the district.
- c. Engineering Assistance is defined to include field work; field inspection of current projects for conformance with Sunnyslope plans and specs, field reports and pictures, office work including review of development plans for conformance to SSCWD plans and specs and providing direction to developers to comply with district requirements, including email responses to developers and assisting with the preparation of development agreements when necessary.
- d. Sunnyslope will provide an operational iPad with all needed field inspection software.
- e. Sunnyslope will provide office space and materials as needed for in-office work to perform plan review and communications with developers.

2. **COMPONENT PARTS**

The following document is incorporated herein by reference and constitutes part of this Contract:

- ◆ This document contains the full agreement with no amendments.
- ◆ San Benito Engineering & Surveying, Inc. proposal for Contract Engineering Services and dated June 30, 2023 is included for reference.

3. **PERFORMANCE STANDARDS**

a. Contractor warrants that Contractor and its agents, employees, and subcontractors performing the Work under this Contract are specially trained, experienced, competent, and appropriately licensed to perform the Work and deliver the services required under this Contract.

b. Contractor warrants that they are not current employees of the district, or immediate family of a district employee.

c. Contractor, its agents, employees, and subcontractors shall perform all Work in a safe and skillful manner and in compliance with all applicable laws and regulations. All Work performed under this Contract that is required by law to be performed or supervised by licensed personnel shall be performed in accordance with such licensing requirements.

d. All Work under the terms of this Contract shall be performed at the sole direction and control of Contractor, and subject to inspection and approval of the District, or its representatives.

4. **PAYMENT**

The district agrees to pay Contractor at a time and materials (T&M) rate of \$160.00/hour to be billed monthly or as amended through written agreement. Included within this price are all labor, travel and other miscellaneous costs. Any additional work required beyond that described herein is subject to authorization by the district Representative via the Change Order process prior to conducting such work.

Contractor shall submit a single invoice monthly to the district electronically directly to ap@sunnysloewater.org and copy drew@sunnysloewater.org. All invoices shall include all T&M work completed in the prior period. The invoice shall include the date, description of the

work, and any other pertinent information as determined by the district. The district shall make payment within 30 days of invoice approval.

5. TERM OF CONTRACT

The Contract shall commence upon execution hereof by both Contractor and the District and shall conclude at 125 hours billed unless extended by written amendment.

6. INSURANCE

Without limiting Contractor's duty to indemnify, Contractor shall maintain, at no cost to the District, throughout the term of this Contract a policy or policies of insurance covering all of Contractor's Work hereunder with the following minimum limits of liability:

a. General liability insurance, including but not limited to premises, personal injury, products, and completed operations, with a combined single limit of \$1,000,000 per occurrence and \$2,000,000 aggregate.

b. Comprehensive automobile liability insurance covering all motor vehicles, including owned and non-owned vehicles used in providing services related to the Work previously described, with a combined single limit of \$1,000,000 per occurrence.

c. Worker's compensation insurance or self-insurance of not less than \$1,000,000 indicating compliance with any applicable Labor Codes, acts, laws, or statutes, whether federal or state.

Contractor shall file a certificate of insurance with the District as evidence that Contractor has the insurance coverages required under this Contract. The District shall be notified in writing thirty (30) days prior to any cancellation or material change in the insurance.

7. TERMINATION

The district may terminate this Contract for any reason by giving written notice of termination at least two (2) days prior to the effective termination date, which shall be specified in such notice. The District may immediately terminate this Contract for good cause. "Good cause" includes but is not limited to a breach of or failure to perform any section of this Contract, poor workmanship, and excessive and undue delay between Notice to Proceed and commencement of Work or such delay during Work. In the event of such termination, the amount payable under this Contract shall be limited to payment for the Work performed prior to the date of termination.

8. INDEMNIFICATION

Contractor shall, to the fullest extent allowable by law, indemnify, defend, and hold the District and its directors, officers, employees, and agents harmless against any and all claims, demands, expenses, and liability occurring or resulting to any and all persons, firms, or corporations for damage, injury, or death which arise out of or are related to Contractor's performance of the Work, unless such claim, demand, expense, or liability is caused by the District's sole negligence or willful misconduct. "Contractor's performance" includes Contractor's action or inaction or the action or inaction of Contractor's officers, employees, or agents.

9. **AMENDMENTS & MODIFICATIONS**

No modification or amendment of this Contract, including issuance of Change Orders, shall be valid unless it is set forth in writing and executed by the Parties hereto. Upon such execution, such amendment shall be fully incorporated into the Contract and shall be equally enforceable.

10. **LICENSING REQUIREMENTS**

Contractor is required, by law, to be appropriately licensed to do business in the State of California and must abide by all licensing and reporting regulations. Contractor warrants that it possesses all applicable licenses in good standing and shall maintain such licensing for the duration of the Contract.

11. **APPRENTICES**

None

12. **PAYROLL RECORDS.**

Pursuant to Labor Code §1776, Contractor and each subcontractor shall keep accurate records, showing the name, address, social security number, work classification, straight time and overtime hours worked each day and week, and the actual per diem wages paid to each journeyman, apprentice, worker, or other employee employed by it in connection with the Work. Each payroll record shall contain or be verified by a written declaration that it is made under penalty of perjury, stating both of the following: 1) The information contained in the payroll record is true and correct; 2) The employer has complied with the requirements of Labor Code §§1771, 1811, and 1815 for any Work performed. Payroll records enumerated shall be certified and shall be available for inspection at all reasonable hours at the principal office of Contractor.

13. **INDEPENDENT CONTRACTOR.**

In the performance of the Work, duties, and obligations under this Contract, Contractor is at all times acting and performing as an independent contractor and not as an employee of the district.

No offer or obligation of permanent employment with the district is intended in any manner, and Contractor shall not become entitled by virtue of this Contract to receive from District any form of employee benefits including but not limited to sick leave, vacation, retirement benefits, workers' compensation coverage, insurance or disability benefits. Contractor shall be solely liable for and obligated to pay directly all applicable taxes, including federal and state income taxes and social security, arising out of Contractor's performance of this Contract. In connection therewith, Contractor shall defend, indemnify, and hold District harmless from any and all liability which District may incur because of Contractor's failure to pay such taxes.

14. **NON-DISCRIMINATION**

Throughout the performance of this Contract, Contractor, and its subcontractors, shall not unlawfully discriminate against any person because of race, color, religion, gender, national origin, ancestry, physical disability, medical condition, marital status, age older than 40, or sexual preference, either in Contractor's employment practices or in the furnishing of services to recipients. Contractor shall ensure that the evaluation and treatment of its employees and applicants for employment and all persons receiving and requesting services are free of such discrimination and shall comply fully with all federal, State and local laws and regulations which prohibit discrimination.

15. **NOTICES.**

Notices required under this Contract shall be delivered personally or by first-class, postage pre-paid mail to the District's and Contractor's contract administrators at the addresses listed below:

FOR DISTRICT:	FOR CONTRACTOR:
Drew A. Lander General Manager 3570 Airline Highway Hollister, CA 95023 (831) 637-4670 drew@sunnysloewater.org	Anne E. Hall R.C.E. 55611 San Benito Engineering & Surveying, Inc. 502 Monterey St. Hollister, CA 95023 Office (831) 637-2763 ahall@sanbenitoeng.com

16. **GOVERNING LAWS**

This Contract shall be construed and enforced according to the laws of the State of California, and the Parties hereby agree that the County of San Benito shall be the proper venue for any dispute arising hereunder.

17. DISPUTES

a. Contractor shall continue to perform under this Contract during any dispute. The Parties agree to make good faith efforts to resolve disputes as quickly as possible.

b. Claims

(1) Upon receipt of a claim by Contractor, the District shall conduct a reasonable review of the claim. The claim must be sent by registered mail or certified mail, return receipt requested. Within a period not to exceed 45 days, District shall provide Contractor a written statement identifying the portions of the claim that are disputed and undisputed. The Parties may, by mutual agreement, extend the time period.

(a) Contractor shall furnish reasonable documentation to support the claim.

(b) If the District needs approval from its Board to provide Contractor a written statement identifying the disputed portion and the undisputed portion of the claim, and the Board does not meet within the 45 days or extension of time, then the District shall have up to three days following the next duly publicly noticed Board meeting to provide Contractor a written statement identifying the disputed portion and the undisputed portion.

(c) Any payment due on an undisputed portion of the claim shall be processed and made within 30 days after the District issues its written statement. If the District fails to issue a written statement, paragraph (2) shall apply.

(2) If Contractor disputes the District's written response, or if the District fails to respond to a claim issued pursuant to this section within the time prescribed, Contractor may demand in writing an informal conference to meet and confer for settlement of the issues in dispute. Upon receipt of a demand in writing sent by registered mail or certified mail, return receipt requested, the District shall schedule a meet and confer conference within 30 days for settlement of the dispute.

(a) Within 10 business days following the conclusion of the meet and confer conference, if the claim or any portion of the claim remains in dispute, the District shall provide Contractor a written

statement identifying the portion of the claim that remains in dispute and the portion that is undisputed. Any payment due on an undisputed portion of the claim shall be processed and made within 30 days after the District issues its written statement. Any disputed portion of the claim, as identified by Contractor in writing, shall be submitted to nonbinding mediation, with the Parties sharing the associated costs equally. The Parties shall mutually agree to a mediator within 10 business days after the disputed portion of the claim has been identified in writing. If the Parties cannot agree upon a mediator, each party shall select a mediator and those mediators shall select a qualified neutral third party to mediate with regard to the disputed portion of the claim. Each party shall bear the fees and costs charged by its respective mediator in connection with the selection of the neutral mediator. If mediation is unsuccessful, the parts of the claim remaining in dispute shall be subject to applicable procedures outside this section.

(b) For purposes of this section, mediation includes any nonbinding process, including, but not limited to, neutral evaluation or a dispute review board, in which an independent third party or board assists the parties in dispute resolution through negotiation or by issuance of an evaluation. Any mediation utilized shall conform to the timeframes in this section.

(c) Unless otherwise agreed to by the Parties in writing, the mediation conducted pursuant to this section shall excuse any further obligation under Section 20104.4 to mediate after litigation has been commenced.

(d) The district is not precluded from requiring arbitration of disputes under private arbitration or the Public Works Contract Arbitration Program, if mediation under this section does not resolve the Parties' dispute.

(3) Failure by the District to respond to a claim from Contractor within the time periods described in this subdivision or to otherwise meet the time requirements of this section shall result in the claim being deemed rejected in its entirety. A claim denied by reason of the district's failure to have responded to a claim, or its failure to otherwise meet the time requirements of this section, shall not constitute an adverse finding with regard to the merits of the claim or the responsibility or qualifications of Contractor.

(4) Amounts not paid in a timely manner as required by this section shall bear interest at 7 percent per annum.

(5) If a subcontractor or a lower tier subcontractor lacks legal standing to assert a claim against the District because privity of contract does not exist, Contractor may present to the District a claim on behalf of a subcontractor or lower tier subcontractor. A subcontractor may request in writing, either on his or her own behalf or on behalf of a lower tier subcontractor, that Contractor present a claim for work performed by the subcontractor or by a lower tier subcontractor on behalf of the subcontractor. The subcontractor requesting that the claim be presented to the District shall furnish reasonable documentation to support the claim. Within 45 days of receipt of this written request, Contractor shall notify the subcontractor in writing as to whether Contractor presented the claim to the District and, if Contractor did not present the claim, provide the subcontractor with a statement of the reasons for not having done so.

(6) In the event any dispute arising from or relating to this Contract results in litigation or arbitration, the prevailing party shall be entitled to recover all reasonable costs incurred, including court costs, attorneys' fees, expenses for expert witnesses (whether or not called to testify), expenses for accountants or appraisers (whether or not called to testify), and other related expenses. Recovery of these expenses shall be as additional costs awarded to the prevailing party, and shall not require initiation of a separate legal proceeding.

18. UNFAIR BUSINESS PRACTICES CLAIM

In accord with California Public Contracts Code § 7103.5, Contractor agrees to assign to the District all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, services, or materials pursuant to the Contract. This assignment shall be made and become effective at the time the district tenders final payment to Contractor, without further acknowledgment by the Parties.

19. CONSTRUCTION OF CONTRACT

The Parties agree that each party has fully participated in the review and revision of this Contract and that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in the interpretation of this Contract or any exhibit or amendment. To that end, it is understood and agreed that this Contract has been arrived at through negotiation, and that neither party is to be deemed the party which prepared this Contract within the meaning of Civil Code section 1654.

20. **CONFLICT OF INTEREST**

Contractor represents it presently has no interest and agrees not to acquire any interest during the term of this Contract which would directly or indirectly conflict in any manner or to any degree with the full and complete performance of the Work required to be rendered under this Contract.

21. **NON-EXCLUSIVE CONTRACT**

This Contract is non-exclusive and both Parties expressly reserve the right to contract with other entities for the same or similar services.

22. **WAIVER**

Any waiver of any term or condition hereof must be in writing and signed by the District. No such waiver shall be construed as a waiver of any other term or condition herein.

23. **SUCCESSORS AND ASSIGNS**

This Contract and all rights, privileges, duties, and obligations hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the Parties and their respective successors, permitted assigns and heirs. Contractor shall not assign, sell, mortgage, or otherwise transfer its interest or obligations in this Contract without the prior written consent of the District.

24. **COUNTERPARTS**

This Contract may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same Contract.

25. **AUTHORITY**

Any individual executing this Contract on behalf of the District or Contractor represents and warrants hereby that he or she has the requisite authority to enter into this Contract on behalf of such party and bind the party to the terms and conditions of this Contract.

26. **SEVERABILITY**

If any of the provisions contained in the Contract are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions shall not be impaired thereby. Limitations of liability and indemnities shall survive termination of the Contract for any cause. If a part of this Contract

is invalid, all valid parts that are severable from the invalid part remain in effect. If a part of this Contract is invalid in one or more of its applications, the part remains in effect in all valid applications that are severable from the invalid applications.

27. **ENTIRE CONTRACT**

As of the effective date, this Contract, including the exhibits and any documents incorporated by reference, represents the entire Contract between the District and Contractor with respect to the subject matter of this Contract, and supersedes any and all prior written or oral negotiations and representations between the Parties concerning all matters relating to the subject of this Contract.

28. **ACCIDENT PROTECTION**

Precaution shall be exercised at all times for the protection of persons (including employees) and property. The safety provisions of applicable laws, building codes, and construction codes shall be observed. Machinery, equipment, and other hazards shall be guarded or eliminated in accordance with the safety provisions of the Construction Safety Orders issued by the Occupational Safety and Health Standards Board of the State of California.

IN WITNESS WHEREOF, two identical counterparts of this Contract, each of which shall for all purposes be deemed an original thereof, have been duly executed by the parties hereinabove named, on the day and year first herein written.

SUNNYSLOPE COUNTY WATER DISTRICT

Drew A. Lander
General Manager

San Benito Engineering & Surveying Inc.



Anne E. Hall
Principal

Staff Report

Agenda Item: F – 3

DATE: July 13, 2023 (July 18, 2023 Meeting)

TO: Board of Directors

FROM: General Manager, Drew Lander P.E.

SUBJECT: Board Discussion Regarding Fleet Electrification And Provide General Manager Direction Regarding Future Vehicle Purchases.

RECOMMENDATION:

No Action Required. Provide Direction To The General Manager Regarding Electrification Of The District Vehicle Fleet.

BACKGROUND:

The district currently has need of 3 additional replacement vehicles. Due to attrition from daily use, wear and tear and vehicle collisions the district fleet has been reduced by three trucks over the past 4 years. Through improved allocation of the use of existing vehicles the district has been able to operate more efficiently with fewer vehicles. However, the fleet is now lean and there is a need to replace existing vehicles. As the district moves forward there is an option to follow direction from recent Sacramento legislative decisions to electrify the our vehicles in place of purchasing gas fueled trucks.

This decision is not purely a financial one. Electric work trucks and medium duty trucks are often on backorder, they are significantly more in purchase price and require special maintenance and charging considerations. They are also quieter, cleaner, and more technologically advanced. The district has 16 daily use vehicles, 6 of these vehicles are 15 years old or older. One of these trucks is more than 20 years old. As the fleet has aged the district has maintained the trucks well. As repair costs and downtime increase staff now recommends 3 of the oldest vehicles be retired.

FINANCIAL IMPACT:

Meeting presentation will be presented to identify costs.

ENVIRONMENTAL IMPACT:

Enviornmental benefits will be discussed during meeting presentaion.