



# Sunnyslope County Water District

## BOARD OF DIRECTORS

### REGULAR MEETING

District Office Board Room



3570 Airline Hwy., Hollister, CA

## NOTICE & AGENDA

APRIL 20, 2021

Regular Board Meeting - 5:15PM

AS AUTHORIZED BY THE STATE OF CALIFORNIA EXECUTIVE ORDER N-29-20 PUBLIC ACCESS TO DISTRICT MEETINGS CAN BE OBTAINED THROUGH THE FOLLOWING ACCESS POINTS:

ZOOM MEETING ACCESS LINK

<https://zoom.us/j/94351443777?pwd=bjVleGdCQVhQa1dSWldhNmt4SDlUdz09>

Passcode: SSCWD

Or Telephone: Dial + 1 (669) 900-9128 and when prompted enter Meeting ID: 943 5144 3777

Passcode: 130559

Regular Board Room attendance will NOT be available to the public.

Any members of the public requiring special accommodations may call the District 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 Buzzetta\_\_\_\_\_, Vice-President Parker\_\_\_\_\_

Director Johnson\_\_\_\_\_, Director Ross\_\_\_\_\_, and Director Alcorn\_\_\_\_\_.

## REGULAR SESSION

### **B. PLEDGE OF ALLEGIANCE**

### **C. APPROVAL OF AGENDA**

**D. PUBLIC COMMENTS and AUDIENCE INTRODUCTIONS** – The public may comment<sup>1</sup> on any District business, not on the agenda, with a time limit of three minutes per speaker. No actions may be taken 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 Board <sup>2</sup> on these items, not to exceed 3 minutes, when the Board reviews each pulled item.

1. Approval of Minutes of the Regular Board Meeting of March 16, 2021. (Pages 1-10)
2. Allowance of Claims for Disbursements from March 1, 2021 through March 31, 2021. (Pages 11-14)
3. Receive Associate Engineer Monthly Status Report. (Page 15-16)
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. (Pages 17-32)
5. Receive Superintendent Monthly Status Reports: a. Maintenance, b. City Meter Reading, and c. Groundwater Level Measurement. (Pages 33-40)
6. Receive General Manager Monthly Status Report. (Pages 41-42)

**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 Board<sup>2</sup> on these items as the Board reviews each item.

1. Consider Proclaiming May 2021, as “Water Awareness Month”. [General Manager, Drew Lander] (Pages 43-45)
2. Presentation of the Replacement Toilet Water Conservation Program. [Shawn Novak, Water Conservation Program Manager at San Benito County Water District] (Pages 46-56)

3. Consideration of Establishing Section 115 Trust Fund for Participation in the California Employers Pension Prefunding Trust (CEPPT) with the California Public Employees' Retirement System. [Finance & Human Resource Manager, Travis Foster] (Pages 57-111)
4. Authorize the Board President to Execute an Operations and Maintenance Contract with San Benito Foods – Neil Jones Food Company allowing SSCWD to Provide Contract Services of the Industrial Wastewater Treatment Ponds. [General Manager, Drew Lander] (Pages 112-113)
5. GM to Receive Direction from Board on Future Newsletter Topics. [General Manager, Drew Lander] (Oral Report)
6. Consider Authorizing Board Members to Attend the Association of California Water Agencies Conference (ACWA) and the ACWA/Joint Powers Insurance Authority (JPIA) Meeting May 12 – 13, 2021, Virtual Meeting (Pages 114)

#### **G. STATUS REPORTS**

1. Governance Committee – (No meeting)
2. Water / Wastewater Committee – (Meeting held April 16, 2021: IWTP Contract Review)
3. Finance Committee – (Meeting held April 16, 2021: CEPPT Discussion and Review of IWTP Proposed Budget)
4. Policy and Procedure Committee – (No meeting)
5. Personnel Committee – (No Meeting)
6. Water Resources Association of San Benito County – (No Meeting)

#### **H. BOARD and STAFF REPORTS**

1. Directors
2. District Counsel
3. General Manager – COVID 19 Updated (Oral Report), SGMA TAC Report (Oral Report)

#### **I. FUTURE AGENDA ITEMS**

1. Preliminary Budget Review FY21/22 – May 2021
2. Receive and Adopt the Urban Water Management Plan Update – June 2021

#### **J. ADJOURNMENT**

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

## Next Regular Board Meeting – May 18, 2021 @ 5:15 p.m., District Office

**AGENDA DEADLINE: May 12, 2021 @ 12:00 p.m.**

## **Future Scheduled Committee Meetings**

Water Resources Agency – June 3, 2021 @ 4:00 PM

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

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

**MINUTES**  
**Regular Meeting of the Board of Directors**  
**of the**  
**SUNNYSLOPE COUNTY WATER DISTRICT**  
**March 16, 2021**

**A. CALL TO ORDER:** The meeting was called to order at 4:45 p.m. by President Buzzetta, as authorized by the State of California Executive Order N-25-20 via teleconference, at the Sunnyslope County Water District office, 3570 Airline Highway, Hollister, California.

**ROLL CALL: Present in Person:** President Jerry Buzzetta, and Vice President James Parker. **Present Via Teleconference:** Director Mike Alcorn, Director Judi Johnson, and Director Ann Ross.

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

**C. CLOSED SESSION PURSUANT TO GOVERNMENT CODE SECTIONS:**

**1. Conference with Legal Counsel – Pending Litigation (§ 54956.9):**

- a. *County of San Benito vs. SSCWD*, San Benito County Superior Court Case No. CU-20-00068
- b. *Williams v. City of Hollister et al.*, San Benito County superior Court Case No. CU-20-0020378u9

President Buzzetta reconvened the meeting to open session at 5:18 p.m.

**D. PLEDGE OF ALLEGIANCE:** Director Parker led Directors and staff in the Pledge of Allegiance.

**E. REPORT IN OPEN SESSION ACTION TAKEN IN CLOSED SESSION:**

**1. Conference with Legal Counsel – Pending Litigation (§ 54956.9):**

Attorney Heidi Quinn reported on both items, Counsel gave status update and no reportable action taken.

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

**G. 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.

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

#### H. CONSENT AGENDA:

1. Approval of Minutes – The Board reviewed the minutes for the Regular Meeting of February 16, 2021.
2. Allowance of Claims – The Board reviewed the Disbursement Summary (below) for the period of February 1, 2021 through February 28, 2021, totaling \$1,122,382.61 which includes \$502,092.65 for payments to vendors, \$241,495.86 for Payroll, \$372,749.07 paid to the City of Hollister for collection of City sewer billings (net of our fees), and \$6,045.03 for customer refunds and checks returned. The last “ACH” # (electronic payments) was ACH #1993, last “RET” # (returned item) was RET #0023, and the last check written was check #28878.

<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
02/12/21	02-01 PRLL	Employee Payroll	-64,452.10
02/12/21	02-01 PRLL	Payroll Taxes	-17,554.81
02/02/21	RET 0001	RETURNED ACH (ACH Ret 02-01)	-131.17
02/26/21	02-02 PRLL	Employee Payroll	-65,060.29
02/26/21	02-02 PRLL	Payroll Taxes	-18,327.67
02/10/21	RET 0002	RETURNED ACH (ACH Ret 02-02)	-200.00
02/19/21	RET 0003	RETURNED ACH (ACH Ret 02-03)	-233.49
02/22/21	RET 0004	RETURNED ACH (ACH Ret 02-04)	-147.02
02/22/21	RET 0005	RETURNED ACH (ACH Ret 02-05)	-1,444.52
02/22/21	RET 0006	RETURNED ACH (ACH Ret 02-06)	-134.34
02/22/21	RET 0007	RETURNED ACH (ACH Ret 02-07)	-513.96
02/22/21	RET 0008	RETURNED ACH (ACH Ret 02-08)	-227.64
02/22/21	RET 0009	RETURNED ACH (ACH Ret 02-09)	-143.85
02/22/21	RET 0010	RETURNED ACH (ACH Ret 02-10)	-152.08
02/23/21	RET 0011	RETURNED ACH (ACH Ret 02-11)	-156.42
02/23/21	RET 0012	RETURNED ACH (ACH Ret 02-12)	-184.62

<b>Date</b>	<b>Number</b>	<b>Name</b>	<b>Amount</b>
02/23/21	RET 0013	RETURNED ACH (ACH Ret 02-13)	-461.72
02/23/21	RET 0014	RETURNED ACH (ACH Ret 02-14)	-247.59
02/23/21	RET 0015	RETURNED ACH (ACH Ret 02-15)	-327.70
02/23/21	RET 0016	RETURNED ACH (ACH Ret 02-16)	-137.51
02/23/21	RET 0017	RETURNED ACH (ACH Ret 02-17)	-170.05
02/23/21	RET 0018	RETURNED ACH (ACH Ret 02-18)	-175.22
02/23/21	RET 0019	RETURNED ACH (ACH Ret 02-19)	-135.11
02/23/21	RET 0020	RETURNED ACH (ACH Ret 02-20)	-143.85
02/23/21	RET 0021	RETURNED ACH (ACH Ret 02-21)	-121.66
02/22/21	RET 0022	RETURNED CHECK (Ck Ret 02-01)	-150.00
02/25/21	RET 0023	RETURNED ACH (ACH Ret 02-22)	-305.51
02/03/21	ACH 1968	CalPERS - Retirement	-194.58
02/03/21	ACH 1969	CalPERS - Retirement	-686.08
02/04/21	ACH 1970	Colonial Life	-1,802.46
02/01/21	ACH 1971	CalPERS - Retirement	-194.58
02/01/21	ACH 1972	CalPERS - Retirement	-686.08
02/05/21	ACH 1973	CalPERS - Retirement	-6,259.58
02/05/21	ACH 1974	CalPERS - Retirement	-9,051.46
02/05/21	ACH 1975	CalPERS - Health Insurance	-22,007.97
02/02/21	ACH 1976	North American Bancard	-263.43
02/02/21	ACH 1977	North American Bancard	-723.93
02/03/21	ACH 1978	North American Bancard	-152.06
02/03/21	ACH 1979	North American Bancard	-992.69
02/03/21	ACH 1980	North American Bancard	-0.20
02/05/21	ACH 1981	American Express	-29.08
02/09/21	ACH 1982	iCloud	-2,540.45
02/12/21	ACH 1983	ADP	-2,083.26
02/02/21	ACH 1984	BASIC Benefits LLC	-35.12
02/05/21	ACH 1985	Principal	-3,484.83
02/19/21	ACH 1986	BASIC Benefits LLC	-5.00
02/23/21	ACH 1987	BASIC Benefits LLC	-20.00
02/22/21	ACH 1988	CalPERS - Retirement	-6,227.37
02/26/21	ACH 1989	BASIC Benefits LLC	-110.00
02/22/21	ACH 1990	CalPERS - Retirement	-8,999.38
02/19/21	ACH 1991	CalPERS - Retirement	-23.08
02/19/21	ACH 1992	CalPERS - Retirement	-23.08
02/25/21	ACH 1993	ADP	-243.25
02/01/21	28811	Ace Hardware (Johnson Lumber Co.)	-238.51
02/01/21	28812	AT&T	-554.93
02/01/21	28813	Brenntag Pacific, Inc.	-17,132.07
02/01/21	28814	Brigantino Irrigation	-20.45
02/01/21	28815	Corbin Willits Systems, Inc. (MOM's)	-1,500.00
02/01/21	28816	De Lay & Laredo	-2,989.00

<b>Date</b>	<b>Number</b>	<b>Name</b>	<b>Amount</b>
02/01/21	28817	Engineering News-Record (ENR)	-108.00
02/01/21	28818	Grainger, Inc.	-100.96
02/01/21	28819	Hach Company	-878.28
02/01/21	28820	Hollister Auto Parts, Inc.	-11.21
02/01/21	28821	Mission Uniform Service	-862.89
02/01/21	28822	Petty Cash	-22.83
02/01/21	28823	Quinn Company	-184.58
02/01/21	28824	Razzolink.com	-76.95
02/01/21	28825	Schaaf & Wheeler	-3,414.00
02/01/21	28826	Star Concrete	-45.89
02/01/21	28827	State Water Resources Control Board-DWPF	-25,165.80
02/01/21	28828	USA Blue Book	-336.02
02/01/21	28829	Veolia Water Technologies	-6,848.16
02/01/21	28830	Virtual Graffiti, Inc.	-992.19
02/01/21	28831	Bryan Mailey Electric, Inc	-2,193.52
02/01/21	28832	Brenntag Pacific, Inc.	-1,981.16
02/01/21	28833	Primex	-2,815.92
02/02/21	28834	UWUA Local 820	-784.72
02/08/21	28835	Chavez, Jr., Manuel T.	-100.51
02/08/21	28836	AT&T	-655.61
02/08/21	28837	Bracewell Engineering, Inc.	-56.00
02/08/21	28838	City of Hollister-Finance Dept	-372,749.07
02/08/21	28839	Community Printers, Inc.	-826.25
02/08/21	28840	Filmtec Corporation	-757.75
02/08/21	28841	Green Line	-2,280.00
02/08/21	28842	Nationwide Retirements Solutions	-15,615.62
02/08/21	28843	P G & E	-18,674.00
02/08/21	28844	Postal Graphics	-1,050.94
02/08/21	28845	San Benito County Water District	-405.75
02/08/21	28846	Toro Petroleum Corp.	-1,328.18
02/08/21	28847	U.S. Bank Corporate Payment Systems	-1,652.71
02/08/21	28848	exceedio	-5,141.98
02/08/21	28849	Recology San Benito County	-299.75
02/16/21	28850	ACC Business	-535.22
02/16/21	28851	Brenntag Pacific, Inc.	-5,334.75
02/16/21	28852	Central Ag Supply LLC	-218.39
02/16/21	28853	EBCO Pest Control	-60.00
02/16/21	28854	Staples Advantage	-309.85
02/16/21	28855	State Water Resources Control Board-DWOCF	-60.00
02/16/21	28856	Trans Union LLC	-161.08
02/22/21	28857	A-1 Services	-403.00
02/22/21	28858	Anne Muraski	-18,975.00
02/22/21	28859	Auto Tech Service Center, Inc.	-1,700.00



<u>Date</u>	<u>Number</u>	<u>Name</u>	<u>Amount</u>
02/22/21	28860	Brenntag Pacific, Inc.	-5,301.92
02/22/21	28861	Central Ag Supply LLC	-397.45
02/22/21	28862	CWEA Membership- TCP	-180.00
02/22/21	28863	De Lay & Laredo	-3,943.00
02/22/21	28864	ERA Safety Solutions LLC	-174.80
02/22/21	28865	Fastenal Company	-8.45
02/22/21	28866	Filmtec Corporation	-129.90
02/22/21	28867	Hach Company	-1,082.31
02/22/21	28868	Konica Minolta Premier Finance	-416.76
02/22/21	28869	Monterey Signs, Inc.	-393.30
02/22/21	28870	Nationwide Retirements Solutions	-7,807.81
02/22/21	28871	San Benito County Water District	-343,127.83
02/22/21	28872	Staples Advantage	-132.40
02/22/21	28873	State Water Resources Control Board-DWOC	-90.00
02/22/21	28874	Toro Petroleum Corp.	-1,305.51
02/22/21	28875	Transene Company Inc (Shape Products)	-148.65
02/22/21	28876	Wright Bros. Welding & Sheet Metal, Inc.	-74.17
02/22/21	28877	CWEA Membership- TCP	-360.00
02/22/21	28878	CWEA Membership- TCP	-420.00
			<b>\$ <u><u>-1,122,382.61</u></u></b>

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

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

## **I. NEW BUSINESS:**

- 1. AWARD THE RIDGEMARK WASTEWATER COLLECTION SYSTEM CCTV INSPECTION AND ASSESSMENT PROJECT FY 20-21 TO ABLE SEPTIC TANK**

**FOR AN AMOUNT NOT TO EXCEED \$133,300 AND AUTHORIZE THE GENERAL MANAGER TO EXECUTE A PROJECT CONTRACT:** Associate Engineer Rob Hillebrecht explained that the Board reviewed the updated 2020 Sewer System Management Plan and approved it on April 21, 2020. In this plan, one of the listed goals was to initiate a closed-circuit television (CCTV) investigation of the entire gravity wastewater collections system by 2021 and complete it by 2024. To complete this assessment in a timely manner, Sunnyslope developed the project scope and requirements for the CCTV investigation. Then the District solicited bids from qualified contractors throughout February 2021. Bids were opened on February 25, 2021. The lowest responsible bidder was Able Septic Tank (Able) at a bid price of \$121,195.

Able is a well-established and respected company doing sewer cleaning and videoing in the Bay Area for over 50 years. Their project team are very experienced and qualified within their fields. The project includes hydro-cleaning and recording CCTV footage of all gravity sewer mains within the District's collection system. Additionally, they will inspect each manhole and provide written reports identifying any issues in the sewer such as broken or collapsing pipes, root intrusion, bellies, corrosion, and more.

President Buzzetta asked if there may be any potential negative impact with awarding the contract and Associate Engineer Hillebrecht responded that staff will be monitoring Able Septic Tank throughout the project. Able Septic Tank will use the same equipment and methodology that Sunnyslope currently uses, so it is less likely there will be any issues. Mr. Hillebrecht added that the company is covered by insurance which will cover any repairs that may occur.

Upon a motion made by Director Alcorn to award the Ridgemark Wastewater Collection System CCTV Inspection and Assessment Project FY 20-21 to Able Septic Tank for an amount not to exceed \$133,300 and authorize the General Manager to execute a project contract, seconded by Director Johnson, for which President Buzzetta (JB) then took a roll call vote as follows: Directors Alcorn, (MA), yes; Johnson (JJ), yes; Parker (JP), yes; Ross (AR), yes; and President Buzzetta (JB), yes; the motion carried 5-0.

2. **RECEIVE AND DISCUSS SIX-MONTH BUDGET REVIEW OF DISTRICT'S FINANCIAL RESULTS FROM JULY 1, 2020 THRU DECEMBER 31, 2020:** Finance & Human Resource Manager Travis Foster stated that the Finance Committee met on March 10, 2021 to review the Budget to Actuals results for the first six months of operations. The information provided in the staff report is to summarize the committee's discussion and report to the Board on the mid-year operating results for the District. Mr. Foster explained that in updating the District's reporting capabilities in the current fiscal year, some underlying variances are based on the differences in the methodology used in the past to develop the budget and the actual reporting in the current fiscal year.

Wastewater Revenue: Sewer Services Revenue of \$1,001,299 is up \$51,299 over the budget of \$950,000. This increase is tracking what we have seen month to month. As the District calculates the consumption factor and adjusts for the new factor in April of each year, the budget is developed based on an average of the prior year. Variances are typically seen for the first six months of the year when the current year's consumption factor has not

been adjusted. Revenue for fees allocated from Customer Service of \$15,872 is down \$6,488 from the budgeted \$22,360. The net effect of these variances is \$38,256 over budget for total Wastewater Revenue.

Wastewater Expenses: The most notable variances in expenses for the Wastewater operation are the following:

- 1) Electrical Services are up \$7,795 from the budget due to additional energy used for operating pumps.
- 2) A new fuel pump costing \$4,247.39 for the 2005 DeWatering Pump was installed resulting in a \$3,938 variance in Vehicle & Equipment Operating Expenses (account 633).
- 3) Depreciation is up \$4,670 for new pumps purchased at the end of FY 2020 subsequent to the budget preparation.

Wastewater Net Ordinary Income: After six months of operations, Wastewater Net Income of \$375,933 is up \$11,999 from the budget and Net Income of \$253,250 is \$17,216 over budget.

Water Revenue: Water Sales Revenue of \$4,164,041 is up \$461,497 over the budget of \$3,702,544. Water Sales was budgeted conservatively in Fiscal Year 2021 due to the \$300,000 budget shortfall in fiscal year 2020 and the unknown impact of the pandemic. Installation Fees are \$10,650 over budget which is offset by Allocated Customer Service Revenue being \$25,951 under budget. The net effect of these variances results in total Water Revenue being \$419,137 over budget.

Water Expenses: The most notable variances in expenses for Water operations are the following:

- 1) Electrical Services are up \$71,826 from the budget due to additional energy used for operating pumps.
- 2) Depreciation is up \$18,156 for the acceptance of new subdivision water mains.
- 3) Lessalt Operations and Maintenance Costs are down \$85,944 as West Hills was utilized more in the first six months of the year.
- 4) West Hills Treatment Plant Operations & Maintenance Costs are up \$67,298 with the primary reason attributable to the increase in chemical costs for the additional water treated for the first six months of the year. Chemical costs are \$97,088 over budget at West Hills Treatment Plant.

Water Net Ordinary Income: After six months of operations, Water Net Income of \$85,262 is \$299,188 over the budget. Net Income Excluding Non-Budgeted Items of \$44,234 is \$299,160 over the budgeted loss of \$254,926.

Customer Service Revenue: Customer Service revenue is \$32,439 under budget primarily attributable to the inability to charge late fees during the pandemic.

Customer Service Expenses: Expenses are tracking in the Customer Service department and there are no significant variances to note.

General & Administrative Expenses: Labor Variances are attributable to the difference in the methods used for allocating the Finance & HR position to Customer Service in the Budget versus the implemented departmental tracking process used with ADP. Other Expenses variances include:

- 5) The \$20,143 over budget amount for professional services is due to the timing of expenses and the addition of an employee survey after the budget was adopted.

Finance & Human Resource Manger Travis Foster stated that in general, the District is on track to have a good financial position with \$1,485,900 in Capacity Fees received for the first six months of operation. These fees are designated by the Board for Capital Contributions. The fees are currently being used to service the \$98,723 in monthly Capital Component Costs of the three tranches of the Hollister Urban Area Agreement. The balance is \$3,778,164 on December 31, 2020. The District is also on track to limit the budgeted loss for Fiscal Year 2021. Mr. Foster stated that at the Finance Committee meeting, the committee discussed the possibility of separately tracking depreciation of the Donated Assets received from developments. In the future, this will provide additional transparency of an expense for assets not acquired by the District. The District has the long-term obligation to maintain the assets, but the current depreciation expense relates to an accounting treatment versus a financial impact of operating expenses.

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

1. **Governance Committee:** No meeting held.
2. **Water/Wastewater Committee:** No meeting held.
3. **Finance Committee:** President Buzzetta reported a meeting was held on March 10, 2021 for budget status review of fiscal year 2<sup>nd</sup> quarter as was discussed in agenda item I-2.
4. **Policy and Procedure Committee:** No meeting held.
5. **Personnel Committee:** No meeting held.
6. **Water Resources Association of San Benito County (WRA):** President Buzzetta reported on behalf of Director Johnson that the next meeting is scheduled for April 1, 2021 at 4 p.m. General Manager/ Secretary Lander reported that he met with San Benito County Water District to discuss San Juan Bautista's process to improve water and to adopt an ordinance to avoid the salt generation in the water.

## K. BOARD and STAFF REPORTS

1. **Directors:** Director Johnson reported that she attended virtual groundwater sustainability meeting with TAC; and an Ethics and Brown Act training with DeLay and Laredo. Director Johnson also complimented Water/Wastewater Superintendent Rodriguez on his efforts for maintenance staff to obtain certifications in areas that were not completed in the past. Director Johnson also reported that in speaking with office staff, they conveyed to her that they were happy with the new WaterSmart program.
2. **District Counsel:** No report.
3. **General Manager:** General Manager/Secretary Lander gave an update on the COVID-19 reporting that the number of cases is on the decline and although the office is still closed, he is anticipating to re-open within a month or so depending on the current situation with the County.

Mr. Lander added that there have been no staff out or any transmission with COVID recently. The CWEA worked legislatively to advance the water/wastewater agencies into the 2B tier, and some staff have already received the vaccination, with others that are wanting it, to receive the vaccination sometime this week.

The amount of past due accounts has gone down, in part due to the letter that was sent out to the landlords and tenants. Mr. Lander stated that he feels for the landlords that have not collected rent for many months due to the COVID rules, and now they are dealing with their tenants past due water accounts. Customers are beginning to make payments on the past due amounts. General Manager/Secretary Lander reported that the new payment system has been working well, getting customers used to calling the IVR phone number or making payments online.

General Manager/Secretary Lander reported that the Technical Advisory Committee (TAC) meeting discussed ground water techniques; using all seven steps to complete the plan this year; installing dedicated monitoring wells to not only gather data, but to utilize the wells; and evaluating the feasibility of manage aquafer recharge, which allows them to look at the level of wells and the rainfall for the year to predict where they stand.

Mr. Lander stated that the March 10<sup>th</sup> public workshop was well attended by the public, primarily agriculture members. The report that San Benito County Water District is doing is for the management of the attributed cost to groundwater pumping, which serves for future groundwater management, so we will always have water.

**L. FUTURE AGENDA ITEMS:** Consider proclaiming May 2021, as “Water Awareness Month” and the ACWA Spring Conference will be on the April 2021 agenda. Receive and Adopt the Urban Water Management Plan Update will be on the June 2021 agenda.

**M. ADJOURNMENT:** President Buzzetta adjourned the meeting at 6:00 p.m.

**APPROVED BY THE BOARD:**

\_\_\_\_\_  
Jerry T. Buzzetta, President

**RESPECTFULLY SUBMITTED:**

\_\_\_\_\_  
Drew A. Lander, Secretary

# Sunnyslope County Water District

Agenda Item: E-2

## Disbursement Summary

March 1, 2021 through March 31, 2021

Date	Num	Name	Amount
03/11/21	MCD0001	Mastercard Debit	-100.00
03/12/21	PRL 03-01	Employee Payroll	-65,336.68
03/12/21	PRL 03-01	Payroll Taxes	-18,020.61
03/15/21	MCD 0002	Mastercard Debit	-65.00
03/26/21	PRL 04-02	Employee Payroll	-63,340.74
03/26/21	PRL 04-02	Payroll Taxes	-26,981.30
03/18/21	MCD 0003	Mastercard Debit	-175.00
03/22/21	MCD 0004	Mastercard Debit	-225.00
03/01/21	RET 0024	RETURNED ACH (ACH Ret 03-01)	-273.49
03/09/21	RET 0025	RETURNED CHECK (CK Ret 03-01)	-194.02
03/12/21	RET 0026	RETURNED CHECK (CK Ret 03-02)	-187.32
03/23/21	RET 0027	RETURNED ACH (ACH Ret 03-02)	-140.68
03/23/21	RET 0028	RETURNED ACH (ACH Ret 03-03)	-137.51
03/23/21	RET 0029	RETURNED ACH (ACH Ret 03-04)	-473.51
03/23/21	RET 0030	RETURNED ACH (ACH Ret 03-05)	-511.55
03/23/21	RET 0031	RETURNED ACH (ACH Ret 03-06)	-614.16
03/23/21	RET 0032	RETURNED ACH (ACH Ret 03-07)	-131.94
03/23/21	RET 0033	RETURNED ACH (ACH Ret 03-08)	-255.11
03/25/21	RET 0034	RETURNED ACH (ACH Ret 03-09)	-192.83
03/01/21	ACH 1994	CalPERS - Retirement	-23.08
03/01/21	ACH 1995	CalPERS - Retirement	-23.08
03/01/21	ACH 1996	CalPERS - Retirement	-9,148.72
03/01/21	ACH 1997	CalPERS - Retirement	-6,276.48
03/01/21	ACH 1998	CalPERS - Retirement	-9,034.59
03/01/21	ACH 1999	CalPERS - Retirement	-6,259.58
03/02/21	ACH 2000	CalPERS - Health Insurance	-20,131.80
03/02/21	ACH 2001	North American Bancard	-57.97
03/03/21	ACH 2002	Colonial Life	-1,802.46
03/03/21	ACH 2003	North American Bancard	-150.45
03/03/21	ACH 2004	North American Bancard	-922.43
03/03/21	ACH 2005	North American Bancard	-0.20
03/05/21	ACH 2006	American Express	-27.85
03/05/21	ACH 2007	Principal	-3,283.03
03/09/21	ACH 2008	iCloud	-6,663.35
03/11/21	ACH 2009	BASIC Benefits LLC	-40.00
03/19/21	ACH 2010	ADP	-2,072.40
03/22/21	ACH 2011	CalPERS - Retirement	-194.58
03/22/21	ACH 2012	CalPERS - Retirement	-686.08
03/22/21	ACH 2013	CalPERS - Health Insurance	-20,131.80
03/22/21	ACH 2014	CalPERS - Retirement	-8,957.33
03/22/21	ACH 2015	CalPERS - Retirement	-6,322.42
03/23/21	ACH 2016	CalPERS - Retirement	-23.08
03/23/21	ACH 2017	BASIC Benefits LLC	-81.00

# Sunnyslope County Water District

## Disbursement Summary

March 1, 2021 through March 31, 2021

Date	Num	Name	Amount
03/26/21	ACH 2018	BASIC Benefits LLC	-10.00
03/30/21	ACH 2019	BASIC Benefits LLC	-110.00
03/25/21	ACH 2020	BASIC Benefits LLC	-35.00
03/01/21	28879	Central Ag Supply LLC	-1,969.39
03/01/21	28880	exceedio	-4,625.09
03/01/21	28881	Nationwide Retirements Solutions	-7,807.81
03/01/21	28882	O'Reilly Auto Parts	-5.34
03/01/21	28883	Postmaster	-2,268.26
03/01/21	28884	Razzolink.com	-76.95
03/01/21	28885	San Benito County-Environ. Health Div.	-7,615.00
03/01/21	28886	Schaaf & Wheeler	-5,429.20
03/01/21	28887	UWUA Local 820	-692.40
03/08/21	28888	KB Home South Bay, Inc.	-13,755.35
03/08/21	28889	JERROD & SUSAN AKEY	-97.65
03/08/21	28890	AMY L & KEN W CHEN	-15.66
03/08/21	28891	DENAE TOWNSEND & BENJAMIN GAITAN	-72.03
03/08/21	28892	RICK & CATHERINE HAZEN	-229.94
03/08/21	28893	MATTHEW & VANESSA KOENIG	-104.88
03/08/21	28894	MCH ELECTRIC	-639.18
03/08/21	28895	EVANJALINA MELGOZA	-156.42
03/08/21	28896	NONG WOO SEED AMERICA	-121.66
03/08/21	28897	CARLOS & MARISOL PLASENCIA	-76.61
03/08/21	28898	LAWRENCE & FELICIA SNYDER	-234.82
03/08/21	28899	Eclarin, Ernesto P.	-102.52
03/08/21	28900	Boltz, William K	-101.33
03/08/21	28901	ACC Business	-789.85
03/08/21	28902	Ace Hardware (Johnson Lumber Co.)	-1,498.40
03/08/21	28903	AT&T	-1,098.40
03/08/21	28904	Auto Tech Service Center, Inc.	-1,685.00
03/08/21	28905	Badger Meter, Inc.	-7,050.57
03/08/21	28906	Brenntag Pacific, Inc.	-12,998.72
03/08/21	28907	City of Hollister-Finance Dept	-368,482.28
03/08/21	28908	CM Analytical, Inc.	-13,543.75
03/08/21	28909	Ferguson Enterprises, Inc.	-149.00
03/08/21	28910	Grainger, Inc.	-1,945.36
03/08/21	28911	Hach Company	-3,446.82
03/08/21	28912	Hollister Auto Parts, Inc.	-56.18
03/08/21	28913	MBS Business Systems	-856.65
03/08/21	28914	Mission Uniform Service	-1,152.12
03/08/21	28915	P G & E	-16,935.16
03/08/21	28916	Postmaster	-57.00
03/08/21	28917	San Benito County Water District	-172.75
03/08/21	28918	Shape, Inc.	-1,870.00



# Sunnyslope County Water District

## Disbursement Summary

March 1, 2021 through March 31, 2021

Date	Num	Name	Amount
03/08/21	28919	Simplot Grower Solutions	-844.25
03/08/21	28920	Star Concrete	-388.93
03/08/21	28921	Toro Petroleum Corp.	-1,241.57
03/08/21	28922	Tyler Technologies, Inc.	-5,200.00
03/08/21	28923	USA Blue Book	-884.74
03/08/21	28924	Veolia Water Technologies	-7,336.51
03/08/21	28925	Verizon Wireless	-230.94
03/08/21	28926	City National Bank	-168,881.16
03/08/21	28927	San Benito County Water District	-270,925.08
03/11/21	28928	Dept. of Motor Vehicles (DMV)	-27.00
03/15/21	28929	A-1 Services	-403.00
03/15/21	28930	Bracco's Towing	-95.00
03/15/21	28931	Brenntag Pacific, Inc.	-24,300.16
03/15/21	28932	Britt Global Industries, LLC	-1,000.00
03/15/21	28933	Calcon System, Inc.	-997.50
03/15/21	28934	Corbin Willits Systems, Inc. (MOM's)	-260.00
03/15/21	28935	Filmtec Corporation	-1,331.49
03/15/21	28936	Recology San Benito County	-299.75
03/15/21	28937	RJR Recycling	-1,500.00
03/15/21	28938	Staples Advantage	-13.95
03/15/21	28939	Trans Union LLC	-160.25
03/15/21	28940	U.S. Bank Corporate Payment Systems	-1,404.71
03/15/21	28941	Nationwide Retirements Solutions	-7,807.81
03/22/21	28942	Alvarez, Abel	-76.80
03/22/21	28943	BARRY J BRADY	-306.23
03/22/21	28944	POUL NIELSEN JR	-87.78
03/22/21	28945	Auto Tech Service Center, Inc.	-324.00
03/22/21	28946	Brenntag Pacific, Inc.	-17,288.55
03/22/21	28947	Calgon Carbon Corporation	-48,402.00
03/22/21	28948	DLT Solutions Inc.	-1,173.15
03/22/21	28949	First Trust Alarm Company	-698.00
03/22/21	28950	Hach Company	-1,650.78
03/22/21	28951	Hollister Auto Parts, Inc.	-52.92
03/22/21	28952	Iconix Waterworks (US) Inc.	-78.24
03/22/21	28953	Mark Nicholson, Inc.	-8,400.00
03/22/21	28954	Mc Master-Carr	-30.65
03/22/21	28955	Palace Business Solutions	-194.81
03/22/21	28956	San Benito County Water District-Pumping	-19,500.53
03/22/21	28957	Toro Petroleum Corp.	-1,870.41
03/22/21	28958	USA Blue Book	-1,287.66
03/22/21	28959	Wright Bros. Indust. Supply	-200.91
03/29/21	28960	AT&T	-446.11
03/29/21	28961	Auto Tech Service Center, Inc.	-290.00

# Sunnyslope County Water District

## Disbursement Summary

March 1, 2021 through March 31, 2021

Date	Num	Name	Amount
03/29/21	28962	Badger Meter, Inc.	-69,258.35
03/29/21	28963	Brenntag Pacific, Inc.	-8,999.03
03/29/21	28964	Calcon System, Inc.	-562.50
03/29/21	28965	De Lay & Laredo	-3,890.00
03/29/21	28966	EBCO Pest Control	-60.00
03/29/21	28967	Edges Electrical Group, LLC	-94.69
03/29/21	28968	Ferguson Enterprises, Inc.	-204.06
03/29/21	28969	Hach Company	-2,294.75
03/29/21	28970	Hollister Auto Parts, Inc.	-163.13
03/29/21	28971	Konica Minolta Premier Finance	-416.76
03/29/21	28972	O'Reilly Auto Parts	-29.13
03/29/21	28973	Quadient, Inc.	-4,146.88
03/29/21	28974	San Benito Tire Pros & Automotive	-405.01
03/29/21	28975	Staples Advantage	-13.40
03/29/21	28976	Star Concrete	-300.44
03/29/21	28977	Tyler Technologies, Inc.	-227.50
03/29/21	28978	Verizon Wireless	-230.92
03/31/21	28979	Postmaster	-2,152.02
			<b>\$ -1,451,152.61</b>
<b>SUMMARY:</b>			
Vendors			\$ 794,853.89
Payroll - Employee			282,561.46
City of Hollister for City Billing Collected, Net of Fees			368,482.28
Mastercard Debits/ACH			565.00
Customer Refunds & Returned Checks/ACH			5,254.98
<b>Total Disbursements</b>			<b>\$ 1,451,152.61</b>

# Staff Report

Agenda Item: E – 3

**DATE:** April 6, 2021 (April 21, 2021 Meeting)

**TO:** Board of Directors

**FROM:** Associate Engineer, Rob Hillebrecht

**SUBJECT:** Associate Engineer Monthly Status Report

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## CCTV Inspection Project Contract

Sunnyslope has signed the Project Contract with Able Septic Tank for the Ridgemark Wastewater Collection System CCTV Inspection and Assessment Project. Able provided all the necessary bonding, insurance, and documentation. Staff are working with Able to develop a project schedule and to set up the logistics for completing this contract in a timely manner. The contract has a two-year term in which Able must clean and inspect all Sunnyslope's sewer mains.

## Landscape Irrigation System Project

Staff continue to work with Schaaf & Wheeler on the design for the Well 5 modifications and piping by which that well can supply large landscape irrigation services and construction water. Currently the system model task which will determine the design of the hydro-pneumatic pressure tank is the key driving factor.

## Capital Improvement & Purchase Planning

Staff have created a system through which upcoming capital improvement projects, recurring maintenance projects, and upcoming capital purchases can uniformly be described, justified, and analyzed for cost. Approximately 30 projects of varying size have been identified for the next 5 years and over 50 more long-term projects anticipated in 6-15 years. This format for documenting future projects will be critical in budgeting and establishing appropriate rates for the continued care of Sunnyslope's water and wastewater treatment plants and systems.

## 2020 Electronic Annual Report to DDW

Staff have begun assembling and entering the data required in the Electronic Annual Report (EAR) for the California State Water resources Control Board Division of Drinking Water (DDW). This

report is due by July 1, 2021 and provides an overall summary of the District's water distribution system operation throughout 2020. It includes analysis of District water supplies, water quality, customer demographics, water rates and affordability, employee certifications, emergency preparedness, conservation, and other key data which the State uses to oversee water systems.

### Santana Ranch Development

The Santana Ranch development has begun construction of the water system for Phase 8. This portion of the Santana Ranch development will create 115 new single-family homes directly north of the CalFire station up to Hillcrest Rd. Staff are consistently inspecting the construction to ensure that it meets all Sunnyslope's standards.

### Vista Del Calabria Development

Staff met with the developers and engineer for the Vista del Calabria development on the Lico property along Enterprise Road near Sunnyslope's Well #7. Various aspects of the development were discussed and their impact for Sunnyslope. With this development a new sewer lift station is proposed to be constructed to replace the existing Oak Canyon lift station. A new water booster pump station will also be constructed at Sunnyslope's Well #7 site which will better deliver West Hills water to Ridgemark customers. Various credits and reimbursement agreements will be negotiated for these improvements.

### Promontory at Ridgemark Development

Staff met with the developers of the Promontory at Ridgemark development on the Lompa property near Sunnyslope's Well #8. Various aspects of the water and sewer system design were discussed. This included the addition of a dedicated Landscape Irrigation pipeline from Well #8 toward Ridgemark Dr, the need for a water main connection to Helen Ct, and the District's preference of a sewer pipe bridge rather than a lift station.

### Ridgemark Golf Course Development

Staff met with John Wynn, the owner of the Ridgemark Golf Course to discuss his development plans and the impacts it will have on Sunnyslope's water and wastewater system. The anticipated timing of the initial phases of the overall development were discussed.

# Staff Report

Agenda Item: **E – 4a**

**DATE:** April 13, 2021 (April 20, 2021 Meeting)

**TO:** Board of Directors

**FROM:** Finance & Human Resource Manager, Travis Foster

**SUBJECT:** Finance Manager Monthly Status Reports: a. Narrative Report, b. Operation Summary, c. Statement of Income, d. Investment Summary, and e. Board Designated Reserves.

## **b. OPERATION SUMMARY**

(March 2021)

We received twenty-two (22) water capacity fees and one (1) wastewater capacity fee in March 2021, compared to eight (8) water capacity fees and zero (0) wastewater capacity fees received in the previous year. Summary Table of March and YTD presented below.

Comparison of Capacity Fees Received for the Current Month & Year to Date							
Item	MARCH 2021	FEB. 2021	MARCH 2020	Increase / (Decrease) from Prior Year (PY)	YTD TOTALS Current Fiscal Year	YTD TOTALS Prior Fiscal Year	Increase / (Decrease) from Prior Year (PY)
NO. WATER CAPACITY FEE RECD	22	8	27	(5)	198	241	(43)
NO. WW CAPACITY FEE RECD	1	-	-	-	1	1	-

The table below presents the changes from prior month (PM) and the prior year (PY).

Summary of Changes in Customer Accounts					
Account Types	MARCH 2021	FEB. 2021	MARCH 2020	Δ from PM ++	Δ from PY *
NO. WATER ACCOUNTS	6,642	6,623	6,396	19	246
NO. SSCWD SEWER ACCTS	1,241	1,239	1,233	2	8
NO. AUTO PAY CUSTOMERS	-	402	2,759	(402)	(2,759)

++ PM = Prior Month

+ PY = Prior Year

On January 19, 2021, the District began the implementation of WaterSmart and Invoice Cloud for our customers. In addition to the modern customer interface providing in depth water use data, the platform also provides some additional tools and analytics for the acceptance of payments presented below:

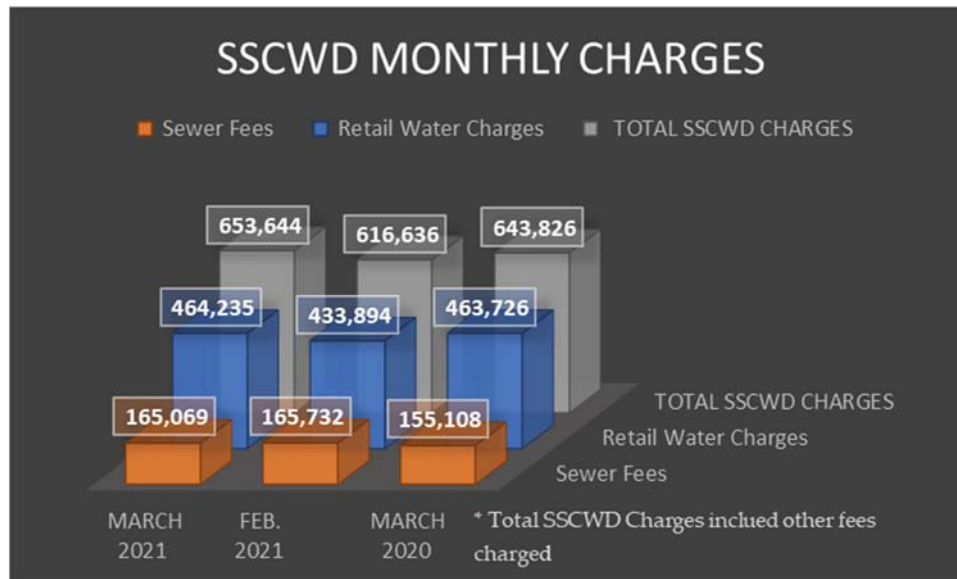
<b>Water Smart / Invoice Cloud Payments</b>	<b>MARCH 2021</b>	<b>FEB. 2021</b>
<b>Auto Pay</b>	2,788	2,274
<b>Biller Portal</b>	1	34
<b>Customer Portal Payments</b>	396	485
<b>Express Payments</b>	281	110
<b>Interactive Voice Response (IVR)</b>	80	42
<b>Mobile Express Payments</b>	260	115
<b>Online Bank Direct</b>	114	-
<b>Pay By Text</b>	34	13
<b>Scheduled Payment</b>	17	11
<b>Shopping Cart</b>	367	394
<b>Total</b>	<b>4,338</b>	<b>3,478</b>
<b>NO. E-BILL Invoice Cloud (Paperless)</b>	<b>978</b>	<b>858</b>

#### Watersmart® Implementation Summary:

- Auto-Pay processed in Invoice Cloud in March 2021 with 2,788 customers, up 514 from February.
- Our customers made 396 payments in the Customer Portal.
- 281 Express Payments represent the number of payments taken where the customer used the pay-by-email feature (where the customer is not required to log into their account).
- We had 80 customers utilize the Interactive Voice Response (IVR) payment system, up 38 from February.
- We had 260 customers use Mobile Express up 145 from February, which are payments taken by text messaging sent by our Account Technicians.
- Our customers made 114 Online Bank Direct payments, which are payments sent by way of our customer's banks online.
- We saw 34 payments made using the Pay by Text feature.
- Seventeen (17) customers logged in to schedule payments.
- We had 367 Shopping Cart payments, which is how our account technicians use the portal to take customer deposits and other fees paid over the phone.

Finally, our E-Bill customers totaled 978 in March 2021, up 120 from February.

The following chart shows the comparison of Retail Water, Sewer and Total Charges:



The table below summarizes March 2021 Monthly Charges by type compared to February 2021 and March 2020, respectively.

SSCWD Monthly Charges Comparison							
MONTHLY CHARGES	MARCH 2021	FEB. 2021	MARCH 2020	Δ from PM ++	Δ from PY *	% increase PM ++	% increase PY *
Retail Water Charges	464,235	433,894	463,726	30,342	509	7.0%	0.1%
Sewer Fees	165,069	165,732	155,108	(662)	9,962	-0.4%	6.4%
Installation Fees	10,580	3,240	10,935	7,340	(355)	226.5%	-3.2%
Late Fees	-	-	(112)	-	112	N/A	-100.0%
Admin. Collection Fees, net	10	150	30	(140)	(20)	-93.3%	-66.7%
COH Billing Fees	12,885	12,789	12,114	96	771	0.8%	6.4%
Other Misc. Fees	864	832	2,026	32	(1,162)	3.9%	-57.4%
<b>TOTAL SSCWD CHARGES</b>	<b>653,644</b>	<b>616,636</b>	<b>643,826</b>	<b>37,007</b>	<b>9,817</b>	<b>6.0%</b>	<b>1.5%</b>

++ PM = Prior Month

+ PY = Prior Year

Water sales revenue of \$464,235 for March 2021, is up \$30,342 (or 7%) compared to last month and is up \$509 compared to March 2020. Sewer fee revenue of \$165,069 for March 2021, is consistent to last month, and is up \$9,962 (or 6.4%) compared to March 2020. Total SSCWD Charges of \$653,644 are up \$37,007 from February and up \$9,817 from March 2020.

Installation fee revenue is based on the number of capacity fees collected and the size of the meter to be installed. During March 2021, we have collected \$10,580 for 22 water capacity fees, compared to \$3,240 in February 2021 and \$10,935 in March 2020, resulting in an increase of \$7,340 (or 226.5%) from last month and a decrease of \$355 from prior year (or -3.2%).

For the current month of the fiscal year 2020/21, compared the same period last fiscal year:

- No late fees charged in either year due to the pandemic.
- Net billing fees from the City of Hollister of \$12,885 is up \$771 from March 2020; and
- Other miscellaneous fees of \$864 is down \$1,162 from March 2020.

Water sold to customers for March 2021 totals 54 million gallons compared to 44.1 million gallons last month and 56.5 million gallons in March of 2020. This represents an increase of 9.9 million gallons sold to customers (or 22.6%) over last month which is consistent with our winter use expectation, and a decrease of 2.5 million gallons (or -4.3%) over March 2020.

The past due percentage of accounts receivable due from all customers for March 2021 is 13.42% compared to March 2020 of 5.16%. The past due percentage has decreased from 15.22% in February 2021. The inability to charge late fees or shut off water for non-payment due to the pandemic continues to impact the significant past due balances. The certified letters requesting customers to contact our office prior to the filing of a lien have gone out, which is attributable to the decrease in the past due percentage from February. We would expect the past due balance to continue trending down over the next few months.

### **c. STATEMENT OF INCOME**

(February 2021)

Discussion:

For February 2021, Water operations shows Net Operating Loss of \$69,069 and Net Income of \$161,661. Wastewater operations resulted in Net Operating Income of \$63,511 and Net Income of \$45,113. When combining Water and Wastewater, net income of \$206,774 is down \$408,316 from the prior month primarily attributable to the decrease of \$559,600 in Water Capacity Fees collected. The total in Combined Water and Wastewater Loss - Adjusted for Non-Budgeted Items is \$31,253 for the month of February. Year-to-Date (YTD) Combined Income Adjusted for Non-Budgeted Items is \$223,094. There are no other significant changes to report this month.



**d. INVESTMENT SUMMARY**(March 31<sup>st</sup>, 2021)

Our total cash and invested funds are \$15,231,889 as of March 31<sup>st</sup>, 2021 and is up \$171,065 compared to last month. The increase is attributable to the 22 Capacity Fees received in March 2021. Compared to March 2020, our total cash and invested funds is up \$3,155,251 or 26%. The increase in cash and invested funds from prior year is due primarily to the \$1.085 million dollar funding to CALPERS for the unfunded liability in August of 2019, which decreased the cash position in the prior year. This decrease has been offset by Capacity Fees collected since that funding. The District's invested funds on March 31<sup>st</sup> are split between the Local Agency Investment Fund (LAIF), and the Heritage Bank Money Market Account (MMA), with \$7,012,631 invested in LAIF, and \$1,063,997 invested in the MMA. The remaining balance of \$7,155,260 is on deposit with Heritage Bank in the District's checking account. Interest received year-to-date totals \$57,048, which represents nine months of interest on the MMA, and quarterly interest from LAIF that posted in July, October and December.

**e. BOARD DESIGNATED RESERVES**(March 31<sup>st</sup>, 2021)

Attachment e. of the Finance Manager's report provides a summary of the Board Designated Reserve Balances as of March 31, 2021.

Sunnyslope County Water District

2020 / 2021  
OPERATION SUMMARY (This Year)

ITEMS	JULY 2020	AUG. 2020	SEPT. 2020	OCT. 2020	NOV. 2020	DEC. 2020	JAN. 2021	FEB. 2021	MARCH 2021	TOTALS
NO. WATER CAPACITY FEE RECD	20	18	22	7	24	30	47	8	22	198
NO. WW CAPACITY FEE RECD	-	-	-	-	-	-	-	-	1	1
NO. WATER ACCOUNTS	6,467	6,481	6,501	6,517	6,539	6,580	6,588	6,623	6,642	
NO. SSCWD SEWER ACCTS	1,238	1,236	1,237	1,236	1,240	1,239	1,238	1,239	1,241	
NO. COH SEWER ACCTS	4,074	4,080	4,112	4,134	4,156	4,200	4,221	4,249	4,273	
NO. AUTO PAY CUSTOMERS	2,826	2,844	2,850	2,876	2,910	2,941	2,705	402	-	
NO. E-BILL CUST'S (Paperless)	478	485	484	497	500	513	-	-	-	
<b>WaterSmart / Invoice Cloud</b>										
Auto Pay							-	2,274	2,788	
Biller Portal							-	34	1	
Customer Portal							394	485	396	
Express Payments							2	110	281	
IVR							5	42	80	
Mobile Express Payments							2	115	260	
Online Bank Direct									114	
Pay By Text							-	13	34	
Scheduled Payment							4	11	17	
Shopping Cart							166	394	367	
Total							573	3,478	4,338	
NO. E-BILL Invoice Cloud (Paperless)							838	858	978	
<b>MONTHLY CHARGES</b>										
Retail Water Charges	\$ 775,775.29	\$ 857,815.88	\$ 716,737.28	661,016.53	657,443.72	\$ 495,095.19	\$ 436,711.35	\$ 433,893.64	\$ 464,235.17	\$ 5,498,724.05
Sewer Fees	165,460.51	166,607.09	165,218.43	165,314.20	167,157.77	166,630.76	166,334.67	165,731.92	165,069.47	1,493,524.82
Installation Fees	8,100.00	7,290.00	8,910.00	2,835.00	11,365.00	12,150.00	20,935.00	3,240.00	10,580.00	85,405.00
Late Fees	-	-	-	-	-	-	-	-	-	-
Admin. Collection Fees, net	590.00	(40.00)	90.00	60.00	50.00	160.00	20.00	150.00	10.00	1,090.00
COH Billing Fees	12,342.00	12,354.00	12,438.00	12,513.00	12,585.00	12,657.00	12,720.00	12,789.00	12,885.00	113,283.00
Other Misc. Fees	800.00	1,222.80	944.13	1,270.00	1,140.00	1,437.40	1,335.00	831.50	863.88	9,844.71
TOTAL SSCWD CHARGES	\$ 963,067.80	\$ 1,045,249.77	\$ 904,337.84	\$ 843,008.73	\$ 849,741.49	\$ 688,130.35	\$ 638,056.02	\$ 616,636.06	\$ 653,643.52	\$ 7,201,871.58
<b>CITY OF HOLLISTER CHARGES</b>										
COH Sewer Fees	370,300.30	370,936.59	372,723.96	374,670.26	376,999.71	379,346.85	381,658.65	383,742.02	385,955.06	\$ 3,396,333.40
COH Street Sweeping	10,050.24	10,046.16	10,066.00	10,066.00	10,084.96	10,078.88	10,079.60	10,084.88	10,094.80	90,651.52
COH Senior Discount	(1,326.60)	(1,346.70)	(1,386.90)	(1,377.52)	(1,357.42)	(1,346.70)	(1,366.80)	(1,366.80)	(1,358.09)	(12,233.53)
Total COH Charges	379,023.94	379,636.05	381,403.06	383,358.74	385,727.25	388,079.03	390,371.45	392,460.10	394,691.77	3,474,751.39
Late Fees **	-	-	-	-	-	-	-	-	-	-
TOTAL COH CHARGES	\$ 379,023.94	\$ 379,636.05	\$ 381,403.06	\$ 383,358.74	\$ 385,727.25	\$ 388,079.03	\$ 390,371.45	\$ 392,460.10	\$ 394,691.77	\$ 3,474,751.39

Sunnyslope County Water District

2020 / 2021  
OPERATION SUMMARY (This Year)

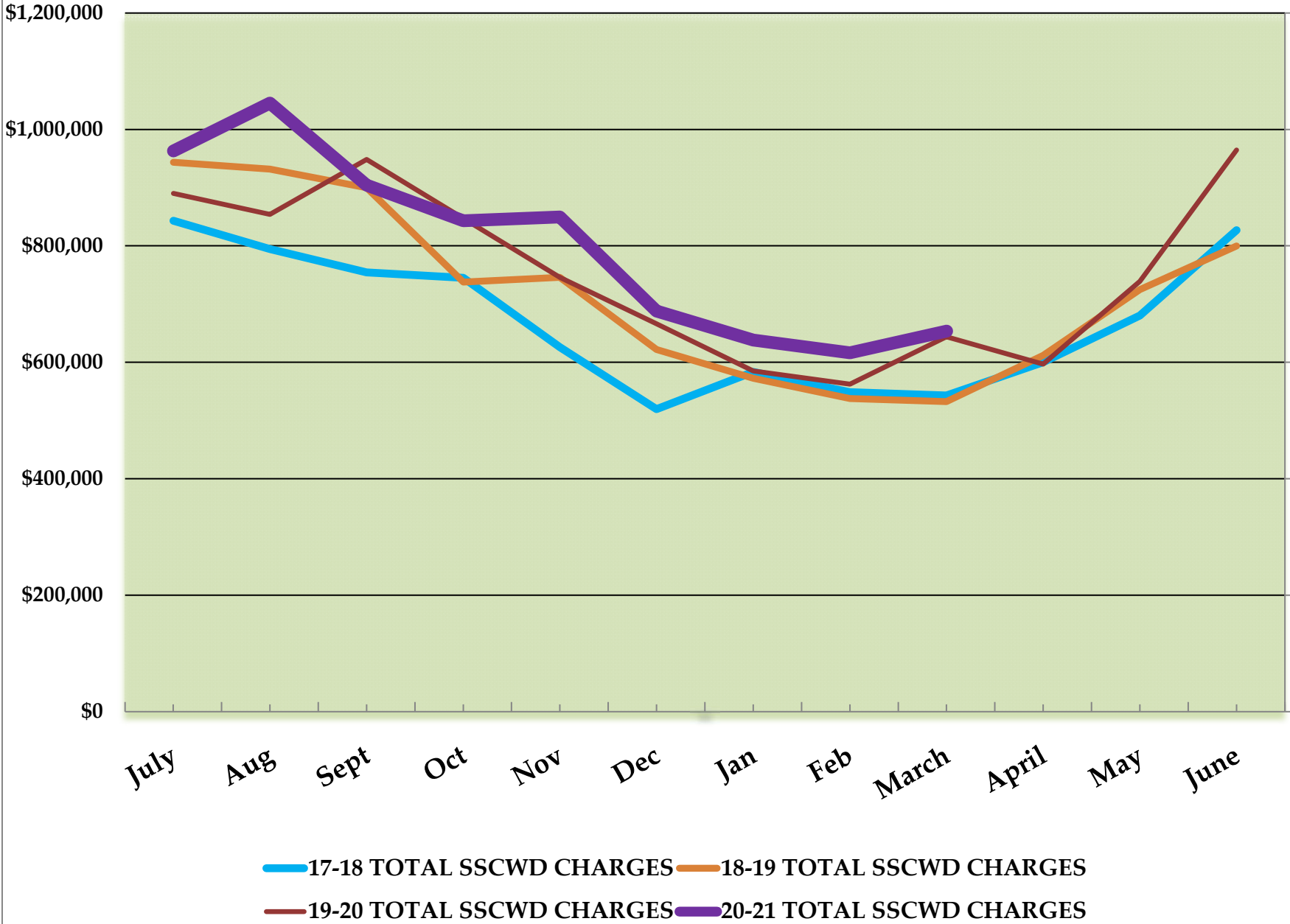
ITEMS	JULY 2020	AUG. 2020	SEPT. 2020	OCT. 2020	NOV. 2020	DEC. 2020	JAN. 2021	FEB. 2021	MARCH 2021	TOTALS
<b>ACCOUNTS RECEIVABLE - Aged</b>										
A/R for Sunnyslope Water **	\$ 984,619.71	\$ 1,055,071.44	\$ 938,523.95	\$ 880,387.53	\$ 885,094.32	\$ 732,864.00	\$ 662,587.13	\$ 674,350.39	\$ 672,224.64	
A/R for City of Hollister **	400,737.12	407,000.53	414,089.95	416,549.82	427,531.75	427,962.91	435,823.82	447,012.64	437,612.02	
Outstanding Bills Owed	\$ 1,385,356.83	\$ 1,462,071.97	\$ 1,352,613.90	\$ 1,296,937.35	\$ 1,312,626.07	\$ 1,160,826.91	\$ 1,098,410.95	\$ 1,121,363.03	\$ 1,109,836.66	
Past Due	\$ 102,610.08	\$ 106,279.41	\$ 129,429.45	\$ 131,871.32	\$ 142,112.24	\$ 155,515.03	\$ 148,859.86	\$ 170,637.94	\$ 148,970.55	
% Past Due	7.41%	7.27%	9.57%	10.17%	10.83%	13.40%	13.55%	15.22%	13.42%	

<b>WATER METERED</b>										
Cubic Feet	12,877,300	15,080,000	11,830,300	10,688,700	10,624,000	7,223,600	5,935,000	5,892,800	7,223,900	87,375,600
SSCWD Gallons	96,322,204	112,798,400	88,490,644	79,951,476	79,467,520	54,032,528	44,393,800	44,078,144	54,034,772	653,569,488
Well Flow to COH Gallons	7,175,800	8,344,900	6,093,400	10,967,500	9,415,100	4,290,900	2,834,600	3,318,200	4,396,200	56,836,600
Surface Flow to COH Gallons	13,631,701	16,782,127	16,193,640	8,394,805	9,744,589	7,419,646	5,611,541	5,661,508	6,146,774	89,586,331
<b>TOTAL METERED</b>	<b>117,129,705</b>	<b>137,925,427</b>	<b>110,777,684</b>	<b>99,313,781</b>	<b>98,627,209</b>	<b>65,743,074</b>	<b>52,839,941</b>	<b>53,057,852</b>	<b>64,577,746</b>	<b>799,992,419</b>

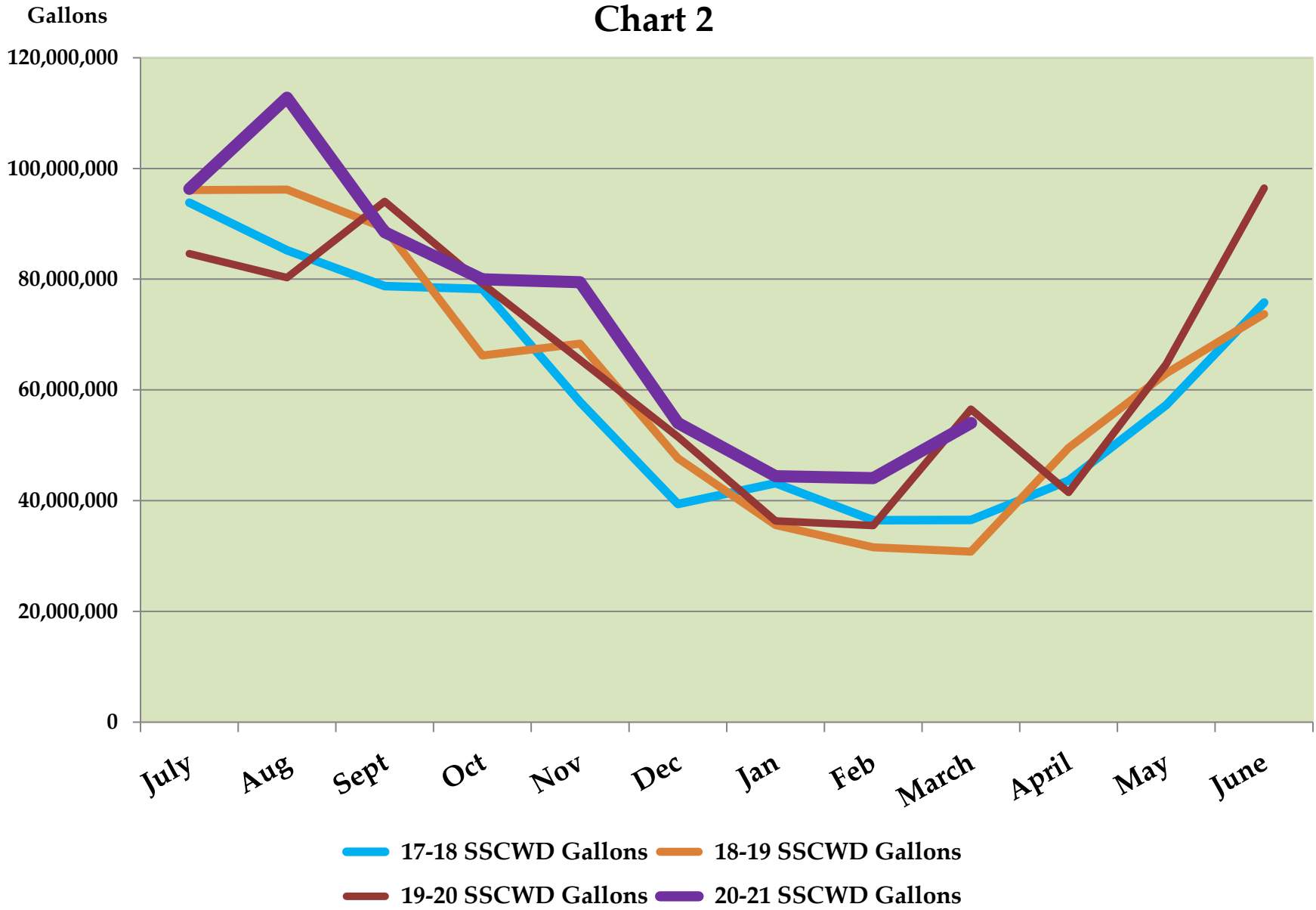
<b>WATER SOURCE</b>										
Well #2 (Southside Road)	-	-	-	4,356,000	3,309,000	1,168,000	1,173,000	1,037,000	1,055,000	12,098,000
Well #5 (Ray Cir/Enterprise)	1,795,134	5,029,002	3,308,269	7,938,403	4,692,185	1,640,357	1,246,643	1,558,735	2,114,906	29,323,634
Well #7 (Enterprise Rd)	5,079,729	6,184,298	3,257,530	7,844,228	5,163,825	1,856,022	1,214,524	1,408,842	1,300,116	33,309,114
Well #8 (Ridgemark)	7,968,000	14,471,000	11,478,000	18,943,000	15,318,000	6,672,000	3,973,000	3,780,000	7,886,000	90,489,000
Well #11 (Southside Road)	13,629,000	14,204,000	7,455,000	16,810,000	12,949,000	4,304,000	3,344,000	4,077,000	4,635,000	81,407,000
<b>Wells</b>	<b>28,471,863</b>	<b>39,888,300</b>	<b>25,498,799</b>	<b>55,891,631</b>	<b>41,432,010</b>	<b>15,640,379</b>	<b>10,951,167</b>	<b>11,861,577</b>	<b>16,991,022</b>	<b>246,626,748</b>
Lessalt W.T.P. I (High Zone)	31,279,000	22,009,000	22,259,000	7,894,000	18,247,000	22,262,000	22,328,000	23,108,000	23,789,000	193,175,000
Lessalt W.T.P. I (Middle Zone)	18,046,000	13,187,000	12,644,000	4,630,000	9,048,060	10,469,000	10,618,000	11,153,000	11,369,000	101,164,060
West Hills W.T.P (@ Well #2)	21,206,000	30,249,000	27,545,000	15,364,000	16,157,000	10,888,000	12,984,000	12,522,000	11,506,000	158,421,000
West Hills W.T.P (@ Well #11)	21,244,000	30,303,000	27,485,000	16,027,400	16,715,600	11,174,000	649,000	298,000	2,726,000	126,622,000
City Well Flow to SSCWD Gallons	343,400	431,000	274,000	754,300	554,800	216,500	183,400	199,700	161,100	3,118,200
City Surface Flow to SSCWD Gallons	549,400	1,180,700	549,000	532,900	525,000	358,600	434,300	348,500	248,500	4,726,900
<b>TOTAL PUMPED</b>	<b>121,139,663</b>	<b>137,248,000</b>	<b>116,254,799</b>	<b>101,094,231</b>	<b>102,679,470</b>	<b>71,008,479</b>	<b>58,147,867</b>	<b>59,490,777</b>	<b>66,790,622</b>	<b>833,853,908</b>

Estimated Water Loss	4,009,958	-	5,477,115	1,780,450	4,052,261	5,265,405	5,307,926	6,432,925	2,212,876	34,538,916
Water Loss %	3.310%	0.000%	4.711%	1.761%	3.947%	7.415%	9.128%	10.813%	3.313%	4.142%
Estimated Water Gain	-	677,427	-	-	-	-	-	-	-	677,427
Water Gain %	0.000%	0.491%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.085%
<b>Total Net Water Loss</b>										<b>33,861,489</b>

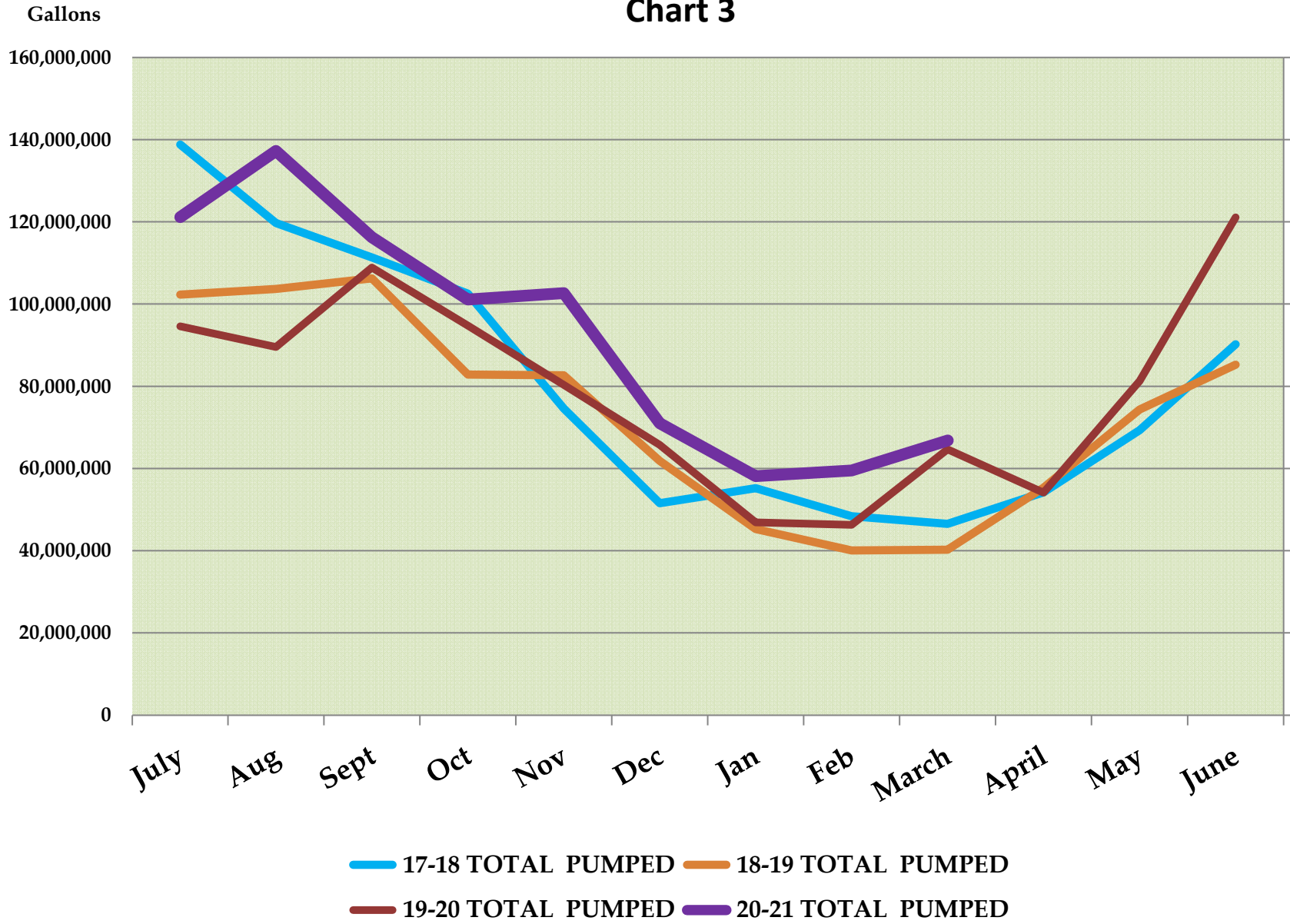
### Total SSCWD Charges Chart 1



## Total Water Metered to SSCWD Customers Chart 2



### Total Water Pumped into SSCWD System Chart 3



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

ITEMS	JULY 2019	AUG. 2019	SEPT. 2019	OCT. 2019	NOV. 2019	DEC. 2019	JAN. 2020	FEB. 2020	MARCH 2020	TOTALS
NO. WATER CAPACITY FEE RECD	48	21	6	31	3	40	58	7	27	241
NO. WW CAPACITY FEE RECD	-	-	-	-	-	-	-	1	-	1
NO. WATER ACCOUNTS	6,177	6,173	6,216	6,251	6,249	6,299	6,326	6,383	6,396	
NO. SSCWD SEWER ACCTS	1,236	1,229	1,231	1,234	1,231	1,238	1,233	1,236	1,233	
NO. COH SEWER ACCTS	3,894	3,908	3,918	3,934	3,943	3,976	3,987	3,993	4,008	
NO. AUTO PAY CUSTOMERS	2,532	2,554	2,583	2,614	2,640	2,680	2,697	2,727	2,759	
NO. E-BILL CUST'S (Paperless)	414	415	418	419	419	443	445	456	460	
<b>MONTHLY CHARGES</b>										
Retail Water Charges	\$ 688,956.76	\$ 664,349.80	\$ 763,824.51	\$ 650,433.88	\$ 564,057.50	\$ 470,813.87	\$ 382,018.49	\$ 381,441.31	\$ 463,726.12	\$ 5,029,622.24
Sewer Fees	157,302.64	156,881.63	158,263.24	156,538.89	155,056.98	155,284.36	154,935.68	154,896.02	155,107.95	1,404,267.39
Installation Fees	19,440.00	8,505.00	2,905.00	12,555.00	2,165.00	16,200.00	23,770.00	3,140.00	10,935.00	99,615.00
Late Fees	6,035.78	6,874.90	5,767.63	8,705.27	5,888.26	4,946.50	6,229.55	4,979.51	(112.40)	49,315.00
Admin. Collection Fees, net	4,570.00	4,620.00	4,380.00	5,670.00	4,770.00	4,220.00	4,970.00	4,770.00	30.00	38,000.00
COH Billing Fees	11,772.00	11,808.00	11,832.00	11,886.00	11,928.00	12,036.00	12,012.00	12,036.00	12,114.00	107,424.00
Other Misc. Fees	2,122.44	1,150.00	1,558.06	1,530.97	1,910.00	2,720.26	1,090.00	1,440.00	2,025.77	15,547.50
<b>TOTAL SSCWD CHARGES</b>	<b>\$ 890,199.62</b>	<b>\$ 854,189.33</b>	<b>\$ 948,530.44</b>	<b>\$ 847,320.01</b>	<b>\$ 745,775.74</b>	<b>\$ 666,220.99</b>	<b>\$ 585,025.72</b>	<b>\$ 562,702.84</b>	<b>\$ 643,826.44</b>	<b>\$ 6,743,791.13</b>
<b>CITY OF HOLLISTER CHARGES</b>										
COH Sewer Fees	355,606.65	356,261.47	357,638.25	358,335.93	359,570.77	361,910.42	363,332.26	363,138.25	364,089.17	\$ 3,239,883.17
COH Street Sweeping	9,979.44	10,002.72	10,009.04	10,016.00	10,011.60	10,016.88	10,018.00	10,016.00	10,022.32	90,092.00
COH Senior Discount	(1,266.30)	(1,286.40)	(1,286.40)	(1,306.50)	(1,306.50)	(1,306.50)	(1,306.50)	(1,306.50)	(1,306.50)	(11,678.10)
Total COH Charges	364,319.79	364,977.79	366,360.89	367,045.43	368,275.87	370,620.80	372,043.76	371,847.75	372,804.99	3,318,297.07
Late Fees **	2,197.37	2,381.54	2,295.90	3,001.71	2,645.67	2,246.47	2,562.13	2,429.51	-	19,760.30
<b>TOTAL COH CHARGES</b>	<b>\$ 366,517.16</b>	<b>\$ 367,359.33</b>	<b>\$ 368,656.79</b>	<b>\$ 370,047.14</b>	<b>\$ 370,921.54</b>	<b>\$ 372,867.27</b>	<b>\$ 374,605.89</b>	<b>\$ 374,277.26</b>	<b>\$ 372,804.99</b>	<b>\$ 3,338,057.37</b>
<b>ACCOUNTS RECEIVABLE - Aged</b>										
A/R for Sunnyslope Water **	\$ 859,026.24	\$ 850,372.33	\$ 946,025.25	\$ 846,206.64	\$ 746,581.49	\$ 640,479.97	\$ 549,845.07	\$ 551,268.57	\$ 621,003.92	
A/R for City of Hollister **	375,487.33	376,943.14	381,328.24	381,641.56	382,968.97	383,681.47	380,403.26	381,675.77	384,214.09	
Outstanding Bills Owed	\$ 1,234,513.57	\$ 1,227,315.47	\$ 1,327,353.49	\$ 1,227,848.20	\$ 1,129,550.46	\$ 1,024,161.44	\$ 930,248.33	\$ 932,944.34	\$ 1,005,218.01	
Past Due	\$ 66,210.33	\$ 78,640.60	\$ 74,898.49	\$ 82,273.00	\$ 80,337.22	\$ 65,347.93	\$ 58,629.83	\$ 63,232.87	\$ 51,856.52	
% Past Due	5.36%	6.41%	5.64%	6.70%	7.11%	6.38%	6.30%	6.78%	5.16%	
<b>WATER METERED</b>										
Cubic Feet	11,311,500	10,732,100	12,570,200	10,586,100	8,744,700	6,891,400	4,856,500	4,747,600	7,552,200	77,992,300
SSCWD Gallons	84,610,020	80,276,108	94,025,096	79,184,028	65,410,356	51,547,672	36,326,620	35,512,048	56,490,456	583,382,404
Well Flow to COH Gallons	4,175,000	3,944,400	5,017,200	3,907,900	4,694,400	3,273,400	5,832,700	5,075,900	8,479,300	44,400,200
Surface Flow to COH Gallons	2,383,587	2,023,805	3,296,235	6,799,685	7,605,915	7,707,484	4,095,140	4,298,538	3,789,664	42,000,053
<b>TOTAL METERED</b>	<b>91,168,607</b>	<b>86,244,313</b>	<b>102,338,531</b>	<b>89,891,613</b>	<b>77,710,671</b>	<b>62,528,556</b>	<b>46,254,460</b>	<b>44,886,486</b>	<b>68,759,420</b>	<b>669,782,657</b>
<b>WATER SOURCE</b>										
Well #2 (Southside Road)	-	-	99,000	1,358,000	911,000	905,000	1,938,000	902,000	-	6,113,000
Well #5 (Ray Cir/Enterprise)	541,499	1,001,356	1,473,160	915,059	702,094	517,201	8,288,434	2,154,146	725,940	16,318,889
Well #7 (Enterprise Rd)	4,301,929	4,453,091	7,279,333	1,246,088	2,022,759	984,809	2,039,192	2,089,321	4,569,533	28,986,055
Well #8 (Ridgemark)	581,000	520,000	661,000	625,000	517,000	608,000	1,873,000	1,117,000	967,000	7,469,000
Well #11 (Southside Road)	18,105,000	17,214,000	17,732,000	4,414,000	5,384,000	2,502,000	7,938,000	4,901,000	10,544,000	88,734,000
Wells	23,529,428	23,188,447	27,244,493	8,558,147	9,536,853	5,517,010	22,076,626	11,163,467	16,806,473	147,620,944
Lessalt W.T.P. I (High Zone)	35,817,000	34,171,000	40,229,000	32,184,000	27,999,000	21,962,000	11,668,000	19,582,000	29,857,000	253,469,000
Lessalt W.T.P. I (Middle Zone)	20,436,000	17,471,000	23,105,000	23,455,000	19,230,000	15,100,000	7,991,000	11,484,000	16,462,000	154,734,000
West Hills W.T.P. (@ Well #2)	-	-	1,510,000	12,421,000	10,892,000	9,695,000	2,286,000	1,656,000	-	38,460,000
West Hills W.T.P. (@ Well #11)	-	-	1,430,000	13,087,000	11,043,000	10,935,000	2,389,000	2,086,000	1,128,000	42,098,000
City Well Flow to SSCWD Gallons	8,137,300	8,446,900	9,797,000	3,809,800	1,089,100	565,300	290,600	122,400	163,300	32,421,700
City Surface Flow to SSCWD Gallons	6,638,100	6,272,600	5,583,900	1,216,900	545,500	1,946,800	199,600	194,900	256,800	22,855,100
<b>TOTAL PUMPED</b>	<b>94,557,828</b>	<b>89,549,947</b>	<b>108,899,393</b>	<b>94,731,847</b>	<b>80,335,453</b>	<b>65,721,110</b>	<b>46,900,826</b>	<b>46,288,767</b>	<b>64,673,573</b>	<b>691,658,744</b>
Estimated Water Loss	3,389,221	3,305,634	6,560,862	4,840,234	2,624,782	3,192,554	646,366	1,402,281	-	25,961,934
Water Loss %	3.584%	3.691%	6.025%	5.109%	3.267%	4.858%	1.378%	3.029%	0.000%	3.754%
Estimated Water Gain	-	-	-	-	-	-	-	-	4,088,847	4,088,847
Water Gain %	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%	5.942%	0.610%
Total Net Water Loss	-	-	-	-	-	-	-	-	-	21,873,087



# Sunnyslope County Water District

## STATEMENT OF INCOME

FOR THE FISCAL YEAR ENDING JUNE 30, 2021 (This Year)

UN-AUDITED 4/13/2021

*** WATER ***	Jan-21	Feb-21	Variance Over / (Under) Prior Month	Jan-20	Feb-20	Variance Over / (Under) Prior Year	YEAR- TO-DATE	PROJECTED ACTUAL	FY 20/21 BUDGET
<b>OPERATING REVENUES</b>									
Water Sales	435,052	436,809	1,758	382,681	381,353	55,456	5,035,902	6,553,853	6,600,000
Contracted Services	220,953	220,953	-	195,650	195,650	25,303	1,767,624	2,651,436	2,651,436
Installation Fees	20,935	3,240	(17,695)	23,770	3,140	100	74,825	112,238	80,000
Late Fees	-	-	-	4,984	3,984	(3,984)	-	-	52,000
Other Revenue	11,148	10,514	(634)	14,412	14,645	(4,131)	86,292	178,747	183,280
<b>TOTAL OPERATING REVENUES</b>	<b>688,088</b>	<b>671,517</b>	<b>(16,571)</b>	<b>621,497</b>	<b>598,772</b>	<b>72,745</b>	<b>6,964,643</b>	<b>9,496,274</b>	<b>9,566,716</b>
<b>OPERATING EXPENSES</b>									
Salaries and Benefits	(113,248)	(146,593)	33,344	(188,585)	(194,290)	(47,697)	(1,304,883)	(1,957,325)	(2,758,280)
Operating Expenses	(628,590)	(593,993)	(34,596)	(516,129)	(588,516)	5,477	(5,692,640)	(8,538,960)	(7,992,405)
<b>TOTAL OPERATING EXPENSES</b>	<b>(741,838)</b>	<b>(740,586)</b>	<b>(1,252)</b>	<b>(704,714)</b>	<b>(782,806)</b>	<b>(42,220)</b>	<b>(6,997,524)</b>	<b>(10,496,285)</b>	<b>(10,750,685)</b>
<b>NET OPERATING INCOME</b>	<b>(53,750)</b>	<b>(69,069)</b>	<b>(15,319)</b>	<b>(83,217)</b>	<b>(184,034)</b>	<b>114,965</b>	<b>(32,881)</b>	<b>(1,000,011)</b>	<b>(1,183,969)</b>
<b>NON OPERATING INCOME &amp; (EXPENSES)</b>									
Capacity Fees	653,200	93,600	(559,600)	649,075	88,075	5,525	2,232,700	2,232,700	-
Donated Asset		142,131	142,131			142,131	713,506	1,070,259	-
Miscellaneous Income (Farm Labor Camp)			-			-	-	-	-
Adjust LAIF Investment to Fair Value	-	-	-	-	-	-	(34,956)	(34,956)	-
Interest Income	5,974	-	5,974	11,070	-	-	23,087	23,087	-
Allocated from G & A (Interest & Sale of Assets)	4,296	1,837	(2,459)	15,857	12,317	(10,480)	12,285	12,285	-
Debt Service (Loan Expense) & Disposal of Assets	(6,838)	(6,838)	-	-	-	(6,838)	(55,786)	(82,000)	(82,000)
<b>TOTAL NON OPERATING INCOME &amp; (EXPENSES)</b>	<b>656,631</b>	<b>230,730</b>	<b>(425,902)</b>	<b>676,002</b>	<b>100,392</b>	<b>130,338</b>	<b>2,890,837</b>	<b>3,221,376</b>	<b>(82,000)</b>
<b>NET WATER INCOME (LOSS)</b>	<b>\$ 602,881</b>	<b>\$ 161,661</b>	<b>\$ (441,220)</b>	<b>\$ 592,785</b>	<b>\$ (83,642)</b>	<b>\$ 245,303</b>	<b>\$ 2,857,956</b>	<b>\$ 2,221,365</b>	<b>\$ (1,265,969)</b>
<b>NET WATER INCOME (LOSS) Adjusted for Non Budgeted Items</b>									
	<b>\$ (60,588)</b>	<b>\$ (75,907)</b>	<b>\$ (15,319)</b>	<b>\$ (83,217)</b>	<b>\$ (184,034)</b>	<b>\$ 108,127</b>	<b>\$ (88,667)</b>	<b>\$ (1,082,011)</b>	<b>\$ (1,265,969)</b>



# Sunnyslope County Water District

STATEMENT OF INCOME  
FOR THE FISCAL YEAR ENDING JUNE 30, 2021 (This Year)  
UN-AUDITED 4/13/2021

*** WASTEWATER ***	Jan-21	Feb-21	VarJance Over / (Under) PrJor Montl	Jan-20	Feb-20	VarJance Over / (Under) PrJor Year	YEAR- TO-DATE	PROJECTED ACTUAL	FY 20/21 BUDGET
<b>OPERATING REVENUES</b>									
Sewer Sales	166,335	165,732	(603)	154,936	154,896	10,836	1,333,365	1,920,048	1,900,000
Installation Fees	-	-	-	-	-	-	-	-	50
Late Fees	-	-	-	1,246	996	(996)	-	-	13,000
Other Revenue	2,741	2,629	(112)	3,609	3,650	(1,021)	21,336	32,004	44,820
<b>TOTAL OPERATING REVENUES</b>	<b>169,075</b>	<b>168,361</b>	<b>(715)</b>	<b>159,791</b>	<b>159,542</b>	<b>8,819</b>	<b>1,354,701</b>	<b>1,952,052</b>	<b>1,957,870</b>
<b>OPERATING EXPENSES</b>									
Salaries and Benefits	(77,779)	(43,525)	(34,254)	(36,612)	(39,162)	4,363	(392,250)	(588,375)	(549,848)
Operating Expenses	(61,305)	(61,325)	20	(49,839)	(55,924)	5,401	(497,693)	(746,540)	(698,150)
<b>TOTAL OPERATING EXPENSES</b>	<b>(139,084)</b>	<b>(104,850)</b>	<b>(34,234)</b>	<b>(86,451)</b>	<b>(95,086)</b>	<b>9,764</b>	<b>(889,943)</b>	<b>(1,334,915)</b>	<b>(1,247,998)</b>
<b>NET OPERATING INCOME</b>	<b>29,992</b>	<b>63,511</b>	<b>33,519</b>	<b>73,340</b>	<b>64,456</b>	<b>(945)</b>	<b>464,758</b>	<b>617,137</b>	<b>709,872</b>
<b>NON OPERATING INCOME &amp; (EXPENSES)</b>									
Capacity Fees	-	-	-	-	19,875	(19,875)	-	-	-
Miscellaneous Income	-	-	-	-	-	-	-	-	-
Adjust LAIF Investment to Fair Value	-	-	-	-	-	-	(8,739)	-	-
Interest Income	-	-	-	-	-	-	73	73	-
Allocated from G & A (Interest & Sale of Assets)	1,074	459	(615)	3,964	3,079	(2,620)	2,801	2,801	-
Debt Service (Loan Expense) & Southside Rd. Slide	(18,856)	(18,856)	-	(995)	(1,861)	(16,995)	(152,998)	(255,800)	(255,800)
<b>TOTAL NON OPERATING INCOME &amp; (EXPENSES)</b>	<b>(17,783)</b>	<b>(18,397)</b>	<b>(615)</b>	<b>2,969</b>	<b>21,093</b>	<b>(39,490)</b>	<b>(158,863)</b>	<b>(252,926)</b>	<b>(255,800)</b>
<b>NET WASTEWATER INCOME (LOSS)</b>	<b>\$ 12,209</b>	<b>\$ 45,113</b>	<b>32,904</b>	<b>76,309</b>	<b>85,549</b>	<b>(40,436)</b>	<b>305,896</b>	<b>364,211</b>	<b>454,072</b>
<b>NET WASTEWATER INCOME (LOSS)</b>									
<i>Adjusted for Non Budgeted Items</i>	\$ 11,135	\$ 44,654	\$ 33,519	\$ 72,345	\$ 62,595	\$ (17,941)	\$ 311,761	\$ 361,337	\$ 454,072

*** WATER & WASTEWATER ***	Jan-21	Feb-21	VarJance Over / (Under) PrJor Year	Jan-20	Feb-20	VarJance Over / (Under) PrJor	YEAR- TO-DATE	PROJECTED ACTUAL	FY 20/21 BUDGET
<b>*** COMBINED INCOME (LOSS) WATER &amp; WASTEWATER***</b>	<b>\$ 615,090</b>	<b>206,774</b>	<b>(408,316)</b>	<b>669,094</b>	<b>1,907</b>	<b>204,867</b>	<b>3,163,852</b>	<b>2,585,576</b>	<b>(811,897)</b>
<b>*** COMBINED INCOME (LOSS) WATER &amp; WASTEWATER</b>	<b>\$ (49,453)</b>	<b>\$ (31,253)</b>	<b>\$ 18,200</b>	<b>\$ (10,872)</b>	<b>\$ (121,439)</b>	<b>\$ 90,186</b>	<b>\$ 223,094</b>	<b>\$ (720,674)</b>	<b>\$ (811,897)</b>
<i>Adjusted for Non - Budgeted Items</i>									

Sunnyslope County Water District

Investment Summary  
2020 / 2021 (ThisYear)

BANK ACCOUNT	INTEREST RATE	JULY 2020	AUGUST 2020	SEPTEMBER 2020	OCTOBER 2020	NOVEMBER 2020	DECEMBER 2020	JANUARY 2021	FEBRUARY 2021	MARCH 2021
<b><i>Heritage Bank of Commerce</i></b>										
CHECKING ACCOUNT Operating - General Fund	0.000%	\$ 4,554,854.66	\$ 4,353,266.01	\$ 4,611,624.18	\$ 5,053,825.42	\$ 5,507,639.05	\$ 5,931,474.38	\$ 6,793,864.59	\$ 6,984,675.92	\$ 7,155,260.33
<b>CHECKING SUBTOTAL</b>		<b>\$ 4,554,854.66</b>	<b>\$ 4,353,266.01</b>	<b>\$ 4,611,624.18</b>	<b>\$ 5,053,825.42</b>	<b>\$ 5,507,639.05</b>	<b>\$ 5,931,474.38</b>	<b>\$ 6,793,864.59</b>	<b>\$ 6,984,675.92</b>	<b>\$ 7,155,260.33</b>
MONEY MARKET ACCT (MMA) Invested - General Fund	0.700%	1,058,976.90	1,059,696.66	1,060,393.67	1,061,047.53	1,061,723.61	1,062,355.01	1,062,946.01	1,063,516.95	1,063,997.82
<b>MMA SUBTOTAL</b>		<b>\$ 1,058,976.90</b>	<b>\$ 1,059,696.66</b>	<b>\$ 1,060,393.67</b>	<b>\$ 1,061,047.53</b>	<b>\$ 1,061,723.61</b>	<b>\$ 1,062,355.01</b>	<b>\$ 1,062,946.01</b>	<b>\$ 1,063,516.95</b>	<b>\$ 1,063,997.82</b>
<b><i>L. A. I. F.</i></b>										
<b>(Local Agency Investment Fund)</b>	As of: Mar. 2021									
General Fund	0.357%	452,087.51	334,952.14	210,938.42	225,831.14	(30,981.92)	(185,042.79)	(732,775.75)	(733,039.09)	(988,427.43)
Water Connect. Fee	0.357%	3,012,904.69	3,124,782.03	3,283,459.37	3,273,609.07	3,525,886.41	3,778,163.75	4,338,614.85	4,333,492.19	4,562,369.53
Sewer Connect. Fee	0.357%	39,921.65	39,921.65	-	-	-	-	-	-	21,125.00
SRF Loan Reserve	0.357%	760,000.00	760,000.00	760,000.00	760,000.00	760,000.00	760,000.00	760,000.00	760,000.00	760,000.00
Board Designated Reserves	0.357%	2,721,810.72	2,727,068.75	2,732,326.78	2,742,120.53	2,746,656.25	2,648,439.78	2,646,792.00	2,652,178.00	2,657,564.00
<b>L.A.I.F. SUBTOTAL</b>		<b>\$ 6,986,724.57</b>	<b>\$ 6,986,724.57</b>	<b>\$ 6,986,724.57</b>	<b>\$ 7,001,560.74</b>	<b>\$ 7,001,560.74</b>	<b>\$ 7,001,560.74</b>	<b>\$ 7,012,631.10</b>	<b>\$ 7,012,631.10</b>	<b>\$ 7,012,631.10</b>
<b>GRAND TOTAL</b>		<b>\$ 12,600,556.13</b>	<b>\$ 12,399,687.24</b>	<b>\$ 12,658,742.42</b>	<b>\$ 13,116,433.69</b>	<b>\$ 13,570,923.40</b>	<b>\$ 13,995,390.13</b>	<b>\$ 14,869,441.70</b>	<b>\$ 15,060,823.97</b>	<b>\$ 15,231,889.25</b>
<b>GENERAL FUND</b>		<b>\$ 6,065,919.07</b>	<b>\$ 5,747,914.81</b>	<b>\$ 5,882,956.27</b>	<b>\$ 6,340,704.09</b>	<b>\$ 6,538,380.74</b>	<b>\$ 6,808,786.60</b>	<b>\$ 7,124,034.85</b>	<b>\$ 7,315,153.78</b>	<b>\$ 7,230,830.72</b>
<b>BOARD DESIGNATED RESERVES</b>		<b>\$ 2,721,810.72</b>	<b>\$ 2,727,068.75</b>	<b>\$ 2,732,326.78</b>	<b>\$ 2,742,120.53</b>	<b>\$ 2,746,656.25</b>	<b>\$ 2,648,439.78</b>	<b>\$ 2,646,792.00</b>	<b>\$ 2,652,178.00</b>	<b>\$ 2,657,564.00</b>
<b>WATER CONN. FEE FUNDS</b>		<b>\$ 3,012,904.69</b>	<b>\$ 3,124,782.03</b>	<b>\$ 3,283,459.37</b>	<b>\$ 3,273,609.07</b>	<b>\$ 3,525,886.41</b>	<b>\$ 3,778,163.75</b>	<b>\$ 4,338,614.85</b>	<b>\$ 4,333,492.19</b>	<b>\$ 4,562,369.53</b>
<b>S. C. FEE FUNDS</b>		<b>\$ 39,921.65</b>	<b>\$ 39,921.65</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 21,125.00</b>
<b>SRF Loan Reserves</b>		<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>
<b>* TOTAL INTEREST RECORDED</b>	<b>\$ 57,048.28</b>	<b>\$ 26,120.85</b>	<b>\$ 719.76</b>	<b>\$ 697.01</b>	<b>\$ 15,490.03</b>	<b>\$ 676.06</b>	<b>\$ 631.40</b>	<b>\$ 11,661.36</b>	<b>\$ 570.94</b>	<b>\$ 480.87</b>

## Sunnyslope County Water District

### Investment Summary 2019 / 2020 (Last Year)

BANK ACCOUNT	INTEREST RATE	JULY 2019	AUGUST 2019	SEPTEMBER 2019	OCTOBER 2019	NOVEMBER 2019	DECEMBER 2019	JANUARY 2020	FEBRUARY 2020	MARCH 2020
<b><i>Heritage Bank of Commerce</i></b>										
CHECKING ACCOUNT Operating - General Fund	0.000%	\$ 3,795,967.44	\$ 3,701,592.07	\$ 3,380,714.13	\$ 3,589,977.57	\$ 4,020,493.70	\$ 4,318,486.01	\$ 3,696,330.38	\$ 3,723,071.20	\$ 4,092,105.18
<b>CHECKING SUBTOTAL</b>		<b>\$ 3,795,967.44</b>	<b>\$ 3,701,592.07</b>	<b>\$ 3,380,714.13</b>	<b>\$ 3,589,977.57</b>	<b>\$ 4,020,493.70</b>	<b>\$ 4,318,486.01</b>	<b>\$ 3,696,330.38</b>	<b>\$ 3,723,071.20</b>	<b>\$ 4,092,105.18</b>
MONEY MARKET ACCT (MMA) Invested - General Fund	0.950%	1,049,596.82	1,050,416.68	1,051,264.54	1,052,113.08	1,052,907.50	1,053,784.80	1,054,635.38	1,055,404.23	1,056,149.05
MONEY MARKET ACCT (MMA) Retainage - Specialty Construction	0.200%	234,987.84	252,661.04	255,314.79	260,893.99	260,935.45	260,981.21	-	-	-
<b>MMA SUBTOTAL</b>		<b>\$ 1,284,584.66</b>	<b>\$ 1,303,077.72</b>	<b>\$ 1,306,579.33</b>	<b>\$ 1,313,007.07</b>	<b>\$ 1,313,842.95</b>	<b>\$ 1,314,766.01</b>	<b>\$ 1,054,635.38</b>	<b>\$ 1,055,404.23</b>	<b>\$ 1,056,149.05</b>
<b><i>L. A. I. F.</i></b> <b><i>(Local Agency Investment Fund)</i></b>										
General Fund	1.967%	(39,436.38)	328,286.28	376,637.88	157,445.56	174,568.22	(166,709.12)	602,304.49	593,077.15	694,799.81
Water Connect. Fee	1.967%	1,228,658.42	1,360,935.76	1,352,513.10	1,602,834.00	1,585,711.34	1,926,988.68	2,488,411.45	2,477,763.79	2,676,041.13
Sewer Connect. Fee	1.967%	39,928.94	39,928.94	-	-	-	-	-	19,875.00	19,875.00
SRF Loan Reserve	1.967%	760,000.00	760,000.00	760,000.00	760,000.00	760,000.00	760,000.00	760,000.00	760,000.00	760,000.00
Board Designated Reserves	1.967%	2,777,668.00	2,777,668.00	2,777,668.00	2,777,668.00	2,777,668.00	2,777,668.00	2,777,668.00	2,777,668.00	2,777,668.00
<b>L.A.I.F. SUBTOTAL</b>		<b>\$ 4,766,818.98</b>	<b>\$ 5,266,818.98</b>	<b>\$ 5,266,818.98</b>	<b>\$ 5,297,947.56</b>	<b>\$ 5,297,947.56</b>	<b>\$ 5,297,947.56</b>	<b>\$ 6,628,383.94</b>	<b>\$ 6,628,383.94</b>	<b>\$ 6,928,383.94</b>
<b>GRAND TOTAL</b>		<b>\$ 9,847,371.08</b>	<b>\$ 10,271,488.77</b>	<b>\$ 9,954,112.44</b>	<b>\$ 10,200,932.20</b>	<b>\$ 10,632,284.21</b>	<b>\$ 10,931,199.58</b>	<b>\$ 11,379,349.70</b>	<b>\$ 11,406,859.37</b>	<b>\$ 12,076,638.17</b>
<b>GENERAL FUND</b>		<b>\$ 5,041,115.72</b>	<b>\$ 5,332,956.07</b>	<b>\$ 5,063,931.34</b>	<b>\$ 5,060,430.20</b>	<b>\$ 5,508,904.87</b>	<b>\$ 5,466,542.90</b>	<b>\$ 5,353,270.25</b>	<b>\$ 5,371,552.58</b>	<b>\$ 5,843,054.04</b>
<b>BOARD DESIGNATED RESERVES</b>		<b>\$ 2,777,668.00</b>	<b>\$ 2,777,668.00</b>	<b>\$ 2,777,668.00</b>	<b>\$ 2,777,668.00</b>	<b>\$ 2,777,668.00</b>	<b>\$ 2,777,668.00</b>	<b>\$ 2,777,668.00</b>	<b>\$ 2,777,668.00</b>	<b>\$ 2,777,668.00</b>
<b>WATER CONN. FEE FUNDS</b>		<b>\$ 1,228,658.42</b>	<b>\$ 1,360,935.76</b>	<b>\$ 1,352,513.10</b>	<b>\$ 1,602,834.00</b>	<b>\$ 1,585,711.34</b>	<b>\$ 1,926,988.68</b>	<b>\$ 2,488,411.45</b>	<b>\$ 2,477,763.79</b>	<b>\$ 2,676,041.13</b>
<b>S. C. FEE FUNDS</b>		<b>\$ 39,928.94</b>	<b>\$ 39,928.94</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,875.00</b>	<b>\$ 19,875.00</b>
<b>SRF Loan Reserves</b>		<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>	<b>\$ 760,000.00</b>
<b>* TOTAL INTEREST RECORDED</b>		<b>41,434.61</b>	<b>853.06</b>	<b>877.63</b>	<b>32,023.02</b>	<b>835.88</b>	<b>923.06</b>	<b>31,286.96</b>	<b>768.85</b>	<b>744.82</b>

**Sunnyslope County Water District**  
**Board Designated Reserves**  
**As of March 31, 2021**  
 (Policy #8600)

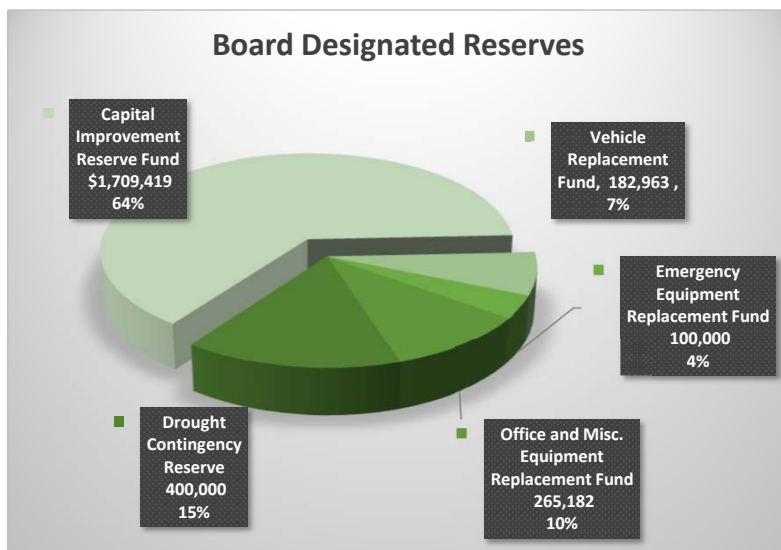
Agenda Item: **E-4e**

	<u>2/28/2021</u>	<u>6/30/2020</u>	<u>Incr (Decr)</u>	<u>% Incr (Decr)</u>	<u>6/30/2019</u>	<u>Incr (Decr)</u>	<u>% Incr (Decr)</u>
1 Capital Improvement Reserve Fund	\$ 1,709,419	\$ 1,775,906	\$ (66,487)	-3.7%	\$ 1,800,000	\$ (24,094)	-1.3%
2 Vehicle Replacement Fund	182,963	148,634	34,329 <sup>1</sup>	23.1%	192,693	(44,059) <sup>1</sup>	-22.9%
3 Emergency Equipment Replacement Fund	100,000	100,000	-	0.0%	100,000	-	0.0%
4 Office and Misc. Equipment Replacement Fund	265,182	292,735	(27,553) <sup>2</sup>	-9.4%	284,975	7,760 <sup>2</sup>	2.7%
5 Drought Contingency Reserve	<u>400,000</u>	<u>400,000</u>	<u>-</u>	<u>0.0%</u>	<u>400,000</u>	<u>-</u>	<u>0.0%</u>
<b>TOTAL</b>	<b><u>\$ 2,657,564</u></b>	<b><u>\$ 2,717,275</u></b>	<b><u>\$ (59,711)</u></b>	<b><u>-2.20%</u></b>	<b><u>\$ 2,777,668</u></b>	<b><u>\$ (60,393)</u></b>	<b><u>-2.17%</u></b>

<sup>1</sup> Depr. Expense FY 20 - Acct #163.05 Vehicles	\$ -	\$ 33,889
Vehicles Purchased FY 20	-	(77,948)
Depr. Expense FY 21 - Acct #163.05 Vehicles	\$ 34,329	-
Vehicles Purchased FY 21	-	-
	<b><u>\$ 34,329</u></b>	<b><u>\$ (44,059)</u></b>

<sup>2</sup> Depr. Expense FY 20 - Acct #163.03 Shop / Field Equipment	\$ -	\$ 13,946
Equipment Purchased FY 20	-	(10,555)
Depr. Expense FY 20 - Acct #163.04 Office Furn. / Equip.	-	4,369
Depr. Expense FY 21 - Acct #163.03 Shop / Field Equipment	\$ 11,139	-
Depr. Expense FY 21 - Acct #163.04 Office Furn. / Equip.	2,614	-
Server Room Improvement - (Approved 8/18/20)	\$ (26,002)	-
Tyler System Upgrade - (Approved 8/18/20)	\$ (15,305)	-
	<b><u>\$ (27,553)</u></b>	<b><u>\$ 7,760</u></b>
	<b><u>\$ 6,776</u></b>	<b><u>\$ (36,299)</u></b>

Acct. #		
115.11 LAIF - Board Design. Reserves	<u>2,657,564</u>	
<b>3/31/21 Balance Board Designated Reserves</b>	<b><u>\$ 2,657,564</u></b>	



Capital Improvement Reserve Summary	
Beginning Balance	\$ 1,800,000
<i>Well #2 Rehabilitation (Approved May 19, 2020) - Not to Exceed \$80,680</i>	
Maggiora Drilling Invoices through Dec 20	(59,641)
<b>Total Well #2 Rehab</b>	<b>(59,641)</b>
<b>Project Closed December and under budget by: \$ (21,039)</b>	
<i>Lessalt Plant Modification - Sunnyslope Connection (Approved Aug. 18, 2020) Not to Exceed \$25,000</i>	
Iconix and California Pipe Fabricators	(12,019)
Sharp Engineering	(10,017)
<b>Total Lessalt Plant Modif.</b>	<b>(22,036)</b>
<i>Security Camera Improvement (Approved Dec. 15, 2020) Not to Exceed \$10,000</i>	
Electrical Work	(1,120)
Camera's	(7,784)
	<b>(8,904)</b>
<b>Ending Balance</b>	<b><u>\$ 1,709,419</u></b>

# Staff Report

Agenda Item: **E – 5a**

**DATE:** April 13, 2021 (April 20, 2021 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.

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## **Narrative**

1. All 3 water reports (Sunnyslope Water, West Hills Water & Lessalt Water) have been completed on time by March 10, 2021 with no violations.
2. Distribution operators have started weed abatement around district building, water tank, wastewater treatment facilities and district percolation ponds.
3. Semi-Annual Total Organic (TOC) calibration and replacement of parts per contract.
4. Distribution Operators have continued to exercise valves and flush hydrants. Operators have exercised 20% of the systems valves. Staff have flushed 71% of the district's hydrants, our goal is to flush 100% of the hydrants by June 30, 2021.
5. Some scheduled work was done by the property owners at some designated sample locations. Upon completion some sampling ports were not reinstalled. Distribution staff installed new sample ports so outside lab could sample per sampling schedule.
6. West Hills has experienced some voltage drop issues. These issues have been brought up to PG&E for review. They have not reached any conclusion on the cause.
7. Water Treatment operators have continued to use NextGen to maintain and manage the water facilities Computerized Maintenance Management System (CMMS).

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

## Water (6)

1. Repair service line leak at 1030 Caputo Court.
2. Replaced 2 ½” hydrant valve on hydrant across from American Ambulance Services (AMS) on Hillcrest Road.
3. Pulled and cleaned all chlorine injectors at well sites.
4. Cleaned around Fairview tanks.
5. Continued spraying weeds around district facilities.
6. Sampled oil on all district generators.

### Service line leak at 1030 Caputo Court



• Project Location	: 1030 Caputo Court
• Project	: Repair service line leak at 1030 Caputo Court
• Department	: Water/Wastewater Utilities Maintenance
• Description	: Caputo Court is lined with trees and some of the roots run throughout the street. Some of these roots will rub up against a service line causing a rupture causing a leak.
• Equipment used	: General hand tools, Vector truck.

## LESSALT Water Treatment Plant (6)

1. Started pinning Continuous Micro Filtration (CMF) Units.
2. Acid cleaned all CL17 (chlorine) analyzers.
3. Cleaned and calibrated all turbidity meters.
4. Cleaned in Place (CIP) all Continuous Micro Filtration (CMF) Units.

5. Suez completed Preventative Maintenance (PM) on Total Organic Carbon (TOC) analyzer.
6. Replaced Granular Activated Carbon in GAC filter #3.

**Pinning of Continuous Membrane Filters (CMF)**



• <b>Project Location</b>	: Lessalt Water Treatment Facility
• <b>Project</b>	: Pinning membrane to very membrane integrity.
• <b>Department</b>	: Lessalt Water Treatment Facility
• <b>Description</b>	: After sonic testing is done pinning is done to each Memcor membrane module to plug excess air leak. The method uses 1/16-inch pins to be inserted into a membrane fiber to stop excess air leakage.
• <b>Equipment used</b>	: Bath, Membrane adapters, air supply, 1/16 pins, hammer.

**West Hills Water Treatment Plant (3)**

1. Suez completed Preventative Maintenance (PM) on Total Organic Carbon (TOC) analyzer.
2. Loaded sludge for RJR to haul to John Smith Landfill.
3. Changed Powder Activated Carbon (PAC) waste pump tubing on pump #1.
4. Replaced Total Suspended Solids (TSS) probe wiper blades.



**Preventative Maintenance (PM) on Total Organic Carbon (TOC) analyzer**



<ul style="list-style-type: none"> <li>• <b>Project Location</b> : West Hills Water Treatment Facility</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Project</b> : Semi-Annual Preventative Maintenance on Total Organic Carbon (TOC) analyzer.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Department</b> : West Hills Water Treatment Facility</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Description</b> : Total Organic Carbon (TOC) analyzers monitor the organics throughout the water treatment process. The plants' goal is to reduce the total organics leaving the treatment process to minimize the possibility of Total Trihalomethanes (TTHM) formation in the distribution system.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>Equipment used</b> : Outside contractor.</li> </ul>

1.



### Wastewater (3)

1. Shape Inc. completed pump rebuild and installed back into service at main lift station.
2. Cleaned and inspected main lift station wet well.
3. Adjust Level Transducer to eliminate debris build up causing abnormal level readings.

#### Installed rebuild lift pump



• Project Location	: Ridgemark Main Lift Station
• Project	:. Pump inspection and Maintenance
• Department	: Water/Wastewater Utilities Maintenance
• Description	: Maintenance staff had outside contractor (Shape) inspect main lift pumps for potential issues. Pump 2 had some water damage in the electrical casing. This pump was sent out to be rebuild. Pumps was expedited and returned to service.
• Equipment used	: Crane truck and outside contractor.

Completed This Month	Job Descriptions	Complete YTD 2020 – 2021 July 1 to June 30	Completed 2019 – 2020 July 1 to June 30	Completed 2018 – 2019 July 1 to June 30	Completed 2017 – 2018 July 1 to June 30
201	Work Orders	1853	2715	2642	2826
10	Temporary Manual Read Water Meters Installed in New Construction Accounts	184	256	146	229
2	Radio Read Meters & ERTs Installed in New Construction Accounts	3	0	1	2
32	Total: Manual Read Meters Replaced with Radio Read Meters & ERT's, including Radio Meters Installed in New Construction Accounts	202 (Total = 6525)	191	246	176
30	Existing Radio Read Meters & ERTs Replaced with New Radio Read Meters & ERTs	223	304	350	370
71	Valves Exercised (Approx. 2674 in SSCWD System 3/2021)	547	319	410	269
63	Fire Hydrants Flushed (Approx. 938 in SSCWD System 3/2021)	667	281	757	509
30	Meters on Repair List	225	449	1147	1035
9	Emergency Calls	121	156	204	225
158	Locates on our Water/Sewer Lines	1208	1037	454	427
0	Sewer Inspections	0	0	2	2
0	Shutoff Notices	0	112	182	180
0	Water Services Replaced	8 (Total = 891)	15	18	19

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



## Hollister/Sunnyslope Intertie Water Balance

Agenda Item: **E-5b**

Report Date: April 1, 2021		to		March 16, 2021	
Current Consumption Period: February 12, 2021		Groundwater Flow to COH	Surface Flow to COH	Groundwater Flow to SSCWD	Surface Flow SSCWD
<b>Intertie Location</b>		i n G a l l o n s			
Southside Road Intertie Water Total Flow		0	475,074		
Sunset & Memorial Water Total Flow		2,715,700	3,000,000	0	0
Sunnyslope & Memorial Water Total Flow		1,088,300	1,211,500	4,500	4,700
Hillcrest and Memorial Water Total Flow		234,200	315,400	156,600	243,800
Santa Ana & La Baig Water Total Flow		358,000	1,144,800		
<b>Intertie Sub-Total Water Flow</b>		<b>4,396,200</b>	<b>6,146,774</b>	<b>161,100</b>	<b>248,500</b>
<i>Total Combined Surface and Ground Water Intertie Flow</i>		<b>10,542,974</b>		<b>409,600</b>	
City of Hollister Well 2 Surface Water Total Flow (West Hills)			17,165,000		
City of Hollister Well 4 Surface Water Total Flow (West Hills)			169,000		
City of Hollister Well 5 Surface Water Total Flow (West Hills)			26,681,000		
Sunnyslope Well 2 Surface Water Total Flow (West Hills)					11,506,000
Sunnyslope Well 11 Surface Water Total Flow (West Hills)					2,726,000
Sunnyslope Surface Water Total Flow (LESSALT)					35,078,000
<b>Surface Water Flow Sub-Totals</b>			<b>44,015,000</b>		<b>49,310,000</b>
<b>Ground Water and Surface Water Flow Totals</b>		<b>4,396,200</b>	<b>50,161,774</b>	<b>161,100</b>	<b>49,558,500</b>
Current Period:	COH half of Surface Water Flow to Distribution (LESSALT & WH)		46,662,500		
	Net Ground/Surface Water Balance Owed to SSCWD (to COH)	4,235,100	3,250,774		
	Beginning Water Balance Owed to SSCWD (to COH)	598,601,935	-396,308,044		
	Gallons Billed to COH thru Report Date January 1, 2021	0		Informational Last Month Net Total	202,293,891
	Sub-total Ending Water Balance Owed to SSCWD (to COH)	602,837,035	-393,057,270	Net Sub Total	209,779,765
Half of Total Gallons LESSALT Discharge to City of Hollister Wastewater Treatment Plant during the current consumption period				1,704,000	
Exchange Factor; Half of the total gallons discharged to COH WWTP from LESSALT multiplied by a factor of 4					6,816,000.00
<b>Ending Water Balance Owed to SSCWD (to COH)</b>		<b>596,021,035</b>	<b>-393,057,270</b>	<b>Net Total</b>	<b>202,963,765</b>

<b>Current:</b>	LESSALT WTP Total Flow to Distribution	35,078,000			
	Percent of LESSALT Surface Water Received	<b>COH</b>	<b>16.8%</b>	<b>SSCWD</b>	<b>83.2%</b>
<b>Current:</b>	COH half of LESSALT Total Flow to Distribution	17,539,000			
	Intertie Net Surface Water Total Flow to COH	5,898,274			
	Intertie Net Ground Water Total Flow to COH	4,235,100			
<b>Current:</b>	West Hills WTP Total Flow to Distribution	58,247,000			
	Percent of Surface Water Received	<b>COH</b>	<b>75.6%</b>	<b>SSCWD</b>	<b>24.4%</b>
<b>Current:</b>	COH half of West Hills WTP Total Flow to Distribution	29,123,500			
	West Hills WTP Surface Water Total Flow to COH	44,015,000			

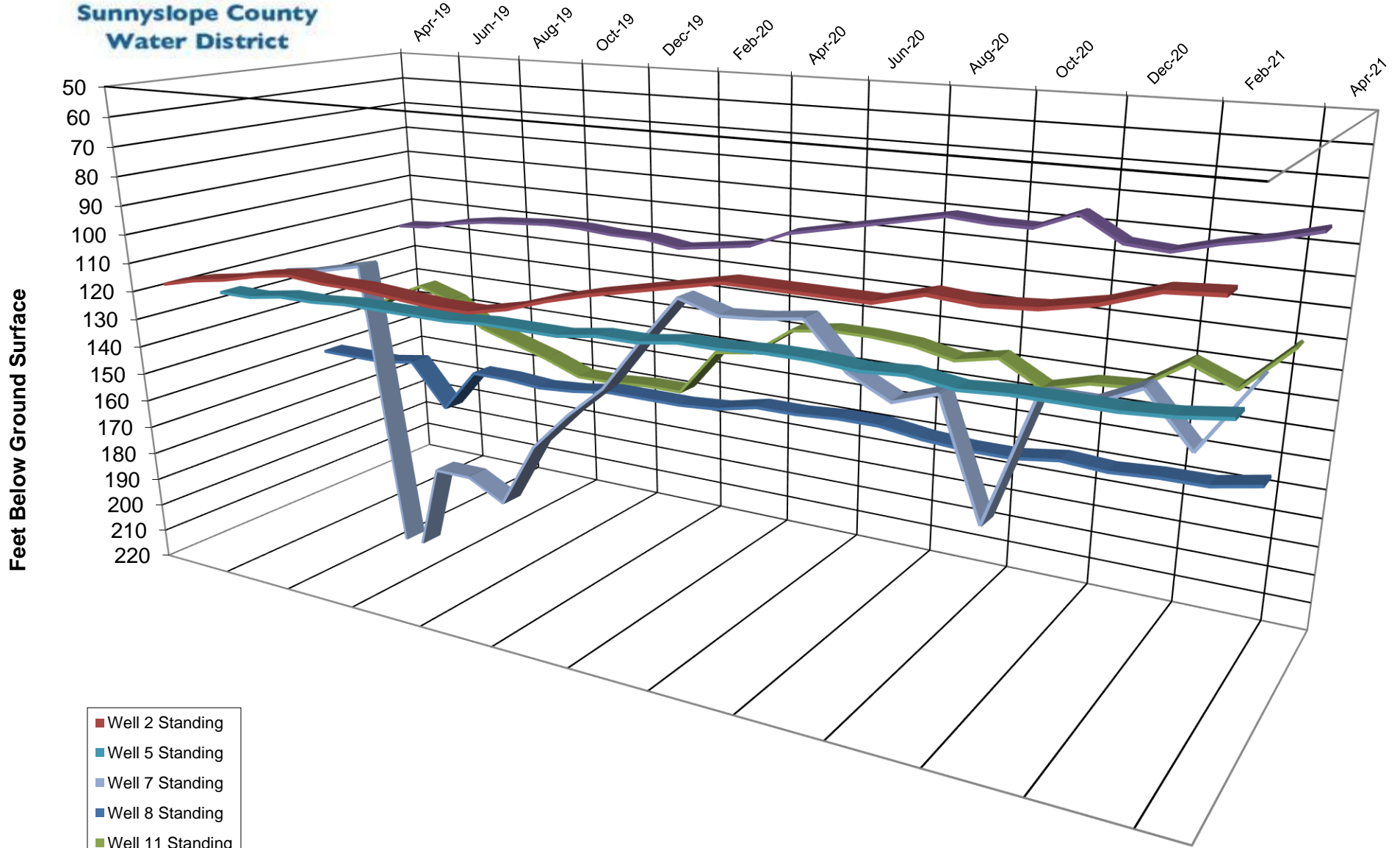
From February 14, 2019 to Present					
<b>YTD</b>	LESSALT WTP Total Flow to Distribution	437,872,000			
	West Hills WTP Total Flow to Distribution	799,648,000			
	Surface WTPs Total Flow to Distribution	1,237,520,000			
	Total YTD Surface Flow to COH/SSCWD	<b>COH</b>	<b>570,684,908</b>	<b>SSCWD</b>	<b>666,835,092</b>
	Percent of Surface Water Received	<b>COH</b>	<b>46.1%</b>	<b>SSCWD</b>	<b>53.9%</b>



**Sunnyslope County  
Water District**

**Depth to Standing Water Level Below Ground Surface**

Month/Year



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

Ground Elevation in Feet Above Sea Level

Well 2 = 325  
Well 7 = 361

Well 5 = 438  
Well 8 = 481

Well 11 = 330  
Test Well 12 = 308

# Staff Report

Agenda Item: E – 6

**DATE:** April 14, 2021 (April 20, 2021 Meeting)

**TO:** Board of Directors

**FROM:** General Manager, Drew Lander P.E.

**SUBJECT:** General Manager Monthly Status Report

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## ACTIVE TASKS:

- 1. Tyler Technologies Implementation** – The conversion to Incode10 is going well. Due to complexity within the conversion from the MOM software to Incode10 the go-live date has been delayed from the dates previously anticipated. Full operation of the software is expected by September 2021. This time frame will allow for extended system testing to ensure a smooth transition. This delay will prevent staff from fully taking advantage of the budgetary tools found within the software for this budget planning season however the following year the tools will be available. The software has been installed on the new server, and on staff workstations.
- 2. Office Technology and Public Access** – WaterSmart has identified 1,220 accounts that have been registered directly online. This is an increase of 200 units over last month. The number of e-bill customers has increased more than 50% to about 1,000 units over the past four months. These numbers continue to trend upwards.
- 3. District Website** – February visitation exceeded 10,000 visits. This month staff added information received from the State of California regarding State supported bill payment assistance due to financial stress during the pandemic.
- 4. IWWTP Contract Progress** – A contract for operation of the Industrial Wastewater Ponds has been presented to the Board this month for consideration.
- 5. Interagency Coordination** – (a) The Associate Engineer and General Manager have been participating with the San Benito County HMP: Risk Assessment Meetings held each month. These meetings are helping to inform the County on future risk management activities and improve resilience. (b) The General Manager attended the City of Hollister agency coordination meetings for the City General Plan Update. (c) The General Manager attended and participated in the WRA meeting.

6. **Permit Compliance** – No compliance issues reported this month. Water quality has remained consistent. The Wastewater plant also did not have any issues this month.
  
7. **Paperless Billing Incentive** – The District awarded the paperless billing incentive to customer Jose Angel Rueda, who has been a customer for several years and who also registered for paperless billing immediately upon being notified of the service. The \$100 gift card give away was a successful tool to encourage new sign ups. Paperless customers have a significant positive impact on the environment and save the District the expenses of mailing bills.

# Staff Report

Agenda Item: F-1

DATE: April 6, 2020 (April 21, 2020 Meeting)  
TO: Board of Directors  
FROM: Drew A. Lander, General Manager  
SUBJECT: Consider Proclaiming May 2021, as "Water Awareness Month"

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## **BACKGROUND:**

For the past twenty-nine months, the month of May has been celebrated as water awareness month. Each year, new water awareness issues are brought forward to inform and educate California agricultural and urban water users. Shawn Novack, the Water Conservation Program Manager of the Water Resources Agency, has provided the wording for this year's Resolution.

## **FISCAL IMPACT:**

The fiscal impact is unknown as it is dependent on public participation, however water conservation emphasizes reduction in water sales but promotes the avoidance of critical water shortage emergencies which increase operational costs. Water conservation is anticipated to have net positive effects on expenditures.

## **ENVIRONMENTAL IMPACT:**

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

## **RECOMMENDATION:**

Staff recommends the Board proclaim the month of May 2020 as "Water Awareness Month".

Attachment: Resolution 553

RESOLUTION 553

A RESOLUTION PROCLAIMING MAY 2021 AS WATER AWARENESS MONTH

-oOo-

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

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

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

WHEREAS, water softeners contribute significant amounts of salt to wastewater and degrades our water supply, and results in wastewater quality that exceeds regulatory limits and hampers our recycled water efforts; and

WHEREAS, the Water Resources of San Benito County urges everyone in the urban areas to demolish their water softeners to receive a \$300 rebate;

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

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

WHEREAS, during May 2021, the Sunnyslope County Water District is inviting everyone to find ways to save water both at work and at home;

**NOW, THEREFORE, the Sunnyslope County Water District does proclaim May 2021 as Water Awareness Month and urge all citizens, businesses, industries, institutions, and public agencies to review their water use and water systems for water use efficiency and to contact the Water Resources Association of San Benito County for water saving ideas and assistance.**

PASSED AND ADOPTED at a regular meeting of the Board of Directors of the Sunnyslope County Water District duly held on April 20, 2021.

AYES: BOARD MEMBERS:

NOES: BOARD MEMBERS:



ABSENT: BOARD MEMBERS:

\_\_\_\_\_  
President of the Board

ATTEST: \_\_\_\_\_  
Secretary to the Board

# Water Resources Association San Benito County



A locally-based agency representing:  
City of Hollister  
Sunnyslope County Water District  
City of San Juan Bautista  
San Benito County Water District

# History of WRASBC

- 1995 – Agency Advisory Group Meeting for Groundwater Management Plan for San Benito County
- 1998 – Agreement to Form the Water Resources Association of San Benito County
- 1999 – Hollister Area Water Conservation Plan developed and incorporated into the Hollister Urban Area Water Management Plan 2000
- 2001 – Water Conservation Coordinator hired for WRASBC
- 2002 – Supplemental Element approved for Ultra Low-Flow Toilet Program (\$126K)

# WRASBC Today

- Water Conservation Programs
- Water Resource Protection Programs
- Outreach
- Assist with Planning Documents:  
(Urban Water Management Plan and Groundwater Sustainability Plan)
- Reports Best Management Practices as required  
(State for Urban & and Federal for Agriculture)
- Assist with Landscape Plan Reviews

# WRASBC Programs

- Home Water Surveys
- Retrofit Program
- ULFT Replacement Program
- Water Softener Replacement/Demolishing Program
- Landscape Programs
- Landscape Irrigation Hardware Rebates
- Educational Programs
- Public Outreach
- Hotel Program (washing of linens on request only)
- Member of the Green Business Program

## Toilet Replacement Program 2002-2020

Toilet Replacements – Free toilets and rebates combined	
Year	Replaced
<b>2002 - 2012</b>	<b>6,571</b>
2013	223
2014	225
2015	229
2016	144
2017	158
2018	92
2019	83
2020	49
<b>TOTAL (2013-2020)</b>	<b>1,203</b>
<b>GRAND TOTAL</b>	<b>7,774</b>

# Toilet Replacements

\*Source HUAWMP 2000

Parameters & Assumptions	Single-Family
*Pre-1980 homes	3,710 (units)
*Post 1980, Pre-1992 homes	2,594 (units)
*Average toilets per household	2.16
Estimate of total high-consumption toilets in 1999	13,616
Toilets replaced by WRA 2002-2020	7,774 (57%)
Approximate number of high-consumption toilets left in the community not including CII or multi-family homes	5,842 (43%)
Number needed to reach HUAWMP goal 80% replacement of non-conserving toilets	3,119 (23%)

# Current Toilet Replacement Programs-WRASBC

**Free Toilets for those customers replacing a pre-1992 toilet  
(Pro-Flow model by Ferguson's Plumbing stocked in SBCWD warehouse)**

**OR**

**\$75 Rebate for customers buying  
a toilet on their own and replacing a pre-1992 toilet**

**\*Must return old toilet for age verification and recycling**



## California Civil Code §1101.1-1101.9

To be compliant with Civil Code, plumbing fixtures may not use more than the following water:

- (1) Toilets – 1.6 gallons per flush
- (2) Urinals – 1 gallon per flush
- (3) Showerheads – 2.5 gallons per minute
- (4) Interior faucets -2.2 gallons per minute

# Compliance

## **Single Family Residences**

Beginning January 1, 2014, when a building permit for alterations or improvements is issued, all noncompliant plumbing fixtures must be replaced.

Beginning January 1, 2017:

noncompliant plumbing fixtures must be replaced.

If a property is being sold, the seller must disclose to the buyer in writing the retrofit requirements and whether the residence includes any noncompliant plumbing fixtures.

# Water Savings From ULFT Replacements

- Total Toilets Replaced end of 2020 = 7,774
- Approximately water savings =  
\*14,380 gallons per toilet/per year
- Approximate water savings as of 2020 =  
**111,790,120 gallons per year (cumulative)**

\* Source: Water Use and Conservation, Amy Vickers

# Questions / Comments



# Staff Report

Agenda Item: F – 3

**DATE:** April 12, 2021 (April 20, 2021 Meeting)

**TO:** Board of Directors

**FROM:** Finance & Human Resource Manager, Travis Foster

**SUBJECT:** Consideration of Establishing Section 115 Trust Fund for Participation in the California Employers Pension Prefunding Trust (CEPPT) with the California Public Employees' Retirement System

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## **BACKGROUND:**

In 2019, CalPERS established the California Employers' Pension Prefunding Trust (CEPPT). The CEPPT is an IRS Section 115 Trust where contributions/investments and investment returns can be made to address current and future pension costs. The District provides its employees and retirees with pension and health insurance benefits and the District contracts with CalPERS for both its pension and health plans, including retiree health (aka OPEB). Both commitments have current and long-term costs and while the District has made significant proactive strides towards fully funding the pension and retiree healthcare costs, the related unfunded liability of the pension continues to grow.

In May of 2019 the Board directed \$1,085,858 be paid to accelerate the amortization payments of the unfunded liability and reduce interest costs. After this payment, the unfunded liability as of June 30, 2020 was reduced from \$67,143 to \$8,233. Based on the July 2020 Annual Valuation Reports for Sunnyslope County Water District's PEPRA and Classic Miscellaneous Plans (see attached), the Fiscal Year 2021-22 and projected Fiscal Year 2022-23 Unfunded Accrued Liabilities (UAL) are \$26,846 and \$37,600 respectively, which are based on the June 30, 2019 Annual Valuation Report. Comparatively, the District's holds an asset position of \$37,404 with respect to its future OPEB obligations.

Staff met with the Finance Committee to discuss this opportunity in February. Both Committee Members attended the CALPERS trust workshop in April (slide presentation attached) and suggested bringing this topic before the Board. At this time, staff is recommending the Board consider participating in the California Employers Pension Prefunding Trust (CEPPT). Funds invested in the trust can be used for both Unfunded Liability obligations as well as the normal pension service costs. The District's contributions for normal pension service costs totaled \$229,705 in Fiscal Year 2019/20. The investment returns from the trust have consistently exceeded the investment returns of funds invested in LAIF, which is further discussed in the Financial Impact section. The process of establishing the CEPPT will require a Board Resolution and signing the CEPPT Participation Agreement (attached). Staff will bring back to the Board a funding policy as part of the proposed Budget for Fiscal Year 2021-22. In addition, staff would like to discuss with the Board the establishment of a Pension Committee at a future meeting.

**FINANCIAL IMPACT:**

CALPERS offers two investment strategies for the CEPPT trust. Strategy 1's expected return is 5% with an 8.2% Expected Volatility Rate and Strategy 2's expected return is 4% with an 5.2% Expected Volatility Rate. CALPERS charges .25 basis points to manage the portfolios. In comparison, LAIF's average annual yield in Fiscal Year 19/20 was 1.934%, down from 2.267% in Fiscal Year 18/19 and was the highest return in over ten years. In the past ten years LAIF has averaged a 0.847% rate of return. Staff expects the returns from funds held in the CEPPT trust to mitigate future Unfunded Liability costs as the funds in the trust grow. As an example, investing \$940,000 in the CEPPT Strategy 2 Fund could accumulate the \$37,600 projected Unfunded Liability for Fiscal Year 2022-23. Alternatively, investing the same \$940,000 in LAIF would yield \$18,180 using the Fiscal Year 19/20 rate of return.

**ENVIRONMENTAL IMPACT:**

The proposed action is not a project as defined by Article 20, Section 15378 of the State CEQA Guidelines and therefore CEQA is not applicable.

**RECOMMENDATION:**

Staff recommends the adoption of Resolution 554 enabling the District to participate in the California Employers Pension Prefunding Trust (CEPPT).

**ATTACHMENTS:**

1. CALPERS CEPPT Participation Agreement
2. CALPERS CEPPT Delegation of Authority to Request Disbursements
3. Resolution 554
4. CALPERS Slides CEPPT Trust
5. CALPERS 2019 Actuarials

**CALIFORNIA EMPLOYERS' PENSION PREFUNDING TRUST PROGRAM**

**AGREEMENT AND ELECTION  
OF**

**SUNNYSLOPE COUNTY WATER DISTRICT**

---

(NAME OF EMPLOYER)

**to Prefund Employer Contributions to a Defined Benefit  
Pension Plan**

WHEREAS (1) Government Code (GC) Section 21711(a) establishes in the State Treasury the California Employers' Pension Prefunding Trust Fund (CEPPT), a special trust fund for the purpose of allowing eligible employers to prefund their required pension contributions to a defined benefit pension plan (each an Employer Pension Plan) by receiving and holding in the CEPPT amounts that are intended to be contributed to an Employer Pension Plan at a later date; and

WHEREAS (2) GC Section 21711(b) provides that the California Public Employees' Retirement System (CalPERS) Board of Administration (Board) has sole and exclusive control of the administration and investment of the CEPPT, the purposes of which include, but are not limited to (i) receiving contributions from participating employers; (ii) investing contributed amounts and income thereon, if any, in order to receive yield on the funds; and (iii) disbursing contributed amounts and income thereon, if any, to pay for costs of administration of the CEPPT and to deposit employer contributions into Employer Pension Plans in accordance with their terms; and

WHEREAS (3) SUNNYSLOPE COUNTY WATER DISTRICT  
(NAME OF EMPLOYER)

(Employer) desires to participate in the CEPPT upon the terms and conditions set by the Board and as set forth herein; and

WHEREAS (4) Employer may participate in the CEPPT upon (i) approval by the Board and (ii) filing a duly adopted and executed Agreement and Election to Prefund Employer Contributions to a Defined Benefit Pension Plan (Agreement) as provided in the terms and conditions of the Agreement; and

WHEREAS (5) The CEPPT is a trust fund that is intended to perform an essential governmental function (that is, the investment of funds by a State, political subdivision or 115 entity) within the meaning of Internal Revenue Code (Code) Section 115 and Internal Revenue Service Revenue Ruling 77-261, and as an Investment Trust Fund, as defined in Governmental Accounting Standards Board (GASB) Statement No. 84, Paragraph 16, for accounting and financial reporting of fiduciary activities from the

external portion of investment pools and individual investment accounts that are held in a trust that meets the criteria in Paragraph 11c(1).

WHEREAS (6) The CEPPT is not a Code Section 401(a) qualified trust and the assets held in the CEPPT are not assets of any Employer Pension Plan or any plan qualified under Code Section 401(a).

NOW, THEREFORE, BE IT RESOLVED THAT EMPLOYER HEREBY MAKES THE FOLLOWING REPRESENTATION AND WARRANTY AND THAT THE BOARD AND EMPLOYER AGREE TO THE FOLLOWING TERMS AND CONDITIONS:

A. Employer Representation and Warranty

Employer hereby represents and warrants that it is the State of California or a political subdivision thereof, or an entity whose income is excluded from gross income under Code Section 115(1).

B. Adoption and Approval of the Agreement; Effective Date; Amendment

(1) Employer's governing body shall elect to participate in the CEPPT by adopting this Agreement and filing with the Board a true and correct original or certified copy of this Agreement as follows:

Filing by mail, send to: CalPERS  
CEPPT  
P.O. Box 1494  
Sacramento, CA 95812-1494

Filing in person, deliver to: CalPERS Mailroom  
CEPPT  
400 Q Street  
Sacramento, CA 95811

(2) Upon receipt of the executed Agreement, and after approval by the Board, the Board shall fix an effective date and shall promptly notify Employer of the effective date of the Agreement. Employer shall provide the Board such other documents as the Board may request, including, but not limited to a certified copy of the resolution(s) of the governing body of Employer authorizing the adoption of the Agreement and documentation naming Employer's successor entity in the event that Employer ceases to exist prior to termination of this Agreement.

(3) The terms of this Agreement may be amended only in writing upon the agreement of both the Board and Employer, except as otherwise provided herein. Any such amendment or modification to this Agreement shall be adopted and executed in the same manner as required for the Agreement. Upon receipt of the executed amendment or modification, the Board shall fix the effective date of the amendment or modification.



(4) The Board shall institute such procedures and processes as it deems necessary to administer the CEPPT, to carry out the purposes of this Agreement, and to maintain the tax-exempt status of the CEPPT. Employer agrees to follow such procedures and processes.

#### C. Employer Reports Provided for the Board's Use in Trust Administration and Financial Reporting and Employer Contributions

(1) Employer shall provide to the Board a defined benefit pension plan cost report on the basis of the actuarial assumptions and methods prescribed by Actuarial Standards of Practice (ASOP) or prescribed by GASB. Such report shall be for the Board's use in trust administration and financial reporting and shall be prepared at least as often as the minimum frequency required by applicable GASB Standards. This defined benefit pension plan cost report may be prepared as an actuarial valuation report or as a GASB compliant financial report. Such report shall be:

- 1) prepared and signed by a Fellow or Associate of the Society of Actuaries who is also a Member of the American Academy of Actuaries or a person with equivalent qualifications acceptable to the Board;
- 2) prepared in accordance with ASOP or with GASB; and
- 3) provided to the Board prior to the Board's acceptance of contributions for the reporting period or as otherwise required by the Board.

(2) In the event that the Board determines, in its sole discretion, that Employer's cost report is not suitable for the Board's purposes and use or if Employer fails to provide a required report, the Board may obtain, at Employer's expense, a report that meets the Board's trust administration and financial reporting needs. At the Board's option, the Board may recover the costs of obtaining the report either by billing and collecting such amount from Employer or through a deduction from Employer's Prefunding Account (as defined in Paragraph D(2) below).

(3) Employer shall notify the Board in writing of the amount and timing of contributions to the CEPPT, which contributions shall be made in the manner established by the Board and in accordance with the terms of this Agreement and any procedures adopted by the Board.

(4) The Board may limit Employer's contributions to the CEPPT to the amount necessary to fully fund the actuarial present value of total projected benefit payments not otherwise prefunded through the applicable Employer Pension Plan (Unfunded PVFB), as set forth in Employer's cost report for the applicable period. If Employer's contribution would cause the assets in Employer's Prefunding Account to exceed the Unfunded PVFB, the Board may refuse to accept the contribution. If Employer's cost report for the applicable period does not set forth the Unfunded PVFB, the Board may

refuse to accept a contribution from Employer if the contribution would cause the assets in Employer's Prefunding Account to exceed Employer's total pension liability, as set forth in Employer's cost report.

(5) No contributions are required. Contributions can be made at any time following the effective date of this Agreement if Employer has first complied with the requirements of this Agreement, including Paragraph C.

(6) Employer acknowledges and agrees that assets held in the CEPPT are not assets of any Employer Pension Plan or any plan qualified under Code Section 401(a), and will not become assets of such a plan unless and until such time as they are distributed from the CEPPT and deposited into an Employer Pension Plan.

#### D. Administration of Accounts; Investments; Allocation of Income

(1) The Board has established the CEPPT as a trust fund consisting of an aggregation of separate single-employer accounts, with pooled administrative and investment functions.

(2) All Employer contributions and assets attributable to Employer contributions shall be separately accounted for in the CEPPT (Employer's Prefunding Account). Assets in Employer's Prefunding Account will be held for the exclusive purpose of funding Employer's contributions to its Employer Pension Plan(s) and defraying the administrative expenses of the CEPPT.

(3) The assets in Employer's Prefunding Account may be aggregated with the assets of other participating employers and may be co-invested by the Board in any asset classes appropriate for a Code Section 115 trust, subject to any additional requirements set forth in applicable law, including, but not limited to, subdivision (d) of GC Section 21711. Employer shall select between available investment strategies in accordance with applicable Board procedures.

(4) The Board may deduct the costs of administration of the CEPPT from the investment income of the CEPPT or from Employer's Prefunding Account in a manner determined by the Board.

(5) Investment income earned shall be allocated among participating employers and posted to Employer's Prefunding Account daily Monday through Friday, except on holidays, when the allocation will be posted the following business day.

(6) If, at the Board's sole discretion and in compliance with accounting and legal requirements applicable to an Investment Trust Fund and to a Code Section 115 compliant trust, the Board determines to its satisfaction that all obligations to pay defined benefit pension plan benefits in accordance with the applicable Employer Pension Plan terms have been satisfied by payment or by defeasance with no remaining risk regarding the amounts to be paid or the value of assets held in the

CEPPT, then the residual Employer assets held in Employer's Prefunding Account may be returned to Employer.

#### E. Reports and Statements

- (1) Employer shall submit with each contribution a contribution report in the form and containing the information prescribed by the Board.
- (2) The Board, at its discretion but at least annually, shall prepare and provide a statement of Employer's Prefunding Account reflecting the balance in Employer's Prefunding Account, contributions made during the period covered by the statement, investment income allocated during such period, and such other information as the Board may determine.

#### F. Disbursements

- (1) Employer may receive disbursements from the CEPPT not to exceed, on an annual basis, the amount of the total annual Employer contributions to Employer's Pension Plan for such year.
- (2) Employer shall notify the Board in writing in the manner specified by the Board of the persons authorized to request disbursements from the CEPPT on behalf of Employer.
- (3) Employer's request for disbursement shall be in writing signed by Employer's authorized representative, in accordance with procedures established by the Board, and the Board may rely conclusively upon such writing. The Board may, but is not required to, require that Employer certify or otherwise demonstrate that amounts disbursed from Employer's Prefunding Account will be used solely for the purposes of the CEPPT. However, in no event shall the Board have any responsibility regarding the application of distributions from Employer's Prefunding Account.
- (4) No disbursement shall be made from the CEPPT which exceeds the balance in Employer's Prefunding Account.
- (5) Requests for disbursements that satisfy the above requirements will be processed on at least a monthly basis.
- (6) The Board shall not be liable for amounts disbursed in error if it has acted upon the written instruction of an individual authorized by Employer to request disbursements, and is under no duty to make any investigation or inquiry about the correctness of such instruction. In the event of any other erroneous disbursement, the extent of the Board's liability shall be the actual dollar amount of the disbursement, plus interest at the actual earnings rate but not less than zero.

## G. Costs of Administration

Employer shall pay its share of the costs of administration of the CEPPT, as determined by the Board and in accordance with Paragraph D.

## H. Termination of Employer's Participation in the CEPPT

(1) The Board may terminate Employer's participation in the CEPPT if:

- (a) Employer's governing body gives written notice to the Board of its election to terminate; or
- (b) The Board determines, in its sole discretion, that Employer has failed to satisfy the terms and conditions of applicable law, this Agreement or the Board's rules, regulations or procedures.

(2) If Employer's participation in the CEPPT terminates for either of the foregoing reasons, all assets in Employer's Prefunding Account shall remain in the CEPPT, except as otherwise provided below, and shall continue to be invested and accrue income as provided in Paragraph D, and Employer shall remain subject to the terms of this Agreement with respect to such assets.

(3) After Employer's participation in the CEPPT terminates, Employer may not make further contributions to the CEPPT.

(4) After Employer's participation in the CEPPT terminates, disbursements from Employer's Prefunding Account may continue upon Employer's instruction or otherwise in accordance with the terms of this Agreement.

(5) After Employer's participation in the CEPPT terminates, the governing body of Employer may request either:

- (a) A trustee to trustee transfer of the assets in Employer's Prefunding Account to a trust dedicated to prefunding Employer's required pension contributions; provided that the Board shall have no obligation to make such transfer unless the Board determines that the transfer will satisfy applicable requirements of the Code, other law and accounting standards, and the Board's fiduciary duties. If the Board determines that the transfer will satisfy these requirements, the Board shall then have one hundred fifty (150) days from the date of such determination to effect the transfer. The amount to be transferred shall be the amount in Employer's Prefunding Account as of the date of the transfer (the "transfer date") and shall include investment earnings up to an investment earnings allocation date preceding the transfer date. In no event shall the investment earnings allocation date precede the transfer date by more than 150 days.

- (b) A disbursement of the assets in Employer's Prefunding Account; provided that the Board shall have no obligation to make such disbursement unless the Board determines that, in compliance with the Code, other law and accounting standards, and the Board's fiduciary duties, all of Employer's obligations for payment of defined benefit pension plan benefits and reasonable administrative costs of the Board have been satisfied. If the Board determines that the disbursement will satisfy these requirements, the Board shall then have one hundred fifty (150) days from the date of such determination to effect the disbursement. The amount to be disbursed shall be the amount in Employer's Prefunding Account as of the date of the disbursement (the "disbursement date") and shall include investment earnings up to an investment earnings allocation date preceding the disbursement date. In no event shall the investment earnings allocation date precede the disbursement date by more than 150 days.

(6) After Employer's participation in the CEPPT terminates and at such time that no assets remain in Employer's Prefunding Account, this Agreement shall terminate. To the extent that assets remain in Employer's Prefunding Account, this Agreement shall remain in full force and effect.

(7) If, for any reason, the Board terminates the CEPPT, the assets in Employer's Prefunding Account shall be paid to Employer to the extent permitted by law and Code Section 115 after retention of (i) an amount sufficient to pay the Unfunded PVFB as set forth in a current defined benefit pension plan(s) cost report prepared in compliance with ASOP and the requirements of Paragraph C(1), and (ii) amounts sufficient to pay reasonable administrative costs of the Board. Amounts retained by the Board to pay the Unfunded PVFB shall be transferred to (i) another Code Section 115 trust dedicated to prefunding Employer's required pension contributions, subject to the Board's determination that such transfer will satisfy applicable requirements of the Code, other law and accounting standards, and the Board's fiduciary duties or (ii) Employer's Pension Plan, subject to acceptance by Employer's Pension Plan.

(8) If Employer ceases to exist but Employer's Prefunding Account continues to exist, and if no provision has been made to the Board's satisfaction by Employer with respect to Employer's Prefunding Account, the Board shall be permitted to identify and appoint a successor to Employer under this Agreement, provided that the Board first determines, in its sole discretion, that there is a reasonable basis upon which to identify and appoint such a successor and provided further that such successor agrees in writing to be bound by the terms of this Agreement. If the Board is unable to identify or appoint a successor as provided in the preceding sentence, then the Board is authorized to appoint a third-party administrator or other successor to act on behalf of Employer under this Agreement and to otherwise carry out the intent of this Agreement with respect to Employer's Prefunding Account. Any and all costs associated with such appointment shall be paid from the assets attributable to Employer's Prefunding Account. At the Board's option, and subject to acceptance by Employer's Pension Plan,

the Board may instead transfer the assets in Employer's Prefunding Account to Employer's Pension Plan and terminate this Agreement.

(9) If the Board determines, in its sole discretion, that Employer has breached the representation and warranty set forth in Paragraph A., the Board shall take whatever action it deems necessary to preserve the tax-exempt status of the CEPPT.

I. Indemnification

Employer shall indemnify, defend, and hold harmless CalPERS, the Board, the CEPPT, and all of the officers, trustees, agents and employees of the foregoing from and against any loss, liability, claims, causes of action, suits, or expense (including reasonable attorneys' fees and defense costs, lien fees, judgments, fines, penalties, expert witness fees, appeals, and claims for damages of any nature whatsoever) not charged to the CEPPT and imposed as a result of, arising out of, related to or in connection with (1) the performance of the Board's duties or responsibilities under this Agreement, except to the extent that such loss, liability, suit or expense results or arises from the Board's own gross negligence, willful misconduct or material breach of this Agreement, or (2) without limiting the scope of Paragraph F(6) of this Agreement, any acts taken or transactions effected in accordance with written directions from Employer or any of its authorized representatives or any failure of the Board to act in the absence of such written directions to the extent the Board is authorized to act only at the direction of Employer.

J. General Provisions

(1) Books and Records

Employer shall keep accurate books and records connected with the performance of this Agreement. Such books and records shall be kept in a secure location at Employer's office(s) and shall be available for inspection and copying by the Board and its representatives.

(2) Notice

(a) Any notice or other written communication pursuant to this Agreement will be deemed effective immediately upon personal delivery, or if mailed, three (3) days after the date of mailing, or if delivered by express mail or e-mail, immediately upon the date of confirmed delivery, to the following:

For the Board:

Filing by mail, send to:  
CalPERS  
CEPPT  
P.O. Box 1494  
Sacramento, CA 95812-1494

Filing in person, deliver to:  
CalPERS Mailroom  
CEPPT  
400 Q Street  
Sacramento, CA 95811

For Employer:

SUNNYSLOPE COUNTY WATER DISTRICT  
3570 AIRLINE HIGHWAY  
HOLLISTER, CA 95023-9702

(b) Either party to this Agreement may, from time to time by notice in writing served upon the other, designate a different mailing address to which, or a different person to whom, all such notices thereafter are to be addressed.

### (3) Survival

All representations, warranties, and covenants contained in this Agreement, or in any instrument, certificate, exhibit, or other writing intended by the parties to be a part of this Agreement shall survive the termination of this Agreement.

### (4) Waiver

No waiver of a breach, failure of any condition, or any right or remedy contained in or granted by the provisions of this Agreement shall be effective unless it is in writing and signed by the party waiving the breach, failure, right, or remedy. No waiver of any breach, failure, right, or remedy shall be deemed a waiver of any other breach, failure, right, or remedy, whether or not similar, nor shall any waiver constitute a continuing waiver unless the writing so specifies.

### (5) Necessary Acts; Further Assurances

The parties shall at their own cost and expense execute and deliver such further documents and instruments and shall take such other actions as may be reasonably required or appropriate to evidence or carry out the intent and purposes of this Agreement.

### (6) Incorporation of Amendments to Applicable Laws and Accounting Standards

Any references to sections of federal or state statutes or regulations or accounting standards shall be deemed to include a reference to any amendments thereof and any successor provisions thereto.



(7) Days

Wherever in this Agreement a set number of days is stated or allowed for a particular event to occur, the days are understood to include all calendar days, including weekends and holidays, unless otherwise stated.

(8) No Third Party Beneficiaries

Except as expressly provided herein, this Agreement is for the sole benefit of the parties hereto and their permitted successors and assignees, and nothing herein, expressed or implied, will give or be construed to give any other person any legal or equitable rights hereunder. Notwithstanding the foregoing, CalPERS, the CEPPT, and all of the officers, trustees, agents and employees of CalPERS, the CEPPT and the Board shall be considered third party beneficiaries of this Agreement with respect to Paragraph I above.

(9) Counterparts

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

A majority vote of Employer's Governing Body at a public meeting held on the \_\_\_\_\_ day of the month of \_\_\_\_\_ in the year \_\_\_\_\_, authorized entering into this Agreement.

Signature of the Presiding Officer: \_\_\_\_\_

Printed Name of the Presiding Officer: \_\_\_\_\_

Name of Governing Body: \_\_\_\_\_

Name of Employer: \_\_\_\_\_

Date: \_\_\_\_\_



BOARD OF ADMINISTRATION  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY \_\_\_\_\_

ARNITA PAIGE

DIVISION CHIEF, PENSION CONTRACT AND PREFUNDING PROGRAMS  
CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM

To be completed by CalPERS

The effective date of this Agreement is: \_\_\_\_\_



**RESOLUTION NO. 554**

**RESOLUTION OF THE  
BOARD OF DIRECTORS OF  
SUNNYSLOPE COUNTY WATER DISTRICT**

**PARTICIPATION IN CALIFORNIA EMPLOYERS PENSION  
PREFUNDING TRUST**

**AND**

**DELEGATION OF AUTHORITY  
TO REQUEST DISBURSEMENTS  
FROM CalPERS CEPPT PREFUNDING PLAN**

WHEREAS, Sunnyslope County Water District desires to participate in the California Employers Pension Prefunding Trust (CEPPT) by signing the CEPPT Participation Agreement; and

The Board of Directors delegates to the incumbents in the positions of General Manager and Finance and Human Resources Manager authority to request, on behalf of the Employer, disbursements from the Pension Prefunding Trust and to certify as to the purpose for which the disbursed funds will be used.

BE IT FURTHER RESOLVED that the District Manager and the Finance and Human Resources Manager of said Sunnyslope County Water District are hereby authorized and directed to request disbursements from CalPERS Prefunding Trust for Employer Pension Contributions.

PASSED AND ADOPTED by the Board of Directors of the Sunnyslope County Water District this 20<sup>th</sup> day of April, 2021 by the following vote:

AYES:

NAYS:

ABSTAIN:

ABSENT:

Signed: \_\_\_\_\_  
Jerry Buzzetta, President

(Seal)

ATTEST: \_\_\_\_\_  
Drew Lander, Secretary

## CERTIFICATION

I do hereby certify that the foregoing is a full, true, and correct copy of a resolution duly and regularly adopted at a Regular meeting of the Board of Directors of the Sunnyslope County Water District held on April 20, 2021.

Dated: April 20, 2021

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Drew Lander  
*Secretary of Sunnyslope County Water District*

# CalPERS Prefunding Programs Workshop

CEPPT (Pension)  
CERBT (OPEB)

# Impact of Prefunding

# Impact of Prefunding

## Increase investment income

- Outperform County Treasury & LAIF
- Build a larger base of assets to increase earnings

## Reduce unfunded liabilities and contributions

- Trust assets reduce liabilities
- Higher discount rates reduce liabilities and contributions

## Prudent financial management

- Improves financial reporting outcomes
- Contributes to preserving positive credit ratings

# Prefunding OPEB



# Prefunding vs. Pay-Go

Actuarial Valuation	Policy A Pay-Go NO Prefunding	Policy B FULL Prefunding	Policy C PARTIAL Prefunding
Discount Rate	4.25%	7.28%	5.765%
Total OPEB Liability	\$76.7	\$56.3	\$61.4
Actuarially Determined Contribution (ADC)	\$5.8	\$4.1	\$4.8
Retiree Premium Payments ("Pay-Go Costs")	\$2.1	\$2.1	\$2.1
OPEB Trust Fund Contributions	\$0	\$2.0	\$1.0

Data assumed CERBT strategy #1 participation.

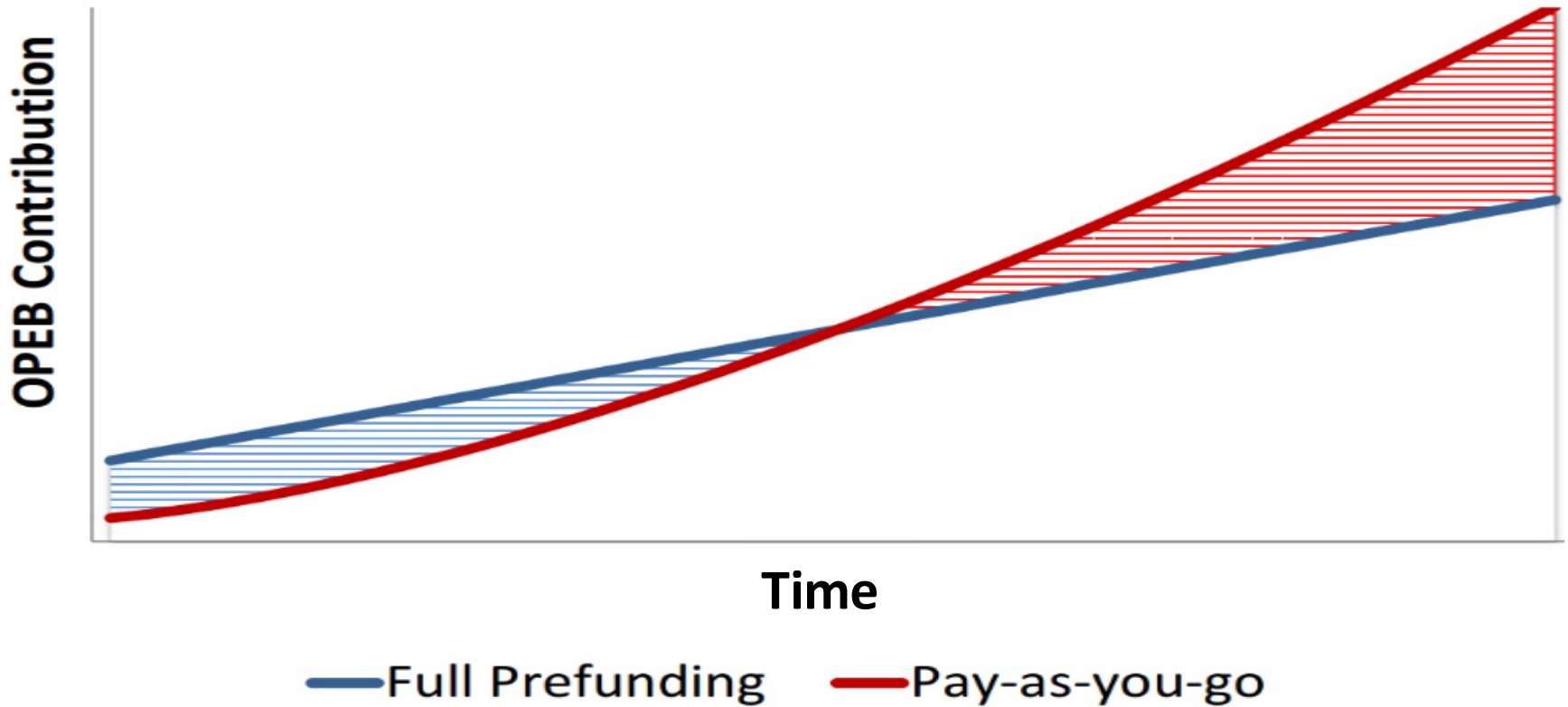
# 115 Trust Cash Flow Scenario

Measurement Date	Total OPEB Liability	Cumulative CERBT Contributions	Cumulative Investment Earnings (Net)	CERBT Assets	Funded Status
6/30/2007	\$28,297,000	\$0	\$0	\$0	0%
6/30/2009	\$23,292,000	\$150,000	(\$33)	\$149,967	1%
6/30/2011	\$31,719,000	\$4,277,239	\$292,990	\$4,570,229	14%
6/30/2013	\$36,655,000	\$10,720,239	\$1,335,653	\$12,055,892	33%
6/30/2015	\$61,420,000	\$16,412,239	\$3,373,334	\$19,785,573	32%
6/30/2017	\$67,531,000	\$21,636,239	\$5,953,934	\$27,590,173	41%

# Financial Reporting Outcomes

Financial Statements	Policy A Pay-Go NO Prefunding	Policy B FULL Prefunding	Policy C PARTIAL Prefunding
Total OPEB Liability	\$76.7	\$50.3	\$61.4
CERBT Assets	\$0	\$15.0	\$7.5
Net OPEB Liability	\$76.7	\$35.3	\$53.9

# Prefunding Becomes Cheaper Than Pay-Go



Source: United States Common Sense

For illustrative purposes only.

# Prefunding Pension Contributions

# Tools to Proactively Manage Pension Costs

- Make up for past underperformance by sending Additional Discretionary Payments (ADP's) of Unfunded Accrued Pension Liability (UAL) to CalPERS
  - Yes, you should do this
- Establish a pension contribution prefunding Section 115 trust fund to improve your future capacity to pay these volatile costs
  - Yes, you should also do this

# CalPERS Pension Fund Returns

Period	Assets	Return
10-year at 6/30/2020	\$389B	8.5%
5-year at 6/30/2020	\$389B	6.3%
3-year at 6/30/2020	\$389B	6.6%
2017 – 18	\$352B	8.6%
2018 - 19	\$370B	6.7%
2019 - 20	\$389B	4.7%

# Employer Pension Cost Considerations

- Normal cost
  - Ongoing
  - PEPRA is cheaper than classic but increases with payroll
- Unfunded accrued liabilities (UAL)
  - Currently exist for most agencies
  - Will reoccur if plan experience is negative
- Overall cost trends
  - Likely to increase for 10 years due to unfunded liabilities
  - Likely to decrease with PEPRA but increase with payroll



# Pension Contribution Investment Tools

Portfolios	CalPERS Pension	CalPERS 115 CEPPT Trust Strategy 1	CalPERS 115 CEPPT Trust Strategy 2	LAIF
Expected Return	7.0%	5.0%	4.0%	~1%
Risk	11.4%	8.2%	5.2%	Lowest
Optimal Investment Time Horizon	Long-Term	1-10 Years		Next 12 Months
Liquidity	No	Yes		Yes

## Why Prefund Pension Contributions via 115 Trust?

- CalPERS pension costs are increasing faster than your budget is growing
- CalPERS pension investments are volatile making future contributions volatile and challenging to plan for
- LAIF and County Treasury have been earning historically low yields for at least a decade
- By planning ahead and increasing yields you can save money while making pension costs more manageable

## Pension Contribution Prefunding 115 Trust Purpose

- Grow assets for future pension contributions
- Invest over shorter time horizon than CalPERS
- Invest less risky than CalPERS
- Earn higher yields than LAIF and County Treasury
- Retain liquidity on your assets
- Stabilize future budgets
- Create a contingency reserve for difficult times ahead

# Employer Pension Contribution Projections\*

Fiscal Year	Payroll	Normal Cost Contribution (% of Payroll)	Normal Cost Contribution	Unfunded Accrued Liability Payment	Total Contribution
2021-22	\$240,658,169	9.830%	\$23,656,698	\$59,117,014	<b>\$82,773,712</b>
2022-23	\$247,276,268	9.7%	\$23,985,798	\$64,255,000	\$88,240,798
2023-24	\$254,076,366	9.6%	\$24,391,331	\$67,112,000	\$91,503,331
2024-25	\$261,063,466	9.5%	\$24,801,029	\$70,658,000	\$95,459,029
2025-26	\$268,242,712	9.4%	\$25,214,815	\$65,552,000	\$90,766,815
2026-27	\$275,619,386	9.3%	\$25,632,603	\$67,969,000	\$93,601,603
2027-28	\$282,509,871	9.3%	\$26,273,418	\$61,884,689	\$88,158,107
2028-29	\$289,572,617	9.3%	\$26,930,253	\$64,429,177	\$91,359,431
2029-30	\$296,811,933	9.3%	\$27,603,510	\$66,282,217	\$93,885,726
2030-31	\$304,232,231	9.3%	\$28,293,597	\$68,188,106	\$96,481,703
2031-32	\$311,838,037	9.3%	\$29,000,937	\$70,147,945	<b>\$99,148,883</b>

\*Data for 2020-2027 is from 6/30/2019 CalPERS actuarial valuation report. Data for 2028-2032 are not actuarial projections.

# Pension (CEPPT) & OPEB (CERBT) 115 Trust Investment Policies

# CEPPT and CERBT Investment Policies

- CalPERS Board accepts investment fiduciary responsibility
  - GC 21710-21715 (CEPPT)
  - GC 53620-53622 (CERBT)
- CalPERS Board approves investment policy recommendations from internal and external consultants
- Policies managed internally by CalPERS Investment Office staff who oversee external management by SSGA
- Policies are monitored, reviewed, and revised regularly to ensure ongoing optimization

# Investment Risk Mitigation

Investment risk is managed via:

- Investment policy compliance
- Broad diversification of assets
- Performance measured against established benchmarks
  - Consistently low tracking error
- Oversight by independent external investment experts, CFO, and Office of Enterprise Risk Management

# CEPPT/CERBT Expected Rates of Return

Portfolios	CERBT OPEB Strategy 1	CERBT OPEB Strategy 2	CERBT OPEB Strategy 3	CEPPT Pension Strategy 1	CEPPT Pension Strategy 2
Expected Return	7.59%	7.01%	6.22%	5.00%	4.00%
Risk	11.83%	9.24%	7.28%	8.2%	5.2%



# CEPPT/CERBT Portfolio Details

Asset Classification	Benchmark	CERBT OPEB Strategy 1	CERBT OPEB Strategy 2	CERBT OPEB Strategy 3	CEPPT Pension Strategy 1	CEPPT Pension Strategy 2	Target Range
Global Equity	MSCI All Country World Index	59%	40%	22%	40%	14%	±5%
Fixed Income	Barclays Capital Long Liability Index (CERBT) Bloomberg Barclays U.S. Aggregate Bond Index (CEPPT)	25%	43%	49%	47%	73%	±5%
Global Real Estate (REITs)	FTSE EPRA/NAREIT Developed Liquid Index	8%	8%	8%	8%	8%	±5%
Treasury Inflation Protected Securities (TIPS)	Barclays Capital Global Real: US TIPS Index	5%	5%	16%	5%	5%	±3%
Commodities	S&P GSCI Total Return Index	3%	4%	5%	N/A	N/A	±3%
Cash	3-Month Treasury Bill	0%	0%	0%	0%	0%	+2%

# CEPPT/CERBT Investment Returns Outperform Benchmarks

Periods Ended February 28, 2021

Fund	Assets	1 Month	3 Months	FYTD	1 Year	3 Years	5 Years	10 Years	ITD
CERBT Strategy 1 (Inception June 1, 2007)	\$11,797,094,997	1.44%	4.61%	18.33%	20.42%	9.40%	11.03%	7.70%	5.87%
Benchmark		1.43%	4.56%	18.19%	20.01%	9.12%	10.60%	7.42%	5.44%
CERBT Strategy 2 (Inception October 1, 2011)	\$1,705,837,808	0.55%	2.58%	12.68%	14.64%	8.72%	9.36%	-	8.06%
Benchmark		0.54%	2.53%	12.55%	14.34%	8.50%	8.95%	-	7.76%
CERBT Strategy 3 (Inception January 1, 2012)	\$797,491,056	-0.17%	1.14%	8.23%	9.75%	7.78%	7.58%	-	6.28%
Benchmark		-0.17%	1.10%	8.14%	9.50%	7.62%	7.22%	-	5.97%
<b>CERBT Total</b>	<b>\$14,300,423,861</b>								
CEPPT Strategy 1 (Inception October 1, 2019)	\$19,364,172	0.47%	2.58%	12.15%	14.29%	-	-	-	10.94%
Benchmark		0.60%	2.64%	12.05%	14.41%	-	-	-	11.05%
CEPPT Strategy 2 (Inception January 1, 2020)	\$10,034,968	-0.52%	0.21%	4.87%	6.62%	-	-	-	6.61%
Benchmark		-0.46%	0.13%	4.69%	6.45%	-	-	-	6.44%
<b>CEPPT Total</b>	<b>\$29,399,140</b>								

Time weighted return reports the performance of the investment vehicle, not of the employer assets. Returns are gross. Historical performance is not necessarily indicative of actual future investment performance or of future total program cost. Current and future performance may be lower or higher than the historical performance data reported here. Investment return and principal value may fluctuate so that your investment, when redeemed, may be worth more or less than the original cost. The value of an employer's fund shares will go up and down based on the performance of the underlying funds in which the assets are invested. The value of the underlying funds' assets will, in turn, fluctuate based on the performance and other factors generally affecting the securities market.

# Funding Policies

# Employer Controls the Funding Policy

- Chooses appropriate investment strategy
  - Based on investment time horizon and risk tolerance
- Decides if, when, and how much to contribute
  - Voluntary and never required
- Decides if and when to seek reimbursement
  - Expenses incurred in current fiscal year
    - CERBT: OPEB Pay-Go costs; implicit rate subsidies
    - CEPPT: Pension contributions
- Chooses outside consulting OPEB actuary

# Funding Policy Examples

- Actuarial Determined Contribution (ADC) funding method
  - 100% of ADC, net of pay-as-you-go costs
  - 100% of ADC, reimburse for pay-as-you-go costs
  - Other percentage of ADC
  - Gradually increasing contributions
- Other funding methods
  - Contribute fixed dollar amount annually
  - Initial contribution with future contributions undetermined
  - Contribute any reserve, surplus, or one-time funds

# Compounding Interest Model

Investment Duration (Years)	1	2	3	4	5	6	7	8	9	10	11
Nominal Expected Compounded Annualized Rate of Investment Return	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%	5%
Cumulative Expected Compounded Rate of Investment Return	5%	10%	16%	22%	28%	34%	41%	48%	55%	63%	71%
Required Investment Principal Contribution Needed to Generate \$1	\$0.95	\$0.91	\$0.86	\$0.82	\$0.78	\$0.75	\$0.71	\$0.68	\$0.64	\$0.61	\$0.58

# Employer Contribution Prefunding Scenario

Fiscal Year	Normal Cost Contribution	Investment Duration (Years)											
		1	2	3	4	5	6	7	8	9	10	11	
2021-22	\$23.7	\$22.5											
2022-23	\$24.0	\$22.8	\$21.8										
2023-24	\$24.4	\$23.2	\$22.1	\$21.1									
2024-25	\$24.8	\$23.6	\$22.5	\$21.4	\$20.4								
2025-26	\$25.2	\$24.0	\$22.9	\$21.8	\$20.7	\$19.8							
2026-27	\$24.6	\$24.4	\$23.2	\$22.1	\$21.1	\$20.1	\$19.1						
2027-28	\$26.3	\$25.0	\$23.8	\$22.7	\$21.6	\$20.6	\$19.6	\$18.7					
2028-29	<b>\$26.9</b>	\$25.6	\$24.4	\$23.3	\$22.2	\$21.1	\$20.1	\$19.1	<b>\$18.2</b>				
2029-30	\$27.6	\$26.3	\$25.0	\$23.8	\$22.7	\$21.6	\$20.6	\$19.6	\$18.7	\$17.8			
2030-31	\$28.3	\$26.9	\$25.7	\$24.4	\$23.3	\$22.2	\$21.1	\$20.1	\$19.2	\$18.2	\$17.4		
2030-32	\$29.0	\$27.6	\$26.3	\$25.1	\$23.9	\$22.7	\$21.6	\$20.6	\$19.6	\$18.7	\$17.8	\$17.0	

# Trust Participation Costs



# Total Participation Cost Fee Rates

- Total all-inclusive cost of participation
  - Combines administrative, custodial, and investment fees
  - Separate trust funds
  - Self-funded, fee rate may change in the future
  - Fee is applied daily to assets under management
    - 10 basis points - CERBT
    - 25 basis points - CEPPT

# CEPPT/CERBT Fee Rate History

Fiscal Year	CERBT	CEPPT
2007-2008	2.00 basis points	-
2008-2009	6.00 basis points	-
2009-2010	9.00 basis points	-
2010-2011	12.00 basis points	-
2011-2012	12.00 basis points	-
2012-2013	15.00 basis points	-
2013-2014	14.00 basis points	-
2014-2015	10.00 basis points	-
2015-2016	10.00 basis points	-
2016-2017	10.00 basis points	-
2017-2018	10.00 basis points	-
2018-2019	10.00 basis points	-
2019-2020	10.00 basis points	25.00 basis points
2020-2021	10.00 basis points	25.00 basis points

# Advantages of the CEPPT & CERBT

# Advantages of the CEPPT & CERBT

- **Investment policy and management services by CalPERS**
  - Unmatched resources and economies of scale
  - Most broadly diversified portfolios
  - No socially conscious divestment
- **Lowest total participation cost**
  - Not-for-profit make us always the least expensive option
  - Least volatile way to save money and net better returns
- **Excellent customer service**
  - 98% retention rate of almost 600 clients over 14 years
- **Simple administration**
  - Join or leave at anytime and zero costs
- **GASB compliance**
  - Already have a PLR for CERBT
  - Getting a PLR for CEPPT once IRS opens the process again
  - No audit findings

# 586 Prefunding Program Employers

580 CERBT and 30 CEPPT

- State of California
- 151 Cities or Towns
- 12 Counties
- 73 School Employers
- 31 Courts
- 319 Special Districts and other Public Agencies
  - (97 Water, 34 Sanitation, 33 Fire, 24 Transportation)

# Establishing Your Trust

# Contracting Process

Task	Responsibility	Time
Approve agency staff recommendation to join	Agency staff & governing body	Determined by agency
Complete contracting documents	Agency staff	Determined by agency
Review contracting documents and establish contract	CalPERS Prefunding Programs staff	<10 business days
Make initial contribution	Agency staff	Eligible immediately

# Contacts and Communication



# Questions? Where to Get Trust Fund Information?

Name	Title	E-mail	Desk	Mobile
Matt Goss	Outreach & Support Program Manager	Matthew.Goss@calpers.ca.gov	(916) 795-9071	(916) 382-6487
Karen Lookingbill	Outreach & Support Manager	Karen.Lookingbill@calpers.ca.gov	(916) 795-1387	(916) 501-2219
Bob Honer	Outreach & Support Manager	Robert.Honer@calpers.ca.gov	(916) 795-0531	(279) 203-5563
Jasper Jacobs	Outreach & Support Analyst	Jasper.Jacobs@calpers.ca.gov	(916) 795-0432	(916) 717-3886
Jean MacDonald	Outreach & Support Analyst	Jean.MacDonald@calpers.ca.gov	(916) 795-0675	(916) 291-1325
Colleen Cain-Herrback	Administration & Reporting Program Manager	Colleen.Cain-Herrback@calpers.ca.gov	(916) 795-2474	(916) 505-2506
Robert Sharp	Assistant Division Chief	Robert.Sharp@calpers.ca.gov	(916) 795-3878	(916) 397-0756

Program E-mail Addresses	Prefunding Programs Webpages
CERBT4U@calpers.ca.gov – Questions & Document Submittal	<a href="http://www.calpers.ca.gov/CERBT">www.calpers.ca.gov/CERBT</a>
CEPPT4U@calpers.ca.gov – Questions & Document Submittal	<a href="http://www.calpers.ca.gov/CEPPT">www.calpers.ca.gov/CEPPT</a>
CERBTACCOUNT@calpers.ca.gov – Online Record Keeping System	

**July 2020**

**Miscellaneous Plan of the Sunnyslope County Water District  
(CalPERS ID: 5536860219)  
Annual Valuation Report as of June 30, 2019**

Dear Employer,

Attached to this letter, you will find the June 30, 2019 actuarial valuation report of your CalPERS pension plan. **Provided in this report is the determination of the minimum required employer contributions for fiscal year 2021-22.** In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

Because this plan is in a risk pool, the following valuation report has been separated into two sections:

- Section 1 contains specific information for the plan including the development of the current and projected employer contributions, and
- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2019.

Section 2 can be found on the CalPERS website ([www.calpers.ca.gov](http://www.calpers.ca.gov)). From the home page, go to "*Forms & Publications*" and select "*View All*". In the search box, enter "*Risk Pool*" and from the results list download the Miscellaneous or Safety Risk Pool Actuarial Valuation Report as appropriate.

Your June 30, 2019 actuarial valuation report contains important actuarial information about your pension plan at CalPERS. Your assigned CalPERS staff actuary, whose signature appears in the Actuarial Certification section on page 1, is available to discuss the report with you after August 1, 2020.

Actuarial valuations are based on assumptions regarding future plan experience including investment return and payroll growth, eligibility for the types of benefits provided, and longevity among retirees. The CalPERS Board of Administration adopts these assumptions after considering the advice of CalPERS actuarial and investment teams and other professionals. Each actuarial valuation reflects all prior differences between actual and assumed experience and adjusts the contribution rates as needed. This valuation is based on an investment return assumption of 7.0% which was adopted by the board in December 2016. Other assumptions used in this report are those recommended in the CalPERS Experience Study and Review of Actuarial Assumptions report from December 2017.

**Required Contribution**

The exhibit below displays the minimum employer contributions, before any cost sharing, for fiscal year 2021-22 along with estimates of the required contributions for fiscal year 2022-23. Member contributions other than cost sharing (whether paid by the employer or the employee) are in addition to the results shown below. **The employer contributions in this report do not reflect any cost sharing arrangements you may have with your employees.**

Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability
2021-22	14.02%	\$24,347
<i>Projected Results</i>		
2022-23	14.0%	\$35,000

**July 2020**

**PEPRA Miscellaneous Plan of the Sunnyslope County Water District  
(CalPERS ID: 5536860219)  
Annual Valuation Report as of June 30, 2019**

Dear Employer,

Attached to this letter, you will find the June 30, 2019 actuarial valuation report of your CalPERS pension plan. **Provided in this report is the determination of the minimum required employer contributions for fiscal year 2021-22.** In addition, the report contains important information regarding the current financial status of the plan as well as projections and risk measures to aid in planning for the future.

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- Section 2 contains the Risk Pool Actuarial Valuation appropriate to the plan as of June 30, 2019.

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Fiscal Year	Employer Normal Cost Rate	Employer Amortization of Unfunded Accrued Liability	PEPRA Employee Rate
2021-22	7.59%	\$2,499	6.75%
<i>Projected Results</i>			
2022-23	7.6%	\$2,600	TBD

# Staff Report

Agenda Item: **F – 4**

DATE: April 14, 2020 (April 20, 2021 Meeting)

TO: Board of Directors

FROM: Drew A. Lander, General Manager

SUBJECT: Authorize the Board President to Execute an Operations and Maintenance Contract with San Benito Foods – Neil Jones Food Company allowing SSCWD to Provide Contract Services of the Industrial Wastewater Treatment Ponds.

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## **BACKGROUND:**

At the February Board meeting the Board authorized the General Manager to negotiate a contract with San Benito Foods (SBF) at the request of SBF. The contract includes the use of District resources to staff and manage the Hollister Industrial Wastewater Treatment Plant (IWTP) which is used to manage processed water from the tomato processing plant owned by Neil Jones Foods Company.

Staff have worked together with SBF to develop a contract agreement which protects the District financially to prevent the District from subsidizing SBF in anyway. Sunnyslope successfully operates both of the surface water treatment plants for SBCWD using a similar contract and billing structure.

This partnership is advantageous to the District at this time because Sunnyslope will be able to increase staffing as needed and strengthen our training program to ensure we maintain a strong succession plan for operations and maintenance staff. Additionally, Sunnyslope has both highly qualified and capable staffing and the proposed loading of staff hours at the IWTP will allow several staff members to assist during high demand months, and in the off months very little staffing hours are required so that all staff can return to complete District maintenance requirements.

## **FISCAL IMPACT:**

The fiscal impact to the District of approving the Operations and Maintenance Agreement will not directly result in any additional fiscal impacts on Sunnyslope because the proposed contract identifies all staffing and resource costs are to be paid for by SBF. Contracting to provide these services for SBF will provide a revenue stream of approximately \$26,000 per month. These funds will be used to increase staffing to cover the additional operational responsibilities. Billing will be accomplished using employee hourly rates that are fully loaded with employee benefits.

**ENVIRONMENTAL IMPACT:**

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

**RECOMMENDATION:**

Approve and authorize the Board President to execute an Operation and Maintenance Agreement between Neil Jones Food Company dba San Benito Foods and Sunnyslope County Water District for the Operation and Maintenance of the Hollister IWTP.

# Staff Report

Agenda Item: F – 6

DATE: April 14, 2021 (April 20, 2021 Meeting)

TO: Board of Directors

FROM: Drew A. Lander, General Manager

SUBJECT: Consider Authorizing Board Members to Attend the Association of California Water Agencies Conference (ACWA) and the ACWA/Joint Powers Insurance Authority (JPIA) Meeting May 12 – 13, 2021, Virtual Meeting

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## **BACKGROUND:**

The ACWA Spring Conference is being held virtually May 12<sup>th</sup> and 13<sup>th</sup> this year. The ACWA/JPIA will hold meetings and activities including a Board Meeting that our representatives attend (due to our membership in the JPIA for our Workers' Compensation insurance program). There is no fee to attend the JPIA's Board meeting. District JPIA representatives are encouraged to attend.

Registration before May 7<sup>th</sup> for the two-day conference is \$375 per person. The total expenditure for attending the conference and the virtual exhibit hall is \$375 per person including all registration fees as no meals or travel are required. Directors may attend the Conference from a computer in the District office if needed.

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

## **FISCAL IMPACT:**

The fiscal impact is \$375 per person attending. Hotel accommodation is not needed

## **ENVIRONMENTAL IMPACT:**

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

## **RECOMMENDATION:**

Authorize specified Board Members to attend the Association of California Water Agencies Virtual Conference (ACWA) and the ACWA/Joint Powers Insurance Authority (JPIA) Meeting May 12 – 13, 2021, Virtual Meeting.