



156 S. Broadway, Ste. 270, Turlock, CA 95380

(209) 668-4142 (phone) (209) 668-5695 (fax)

Board Meeting Agenda

February 17, 2022 at 3:30 p.m.

156 S. Broadway, Turlock CA 2nd Floor – Yosemite Conference Room

*Chair, Amy Bublak
Vice Chair, Javier Lopez
Director, Pam Franco
Director, Bret Silveira
Director (alternate), James Casey
Director (alternate), Nicole Larson*

*General Manager, Robert Granberg
Interim Legal Counsel, Richard P. Shanahan
Finance Director, Isaac Moreno
Board Secretary, Angelica Gonsalves*

THIS MEETING WILL BE OPEN TO THE PUBLIC. SEATING CAPACITY WILL BE LIMITED TO THE FIRST 14 PEOPLE, ON A FIRST COME FIRST SERVE BASIS. COMPLIANCE WITH ALL HEALTH & SAFETY GUIDELINES INCLUDING COVID-19 SCREENING, TEMPERATURE CHECKS, FACE COVERINGS, AND PHYSICAL DISTANCING MEASURES WILL BE REQUIRED FOR IN-PERSON ATTENDANCE. PLEASE PLAN TO ARRIVE APPROXIMATELY 15 MINUTES PRIOR TO THE SCHEDULED MEETING START TIME TO ALLOW FOR SCREENING PROCESSES.

OR

JOIN BY CLICKING ON THE MEETING

LINK: <https://us02web.zoom.us/j/95105738084?pwd=RElpd0EyKzMxZjQ4VmVhRExIS1M0Zz09>

Passcode: 9510573808

OR

JOIN BY ACCESSING THE ZOOM WEBSITE: <https://zoom.us/join>

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OR

JOIN BY TELEPHONE: 669-900-6833

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NOTICE REGARDING NON-ENGLISH SPEAKERS: The Stanislaus Regional Water Authority (SRWA) meetings are conducted in English and translation to other languages is not provided. Please make arrangements for an interpreter if necessary.

EQUAL ACCESS POLICY: If you have a disability which affects your access to public facilities or services, contact the Board Secretary at the phone number set forth above. The Board is committed to taking all reasonable measures to provide access to its facilities and services. Please allow sufficient time for the Board to process and respond to your request.

NOTICE: Pursuant to California Government Code Section 54954.3, any member of the public may directly address the Board on any item appearing on the agenda, including Consent Calendar and Scheduled Matters, before or during the Board's consideration of the item.

AGENDA PACKETS: Prior to the Stanislaus Regional Water Authority Board meeting, a complete Agenda Packet (excluding any closed session materials) is available for review on the SRWA's website at www.stanrwa.com and in the Board Secretary's Office at 156 S. Broadway, Suite 270, Turlock, during normal business hours. Materials related to an item on this Agenda submitted to the Board after distribution of the Agenda Packet are also available for public inspection in the Board Secretary's Office at the address set forth above. Such documents may be available on the SRWA's website subject to staff's ability to post the documents before the meeting.

1. A. CALL TO ORDER
- B. SALUTE TO THE FLAG
- C. ROLL CALL
2. RECOGNITION, APPOINTMENTS, ANNOUNCEMENTS & PRESENTATIONS: None
3. A. SPECIAL BRIEFINGS: None
- B. STAFF UPDATES
 1. General Manager Update (*Granberg*)
 2. Finance Director Report (*Moreno*)
- C. PUBLIC PARTICIPATION: This time is set aside for members of the public to address the Board concerning any item that has been described in the notice for the meeting, including Consent Calendar items, before or during consideration of that item. You will be allowed five (5) minutes for your comments. If you wish to speak regarding an item on the agenda, you may be asked to defer your remarks until the Board addresses the matter.
4. DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS
5. CONSENT CALENDAR: Information concerning the Consent items listed below has been forwarded to each Board member prior to this meeting for study. Unless the Chair, a Board member, or member of the audience has questions concerning the Consent Calendar, the items are approved at one time by the Board. The action taken by the Board in approving the Consent items is set forth in the explanation of the individual items.
 - A. *Motion: Approving minutes of special meeting of January 26, 2022*
6. PUBLIC HEARINGS: None
7. SCHEDULED MATTERS:
 - A. *Motion: Directing the General Manager to prepare a solicitation for Letters of Expression of Interest for public potable water treatment operations and maintenance staffing for the Regional Surface Water Supply Project water treatment plant and distribution facilities (Granberg)*
 - B. *Motion: Approving SRWA staff positions and salary structure (Granberg)*

Resolution: Approving and authorizing the General Manager to sign the Joint Powers Agreement creating the Association of California Water Agencies Joint Powers Insurance Authority and authorizing participation in related insurance and employee benefits programs (Granberg)

Resolution: Approving SRWA participation as an employer in the Stanislaus County Employees' Retirement System pursuant to Government Code Section 31557(B) (Granberg)

8. MATTERS TOO LATE FOR THE AGENDA

9. BOARD ITEMS FOR FUTURE CONSIDERATION

10. BOARD COMMENTS: Board members may provide a brief report on notable topics of interest. The Brown Act does not allow discussion or action by the legislative body.

11. NEXT MEETING DATE: March 17, 2022, Regular meeting

12. CLOSED SESSION: None

13. ADJOURNMENT



Item 3B2
February 17, 2022

To: SRWA Board
From: Isaac Moreno, Finance Director
Subject: Financial Summary as of February 11, 2022

Attached Financial Documents include:

Activity for YTD Fiscal June 30, 2021

No changes from January report.

Activity for YTD Fiscal June 30, 2022

- 1 - SRWA financial status as of 2-11-2022 for the 2021-22 fiscal year (Exhibit A):
 - Revenue received from the participating agencies \$75,030,000
 - Prop 68 and SRF proceeds \$63,347,297
 - Expenses paid total \$44,240,075.66

- 2 - SRWA financial status - project-to-date as of 2-11-2022 (Exhibit B):
 - Revenue life to date totals \$205,478,101.68 which is composed of:
 - Contributions from participating agencies \$142,001,300.37
 - Draws on SRF proceeds \$35,597,297
 - Prop 68 Grant proceeds \$27,750,000
 - Interest income \$129,504.31

Expenses project-to-date total \$102,773,734.02
Cumulative unexpended Revenues \$ 102,704,367.66

The proceeds from the first two draws on the SRF loan funding totalling \$48,282,835 will be forwarded to the Cities to retire their respective interim financing debt.

In addition, proceeds from the 3rd draw on the SRF loan totaling \$15,064,462, may be disbursed to the Cities as they have already been billed for, and paid their respective estimated obligation for projected cash flow needs for January through March 2022. Net cumulative unexpended revenues after removing the funds from the State are available to pay current SRWA expenses in the amount of \$39,357,070.66.

Unpaid Invoices received as of 2-11-2022

The following invoices are in the process of being paid as of 2-11-2022 and the related costs are not included in the information presented above.

Granberg & Associates - Jan 2022	21,913.01
	<u>\$ 21,913.01</u>

Stanislaus Regional Water Authority

For FY 2021-22 (Updated 2-11-2022)

3B2

Account Name	Original Budget	Amendments	Amended Budget 2021-22	Unaudited Actual 2021-22	Ceres	Turlock	TID	Other Proceeds	Totals for 2021-22
REVENUES									
Interest Income			0		0.00	0.00	0.00		0.00
34910 Integrated Water Mgmt Grant	1,450,225		1,450,225						
34911 Water Smart Grant	1,478,440		1,478,440						
34900_001 Agency Contribution - City of Turlock	303,100		303,100	48,775,000.00		48,775,000.00			48,775,000.00
34900_002 Agency Contribution - City of Ceres	371,520		371,520	24,795,000.00	24,795,000.00				24,795,000.00
34900_004 Agency Contribution - Turlock Irrigation District	1,000		1,000	1,460,000.00			1,460,000.00		1,460,000.00
34912 Prop 68 Grant for Surface Water Project			0	27,750,000.00				27,750,000.00	27,750,000.00
35440 SRF Funding Proceeds	112,836,795		112,836,795	35,597,297.00				35,597,297.00	35,597,297.00
Total Revenues	116,441,080	0	116,441,080	138,377,297.00	24,795,000.00	48,775,000.00	1,460,000.00	63,347,297.00	138,377,297.00
EXPENSES									
Pre-Treatment Plant Construction Project Expenses (950-53-552)									
43060_012 Contact Services Program Mgmt	277,900		277,900	138,660.59	68,149.92	70,485.92	24.75		138,660.59
43195 Special Legal Counsel	25,000		25,000	5,976.99	2,988.50	2,988.49			5,976.99
43332 Permitting	7,000		7,000		0.00	0.00			0.00
43332_002 Permitting - Water Rights Acquisition	5,000		5,000						0.00
45002_000 TID - electrical service	720		720	217.50	72.49	145.01	0.00		217.50
51001 Property Acquisition - facility site			0		0.00	0.00	0.00		0.00
51001 Property Acquisition - infiltration gallery			0		0.00	0.00	0.00		0.00
51001 Property Acquisition - Geer Road easement			0		0.00	0.00			0.00
51001 Property Acquisition - delivery facilities			0		0.00	0.00			0.00
Treatment Plant Construction - SRF funding eligible (950-53-553)									
43060_012 Contract Services - Program Mgmt Services	1,863,480		1,863,480	431,497.17	173,992.02	249,791.92	7,713.23		431,497.17
43195 Special Legal Counsel	50,000		50,000	14,794.63	7,251.58	7,251.59	291.46		14,794.63
43329 Environmental Services	184,940		184,940	30,645.90	12,908.06	12,953.38	4,784.46		30,645.90
43332 Permitting	133,000		133,000	5,596.00		5,596.00			5,596.00
51802_001 Regional Trtmt Plant - Design/Build Contract	113,006,185		113,006,185	43,282,663.97	13,506,140.95	29,162,460.69	614,062.33		43,282,663.97
51802_002 Regional Trtmt Plant - Contract Management	527,855		527,855	222,047.11	71,832.24	145,840.54	4,374.33		222,047.11
Administrative Expenses (950-53-552)									
43055_002 Consultant Audit	10,000		10,000		0.00	0.00			0.00
43060_021 Contract Services General Manager	300,000		300,000	103,795.80	51,897.90	51,897.90			103,795.80
43105_003 Interdepartmental Admin Support			0						
Clerical	17,500		17,500		0.00	0.00			0.00
Financial/Accounting	25,000		25,000		0.00	0.00			0.00
44001_000 Supplies	300		300		0.00	0.00			0.00
44035 Photocopies	500		500		0.00	0.00			0.00
44040_000 Postage	500		500		0.00	0.00			0.00
47010 Bank Charges	700		700		0.00	0.00			0.00
47040_000 Dues	4,500		4,500	4,180.00	2,090.00	2,090.00			4,180.00
47095_000 Training	1,000		1,000		0.00	0.00			0.00
Total Expenditures	116,441,080	0	116,441,080	44,240,075.66	13,897,323.66	29,711,501.44	631,250.56	0.00	44,240,075.66
Revenues Over (Under) Expenditures	0	0	0	94,137,221.34	10,897,676.34	19,063,498.56	828,749.44	63,347,297.00	94,137,221.34

0.00

SFR Proceeds 35,597,297.00
 Prop 68 Grant Proceeds 27,750,000.00
 Current year revenue available for current invoices 30,789,924.34

invoices to participating agencies for Jan - March 2022 projected expenses = \$29,150,000

Stanislaus Regional Water Authority
Project to Date (updated as of 2-11-2022)

3B2

	City of Ceres	City of Turlock	TID	Other Proceeds	Project to Date Total Since Dec 2015	Actuals Thru 6/30/2021	Actuals For 2021-22	Total
Agency Contributions								
Received from Agencies - through 6-30-2021	22,834,297.10	41,311,287.50	2,825,715.77		66,971,300.37	66,971,300.37		66,971,300.37
Received from Agencies - 2021-22	24,795,000.00	48,775,000.00	1,460,000.00		75,030,000.00		75,030,000.00	75,030,000.00
Interest Income	62,668.42	65,334.19	1,501.70		129,504.31	129,504.31		129,504.31
Prop 68 Grant Proceeds				27,750,000.00	27,750,000.00		27,750,000.00	27,750,000.00
SRF Proceeds				35,597,297.00	35,597,297.00	0.00	35,597,297.00	35,597,297.00
Total Revenue	47,691,965.52	90,151,621.69	4,287,217.47	63,347,297.00	205,478,101.68	67,100,804.68	138,377,297.00	205,478,101.68
Expenditures								
Pre-Treatment Plant Construction Project Expenses (950-52-553)								
Government Relations	(74,723.55)	(74,723.55)	0.00		(149,447.10)	(149,447.10)	0.00	(149,447.10)
Environmental Services (Phase I)	(250,664.65)	(250,664.65)	(32,520.11)		(533,849.41)	(533,849.41)	0.00	(533,849.41)
Project Management Services	(3,407,925.66)	(3,552,827.03)	(169,093.63)		(7,129,846.32)	(6,991,185.73)	(138,660.59)	(7,129,846.32)
Special Legal Expenses	(218,659.05)	(218,659.05)	(5,302.43)		(442,620.53)	(436,643.54)	(5,976.99)	(442,620.53)
Wet Well Design (West Yost)	(166,904.88)	(206,872.74)	(93,444.40)		(467,222.02)	(467,222.02)	0.00	(467,222.02)
Fees to Stan County-CEQA related to wet well Permitting	(1,136.63)	(1,136.62)	0.00		(2,273.25)	(2,273.25)	0.00	(2,273.25)
Permitting - Water Rights Acquisition	(17,768.08)	(17,768.09)	0.00		(35,536.17)	(35,536.17)	0.00	(35,536.17)
Water Shed Survey	(36,240.88)	(36,240.89)	0.00		(72,481.77)	(72,481.77)	0.00	(72,481.77)
Property Acquisition - facility site	(40,660.67)	(40,660.67)	0.00		(81,321.34)	(81,321.34)	0.00	(81,321.34)
Property Acquisition - infiltration gallery	(479,756.19)	(959,656.32)	0.00		(1,439,412.51)	(1,439,412.51)	0.00	(1,439,412.51)
Property Acquisition - Geer Road easement	(246,925.80)	(493,925.69)	0.00		(740,851.49)	(740,851.49)	0.00	(740,851.49)
Property Acquisition - delivery facilities	(92,272.49)	(145.01)	0.00		(92,417.50)	(92,200.00)	(217.50)	(92,417.50)
	(7,393.88)	(7,393.88)	0.00		(14,787.76)	(14,787.76)	0.00	(14,787.76)
Wet Well Construction								
Construction Contract	(1,888,242.96)	(3,769,413.84)	(1,414,414.20)		(7,072,071.00)	(7,072,071.00)	0.00	(7,072,071.00)
Construction Management	(145,962.80)	(291,378.94)	(109,335.45)		(546,677.19)	(546,677.19)	0.00	(546,677.19)
Environmental (Phase II)	(103,524.75)	(155,193.07)	(47,798.97)		(306,516.79)	(306,516.79)	0.00	(306,516.79)
Contractor Financial Evaluation	(18,944.30)	(18,944.30)	(761.40)		(38,650.00)	(38,650.00)	0.00	(38,650.00)
TID - electrical service	(1,507.99)	(3,016.44)	0.00		(4,524.43)	(4,524.43)	0.00	(4,524.43)
Treatment Plant Construction - SRF funding eligible (950-53-553)								
Contract Services - Program Mgmt Services	(543,173.13)	(769,034.68)	(21,417.05)		(1,333,624.86)	(902,127.69)	(431,497.17)	(1,333,624.86)
Special Legal Counsel	(25,137.40)	(25,137.41)	(1,010.32)		(51,285.13)	(36,490.50)	(14,794.63)	(51,285.13)
Environmental Services	(64,909.13)	(65,630.60)	(22,502.18)		(153,041.91)	(122,396.01)	(30,645.90)	(153,041.91)
Permitting	(8,605.81)	(52,381.44)	0.00		(60,987.25)	(55,391.25)	(5,596.00)	(60,987.25)
Permitting - Environmental Mitigation	(47,339.25)	(94,660.75)	(35,500.00)		(177,500.00)	(177,500.00)	0.00	(177,500.00)
Regional Trtmt Plant - Design/Build Contract	(24,984,802.39)	(54,044,147.21)	(1,188,261.31)		(80,217,210.91)	(36,934,546.94)	(43,282,663.97)	(80,217,210.91)
Regional Trtmt Plant - Contract Management	(147,560.92)	(299,591.99)	(8,985.94)		(456,138.85)	(234,091.74)	(222,047.11)	(456,138.85)

Stanislaus Regional Water Authority
Project to Date (updated as of 2-11-2022)

3B2

	City of Ceres	City of Turlock	TID	Other Proceeds	Project to Date Total Since Dec 2015	Actuals Thru 6/30/2021	Actuals For 2021-22	Total
Administrative Support								
Clerical Services	(26,719.28)	(26,719.28)	0.00		(53,438.56)	(53,438.56)	0.00	(53,438.56)
Accounting Services	(30,275.54)	(30,275.52)	0.00		(60,551.06)	(60,551.06)	0.00	(60,551.06)
Interim JPA attorney	(22,662.50)	(22,662.50)	0.00		(45,325.00)	(45,325.00)	0.00	(45,325.00)
Interim General Manager	(121,991.80)	(121,991.80)	0.00		(243,983.60)	(243,983.60)	0.00	(243,983.60)
General Manager	(352,544.70)	(352,544.70)	0.00		(705,089.40)	(601,293.60)	(103,795.80)	(705,089.40)
External Audit	(11,735.00)	(11,735.00)	0.00		(23,470.00)	(23,470.00)	0.00	(23,470.00)
Supplies and other Miscellaneous Expenses	(10,790.46)	(10,790.45)	0.00		(21,580.91)	(17,400.91)	(4,180.00)	(21,580.91)
Total Expenditures	(33,597,462.52)	(66,025,924.11)	(3,150,347.39)	0.00	(102,773,734.02)	(58,533,658.36)	(44,240,075.66)	(102,773,734.02)
Contributions over (under) Expenditures - project to date	14,094,503.00	24,125,697.58	1,136,870.08	63,347,297.00	102,704,367.66	8,567,146.32	94,137,221.34	102,704,367.66
unexpended participant contributions =			39,357,070.66				0.00	



DRAFT Minutes
Special Board Meeting
January 26, 2022

1. A. **CALL TO ORDER:** Chair Bublak called the meeting to order 1:00 p.m.
PRESENT: Chair Bublak, Vice Chair Lopez, Director Franco, Director Silveira
ABSENT:

B. **SALUTE TO THE FLAG**

C. **ROLL CALL**

This item was heard out of order

2. **RECOGNITION, APPOINTMENTS, ANNOUNCEMENTS & PRESENTATIONS:**

- A. Confirm and welcome new board members, Bret Silveira and James Casey appointed by City of Ceres.

B. Election of Board Chair

Action: Motion by Vice Chair Lopez, seconded by Director Franco, to appoint the Board Chair. Motion carried 4/0 to appoint Amy Bublak as Board Chair for 2022 calendar year.

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	Yes	Yes	Yes

C. Election of Board Vice Chair

Action: Motion by Chair Lopez, seconded by Director Franco to appoint Board Vice Chair. Motion carried 4/0 to approve Javier Lopez as Board Vice Chair for 2022 calendar year.

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	Yes	Yes	Yes

3. A. **SPECIAL BRIEFINGS:** None

B. **STAFF UPDATES:**

1. General Manager Robert Granberg provided a presentation on design-build project activities, design-build contract status, environmental clearance/permitting, other activities, Project operations planning, funding/financing update, public outreach, social media metrics and increase in followers, and shared project photos.

Chair Bublak asked for the status on any benefit plan RFPs or RFQs. Granberg responded that getting a RFP out is more complex to put together due to not knowing the exact number of positions, salaries, and insurance coverages for each asset. Granberg stated that RFQ may be more appropriate to get qualifications. Granberg indicated that the best option would be to select ACWA JPIA as they are competitive. Vice Chair Lopez requested

for more options and data on this subject to be presented to the rate payers. Granberg said he will put a brief overview or outline together.

- 2. Finance Director Isaac Moreno provided an update on financial activity for year-to-date Fiscal Year ending June 30, 2021, and the summary of financial activity as of January 19, 2022. Revenue and expenses were reviewed.

C. PUBLIC PARTICIPATION:

Chair Bublak opened public participation. None of the members of the public spoke. Chair Bublak closed public participation.

- 4. **DECLARATION OF CONFLICTS OF INTEREST AND DISQUALIFICATIONS:** None

5. CONSENT CALENDAR:

Action: Motion by Director Franco, seconded by Vice Chair Lopez, approving the minutes of the Regular Meeting of November 18, 2021. Motion carried 3/1 by the following vote:

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	No	Yes	Yes

Action: Motion by Director Franco, seconded by Director Lopez, approving the 2022 Stanislaus Regional Water Authority Board Meeting Schedule for 2022. Motion carried 4/0 by the following vote:

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	Yes	Yes	Yes

- 5. **PUBLIC HEARINGS:** None

7. SCHEDULED MATTERS:

- A. General Manager Granberg recommended the board to authorize submittal of a 2021 Urban and Multibenefit Drought Relief Grant Program Application to the California Department of Water Resources for the Regional Surface Water Supply Project and approve related funding agreement.

Monique Day with the Program Management Team presented the Program qualifications, eligibility for disadvantage communities and addressing long term drought relief. The application was submitted in November 2021, requesting \$7.44 million in grant funding for the raw water pump station, raw water flow split structure, chemical storage and feed building and acceptance testing.

Chair Bublak questioned how the \$7.44 million was reached. Day responded that they spoke with DWR staff and tried to strategize the appropriate competitive amount. Granberg stated it consisted of project elements that have yet to be started.

Chair Bublak opened public participation. No one spoke. Chair Bublak closed public participation.

Action: Resolution 2022-001 Motion by Director Franco, seconded by Chair Bublak, Adopting of resolution authorizing General Manager to apply for a Proposition 50 Funding Program Grant for the Regional Surface Water Supply Project Motion carried 4 /0 by the following vote:

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	Yes	Yes	Yes

B. General Manager recommended to terminate U.S. Bureau of Reclamation Grant Assistance Agreements under WaterSMART Drought Response Program.

Chair Bublak opened public participation. No one spoke. Chair Bublak closed public participation.

Action: Motion by Director Franco, seconded by Director Lopez, to terminate U.S. Bureau of Reclamation Grant Assistance Agreements under WaterSMART Drought Response Program. Motion carried 4/0 by the following vote:

Director Franco	Director Silveira	Vice Chair Lopez	Chair Bublak
Yes	Yes	Yes	Yes

- 8. **MATTERS TOO LATE FOR THE AGENDA:** None
- 9. **BOARD ITEMS FOR FUTURE CONSIDERATION:** None
- 10. **BOARD COMMENTS:** None
- 11. **NEXT MEETING DATE:** February 17, 2022, Regular meeting
- 12. **CLOSED SESSION:** None
- 13. **ADJOURNMENT:** Chair Bublak adjourned the meeting at 1:36 p.m. Motion carried unanimously.

Respectfully submitted,

DRAFT

Angelica Gonsalves, Board Secretary

From: Robert Granberg, General Manager
Prepared by: Robert Granberg, General Manager

1. ACTION RECOMMENDED:

Motion: Directing the General Manager to prepare a solicitation for Letters of Expression of Interest for public potable water treatment operations and maintenance staffing for the Regional Surface Water Supply Project water treatment plant and distribution facilities

2. DISCUSSION OF ISSUE:

As an alternative approach to SRWA hiring staff to operate and maintain the Regional Water Supply Project water treatment and water distribution facilities, the Board may wish to consider an operation and maintenance cooperative agreement whereby an interested public entity would provide the necessary staffing support.

If there is favorable Board interest in an operations agreement, Staff would prepare a request for statements of interest and return to the Board for direction on the path forward, including direction on negotiations on terms and conditions to define operations and maintenance requirements, cost, risk transfer, and asset management requirements.

3. FISCAL IMPACT / BUDGET AMENDMENT:

There is no fiscal impact to solicit Letters of Expression of Interest. Any future operations and maintenance contract would be negotiated on terms to be included in the annual budgeting process.

4. GENERAL MANAGER'S COMMENTS:

The General Manager does not favor this approach. We have talked with Modesto Irrigation District about the potential for it to operate the SRWA plant and facilities and MID indicated it's not interested. There are very few other large water treatment plants in the region with the proper certified operators that could be solicited through a request for statements of interest and the likelihood of securing contract services with favorable terms through this approach is low. In addition, the process to solicit Letters of Expression of Interest and to formulate a cooperative agreement must be completed no later than the end of this calendar year to allow adequate time for plant familiarization and training from the Design-Build team. Concurrent with this effort, SRWA should advance its own staffing plan in the event the solicitation does not produce favorable results.

5. ENVIRONMENTAL DETERMINATION:

N/A

6. ALTERNATIVES:

The Board could choose to not solicit Letters of Expression of Interest and to move forward an SRWA staffing plan.

From: Robert Granberg, General Manager

Prepared by: Robert Granberg, General Manager

1. ACTION RECOMMENDED:

Motion: Approving SRWA staff positions and salary structure

Resolution: Approving and authorizing the General Manager to sign the Joint Powers Agreement creating the Association of California Water Agencies Joint Powers Insurance Authority and authorizing participation in related insurance and employee benefits programs

Resolution: Approving SRWA participation as an employer in the Stanislaus County Employees' Retirement System pursuant to Government Code Section 31557(B)

2. DISCUSSION OF ISSUE:

Background

To date, the SRWA has relied on contracted services, or those services provided by the member agencies' internal staff, to plan, develop, and deliver the Regional Surface Water Supply Project (RSWSP). The Joint Exercise of Powers Agreement as amended on December 15, 2015, included as one of SRWA's objectives to operate the RSWSP facilities and further to exercise its powers to accomplish its objectives by employing persons to maintain and operate the RSWSP facilities. To accomplish this the Authority shall develop the necessary support staff. Before assuming control and operation of the completed RSWSP facilities, SRWA must embark on organization formation.

Critical to SRWA organization formation is to identify the staff positions necessary to effectively operate and maintain the many complicated treatment and finished water transmission processes. Water treatment and distribution operators are certified by the State Water Resources Control Board for competency in treatment plant operational control. Proper mechanical, electrical and instrumentation maintenance is crucial to ensure reliable operational control and process monitoring, asset longevity and cost control. The positions necessary to achieve reliable operations and maintenance as well as administrative support functions have been identified and job descriptions developed to begin the recruitment process to hire a team of highly qualified operations, maintenance, and administrative support staff.

Wages

Prior to beginning the recruitment process, SRWA must establish a wage and benefit package. Qualified water treatment and distribution operators will be a challenge to recruit because there are few opportunities for obtaining the necessary skills and experience to obtain State certification. Potential operators will likely be found at nearby water treatment plants or possibly local resident operators that travel to water treatment plants in the Bay Area or other distant locations. For SRWA positions, staff looked to the wage and benefit packages at nearby water treatment plants as established local employers of qualified operators. Proposed staff salaries are shown in Table 1.

Table 1

Position	Number of Positions	Hourly Range eff. 07/01/22	Monthly Salary	Annual Salary
Water Treatment Plant Manager	1	\$74.48-\$90.98	\$12,909.41-\$15,770.22	\$154,912.95-\$189,242.69
Water Treatment Ops Supervisor	1	\$56.93-\$69.54	\$9,866.84-\$12,053.40	\$118,402.11-\$144,640.81
Administrative Assistant	1	\$27.35-\$33.41	\$4,739.84-\$5,790.22	\$56,878.07-\$69,482.62
Accountant	1	\$33.57-\$41.01	\$5,819.21-\$7,108.78	\$69,830.50-\$85,305.40
Human Resources Analyst	1	\$42.74-\$52.21	\$7,408.54-\$9,050.32	\$88,902.48-\$108,603.86
Senior Operator	5	\$44.43-\$54.28	\$7,701.06-\$9,407.67	\$92,412.78-\$112,892.06
Operator	2	\$41.00-\$50.08	\$7,105.85-\$8,680.55	\$85,270.17-\$104,166.61
Apprentice Operator	2	\$33.89-\$41.40	\$5,874.74-\$7,176.62	\$70,496.89-\$86,119.47
Instrumentation Technician	1	\$51.21-\$62.56	\$8,876.64-\$10,843.76	\$106,519.67-\$130,125.13
Mechanic	2	\$42.33-\$51.71	\$7,336.58-\$8,962.42	\$88,038.99-\$107,549.01
General Manager	1	\$87.92-\$107.41	\$15,239.44-\$18,616.60	\$182,873.31-\$223,399.25
Staff FTE's	18			
Support Services				
Legal Services (Contracted)				\$110,000.00
Mid-Step Total Annual Salaries w/Benefits @ 1.45x				\$2,776,280

Benefits and Insurance

Research of benefit providers to public agencies identified the Special District Risk Management Authority (SDRMA) and the Association of California Water Agencies, Joint Powers Insurance Authority (ACWA JPIA) as possible sources of employee benefits and risk management services necessary to provide worker's compensation insurance and insurance against public liability and property damage. ACWA JPIA is being recommended as the most appropriate provider of employee benefits and risk management services. Prior to completion of construction, SRWA also will need to obtain appropriate property, general liability, automobile liability, and related insurance coverages.

ACWA JPIA is a risk-sharing pool of nearly 400 California water agencies providing property, liability, workers' compensation, employee benefits, and focused on providing rate stability, broad coverage and expanded benefits and services. In addition, ACWA JPIA offers its members a Risk Control Manual for use in developing a Safety and Loss Control Program and offers staff assistance as needed.

For medical, dental, vision and other employee benefits, ACWA JPIA offers Anthem Blue Cross and Kaiser Permanente, Delta Dental, and VSP, as well as an Employee Assistance Program and Life and Accidental Death and Dismemberment and Disability plans, respectively. Plan details will be evaluated for a wide range of employee choices and cost over the coming months and prior to the recruitment process.

SRWA is an ACWA member but must enroll in the ACWA JPIA program. The SRWA Board must first pass a resolution approving and authorizing the General Manager to sign the ACWA JPIA Joint Powers Agreement creating the Association of California Water Agencies Joint Powers Insurance Authority and authorizing participation in related insurance and employee benefits programs. Membership requires that a SRWA Board Director serve as an ACWA JPIA Director and designation of a SRWA staff member or another Director to serve as an alternate. Upon submission of the signed Agreement, the ACWA JPIA Executive Committee will consider SRWA for benefit membership at its next meeting.

Retirement System

Employee benefits also should include a retirement benefit. The Stanislaus County Employee Retirement Association (StanCERA) is a defined benefit plan and is recommended as the SRWA employee retirement system. StanCERA administers retirement benefits for employees of Stanislaus County, City of Ceres, Superior Court, East Side Mosquito Abatement District, StanCOG, Keyes Community Services District, Salida Sanitary District, Hills Ferry Cemetery District, and Stanislaus Regional Transit Authority. StanCERA has reciprocity with the California Public Employees Retirement System. StanCERA is a public employees retirement system operating under the County Employees Retirement Law of 1937, Government Code Section 31452 et seq. and the California Public Employees' Pension Reform Act (PEPRA).

In a defined benefit plan, the retirement benefit is based on three factors: final average salary, length of service, and age at retirement. Once vested, and eligibility requirements are met, members are eligible for a lifetime retirement benefit.

StanCERA retirees are eligible for up to a 3% cost-of-living adjustment, beneficiaries are eligible for a 60% joint-survivor benefit, and a \$5,000 burial allowance.

The StanCERA retirement system is directed by a Board consisting of nine elected and appointed officials and two alternates. The Board sets policy and makes determinations for disability retirement benefits, recommends contribution rates based on actuarial studies, controls the investment of assets, and authorizes the disbursement of StanCERA funds.

Two tiers are available:

Tier 5 (Legacy Plan - hired prior to January 1, 2013)

- Benefit Formula - Based on 1-year Final Average Salary
 - 2% at age 55^{1/2}
- Retirement Eligibility
 - Age 50 with 10 years of membership and 5 years of service; or
 - Age 70 regardless of service
 - After 30 years of service regardless of age

Tier 6 (PEPRA - hired on or after January 1, 2013)

- Benefit Formula - Based on consecutive 3-year Final Average Salary
 - 2% at age 62
- Retirement Eligibility
 - Age 52 with 5 years of service; or
 - Age 70 regardless of service

SRWA will be phased into the unfunded liability pooled rate over 15 years. Beginning with fiscal year 2023, SRWA would pay 1/15th of the Pool's unfunded liability rate, 2/15th of the Pool's unfunded liability rate in fiscal year 2024 and so on. All plan sponsors are responsible for the actuarial normal cost associated with the appropriated tier.

Employee contributions are based on tier.

In summary, the benefit provider recommendations are an appropriate fit for SRWA to be able to attract qualified personnel in a timely manner to match the Design-Build schedule for facilities operation and maintenance in the summer of 2023. ACWA JPIA, as only providing health and risk management services to water agencies, can meet SRWA's needs for employment and insurance support through established policies and procedures, training, and personal service. StanCERA is a local retirement system, managed by locally elected and appointed officials, and focused on serving our local communities and public agencies.

3. FISCAL IMPACT / BUDGET AMENDMENT:

No current fiscal year impact or budget amendment is necessary for these recommended actions. However, if it is determined there are implementation costs

necessary prior to the end of the current fiscal year, Staff will bring the necessary budget amendment to the Board as necessary.

All elements of the first SRWA employment year wage and benefit package will be incorporated into the FY 22/23 budget. Wage and benefit costs will vary depending on the position selection at the time engagement commences, the starting salary step, and the new hires' benefit selection. Similar agency employee benefit packages are approximately 45% of salary. Table 1 provided an estimate of the total annual employee salary and benefits estimate at \$2,776,280.

4. GENERAL MANAGER'S COMMENTS:

Recommends approval.

5. ENVIRONMENTAL DETERMINATION:

N/A

6. ALTERNATIVES:

The Board could direct Staff to evaluate other employee and risk management benefit package providers for Board consideration.



**BEFORE THE GOVERNING BOARD OF THE STANISLAUS REGIONAL
WATER AUTHORITY**

IN THE MATTER OF APPROVING AND AUTHORIZING GENERAL MANAGER TO SIGN JOINT POWERS AGREEMENT CREATING THE ASSOCIATION OF CALIFORNIA WATER AGENCIES JOINT POWERS INSURANCE AUTHORITY AND AUTHORIZING PARTICIPATION IN RELATED INSURANCE AND EMPLOYEE BENEFITS PROGRAMS	} } } } } } } } } } }	RESOLUTION NO. 2022-003
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BE IT RESOLVED by the Governing Board of the Stanislaus Regional Water Authority (“Board”) as follows:

1. Recitals. This resolution is adopted with reference to the following background recitals:

a. The Stanislaus Regional Water Authority (“SRWA”) is constructing the Regional Surface Water Supply Project (“Project”), which will include raw water diversion, treatment plant, pipelines, and related facilities. Upon completion of construction, SRWA will need to (1) provide appropriate insurance coverages relating to the ownership and operation of the Project facilities, and (2) operate, maintain, and manage the Project facilities.

b. The SRWA General Manager has evaluated insurance coverage options and recommends that SRWA seek property, general liability, automobile liability, and related insurance coverages through the Association of California Water Agencies Joint Powers Insurance Authority (“ACWA-JPIA”), which is a joint powers authority created by California water agencies and districts.

c. SRWA plans to operate the Project facilities through SRWA employees. In becoming an employer, and to attract and retain qualified employees, SRWA will need to provide workers’ compensation insurance and employee medical, dental, vision, employee assistance plan, life, and disability benefits for its employees. ACWA-JPIA provides these programs and the General Manager recommends that SRWA seek

workers' compensation insurance coverage and employee benefits through ACWA-JPIA.

d. The Board concurs with the General Manager recommendations that SRWA approve the Agreement and seek insurance and employee benefits through ACWA-JPIA.

2. Approval of Agreement. The Board approves the Joint Powers Agreement Creating the Association of California Water Agencies Joint Powers Insurance Authority ("Agreement") in the form as presented at this meeting and authorizes and directs the General Manager to finalize, approve, and sign the Agreement on behalf of SRWA.

3. Related Actions. The Board authorizes and directs the General Manager to apply for and arrange property, general liability, automobile liability, and workers' compensation insurance and employee benefits through ACWA-JPIA. The Board further authorizes the General Manager and Secretary to approve and sign such other agreements, documents, assurances, and certificates as may be necessary or appropriate to effectuate and implement the ACWA-JPIA insurance coverages and employee benefits, so long as such action is consistent with this resolution and the SRWA budget.

4. Agreement Performance. The Board authorizes the delivery and performance of the Agreement and authorizes the General Manager or designee to represent and act for SRWA in carrying out SRWA's responsibilities under the Agreement (except that the Board reserves the right to select SRWA representative and alternate to serve on the ACWA-JPIA Board of Directors). The Board appoints the General Manager as the SRWA officer to be responsible for the risk management function and to serve as a liaison between SRWA and ACWA-JPIA as to risk management, insurance, and employee benefits matters. The General Manager or designee is authorized to take such actions as are necessary or appropriate to perform, implement, and comply with the Agreement, including payment of deposit premiums and other costs payable under the Agreement.

PASSED AND ADOPTED at a regular meeting of the Governing Board of the Stanislaus Regional Water Authority on February 17, 2022, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

Angelica Gonsalves, Board Secretary



**BEFORE THE GOVERNING BOARD OF THE STANISLAUS REGIONAL
WATER AUTHORITY**

IN THE MATTER OF APPROVING } STANISLAUS REGIONAL WATER AUTHORITY} PARTICIPATION AS AN EMPLOYER IN THE } STANISLAUS COUNTY EMPLOYEES' } RETIREMENT SYSTEM PURSUANT TO } <u>GOVERNMENT CODE SECTION 31557(B)</u> }	RESOLUTION NO. 2022-004
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BE IT RESOLVED by the Governing Board of the Stanislaus Regional Water Authority (“Board”) as follows:

1. Recitals. This resolution is adopted with reference to the following background recitals:

a. The Stanislaus Regional Water Authority (“SRWA”) is constructing the Regional Surface Water Supply Project (“Project”), which will include raw water diversion, treatment plant, pipelines, and related facilities. Upon completion of construction, SRWA will need to operate, maintain, and manage the Project facilities.

b. SRWA plans to operate the Project facilities through SRWA employees. In becoming an employer, and to attract and retain qualified employees, SRWA will need to provide employee benefits, including retirement or pension benefits.

c. SRWA seeks to participate in the Stanislaus County Employees’ Retirement System (“StanCERA”) as a public employer so that it may enroll employees in a StanCERA pension plan.

b. SRWA is a “district” authorized to participate as an employer of StanCERA as defined by Government Code Section 31468(e). SRWA employees therefore may be included as members of StanCERA upon adoption of a resolution by two-thirds vote of the SRWA Board and by subsequent approval by the StanCERA Board of Retirement pursuant to Government Code 31557(b).

2. StanCERA Approval. Pursuant to Government Code 31557(b), the Stanislaus Regional Water Authority Governing Board approves and requests admission of the SRWA as a district employer of StanCERA and the enrollment of its eligible employees as members of StanCERA effective on the first day of the calendar month after consent to this resolution by the StanCERA Board of Retirement, which effective date shall not be earlier than July 1, 2022. In making the election to participate as an employer in StanCERA, the Board further resolves and agrees that, upon consent of the StanCERA Board of Retirement to its participation as a StanCERA employer, SRWA

shall be bound by all applicable provisions of the County Employees Retirement Law of 1937 (Gov. Code § 31450 et seq.) as applicable to district employers, including but not limited to provisions pertaining to the funding of required employer contributions as determined by the Board of Retirement contained in Gov. Code § 31585, 31858.2 and 31586, as well as all applicable StanCERA policies and procedures pertaining to district employers.

3. Related Actions. The Board authorizes the General Manager and Secretary to approve and sign such other agreements, documents, assurances, and certificates as may be necessary or appropriate to effectuate and implement the StanCERA retirement program for SRWA employees, and to take such other actions as are necessary or appropriate to perform and implement this resolution, including payment of employer contributions and other costs payable under the County Employees Retirement Law of 1937.

PASSED AND ADOPTED at a regular meeting of the Governing Board of the Stanislaus Regional Water Authority on February 17, 2022, by the following vote:

AYES:
NOES:
NOT PARTICIPATING:
ABSENT:

ATTEST:

Angelica Gonsalves, Board Secretary