

1. CALL TO ORDER

Chair Short called the meeting of the Executive Committee to order at 8:30 a.m. Individuals in attendance are listed below:

Executive Committee Members

Audie Foster, California American Water
Marcus Yasutake, City of Folsom
Spencer Short, City of Lincoln
Debra Sedwick, Del Paso Manor Water District
Robert Dugan, Placer County Water Agency
Kerry Schmitz, Sacramento County Water Agency
Rob Roscoe, Sacramento Suburban Water District
Pam Tobin, San Juan Water District

Staff Members

John Woodling, Rob Swartz, Nancy Marrier, Amy Talbot, Cecilia Partridge, Monica Garcia and Ryan Bezerra, legal counsel.

Others in Attendance

Mike O'Hagan and Kelye McKinney.

2. PUBLIC COMMENT

None

3. CONSENT CALENDAR

The minutes from the Executive Committee meeting held June 22, 2016.

Motion/Second/Carried (M/S/C) Ms. Tobin moved, with a second by Ms. Sedwick, to approve the minutes from the June 22, 2016 Executive Committee meeting. The motion carried by the unanimous voice vote of all directors present.

4. WATER EFFICIENCY UPDATE

Amy Talbot, WEP Program Manager, gave a PowerPoint presentation with an overview of water savings, the May 2016 Executive Order, the Emergency Regulation, long term regulations and current public outreach messaging. The

region continues to show impressive water savings with 30% in April, 35% in May and 22% in June 2016 compared to the same corresponding months in 2013. The cumulative savings from June 2015 through June 2016 is 31% and has been holding steady at this percentage since January 2016. June marks the end of mandatory regulation from the State Water Board, although many agencies are requesting that customers continue to use water wisely and are continuing conservation programs and water waste enforcement efforts.

Although the region's agencies no longer have mandatory conservation standards, Governor Brown's May 6, 2016 Executive Order directs the Department of Water Resources (DWR) and the State Water Resources Control Board (State Water Board) to "develop new water use targets as part of a permanent framework for urban water agencies." The new targets will build on the existing 20% by 2020 state law requirements and will be customized for the "unique conditions of each water agency" based on indoor residential per capita water use, outdoor irrigation incorporating landscape area, local climate and new satellite imagery data, commercial, industrial and institutional water use and water lost through leaks. The May 2016 Executive Order included text on the following topics: modifying emergency regulations, outlining long term water use standard framework requirements, required monthly reporting, permanent water waste restrictions and water shortage contingency plans.

The process moving forward to develop the new water use targets has been loosely outlined so far. DWR and the State Water Board are working on further defining the process and assigning associated workgroups and subcommittees. To date, there have been several "listening sessions" in early June to gather input from stakeholders. RWA attended the Sacramento listening session on June 3 and provided comments. RWA is closely tracking the process and will continue to keep members informed. A RWA conservation policy committee was formed to propose, review, and evaluate strategies regarding this process. DWR and the State Water Board shall publicly issue a proposed draft framework by January 10, 2017.

Staff is currently in the process of obtaining irrigated landscape area data from a consulting firm in partnership with SACOG to evaluate parcel level landscape area for Sacramento and Placer County. This will give staff an idea of how many acres of landscape area are in the region to evaluate proposals released during the new water use target process. John Woodling has been invited to participate on the newly formed urban advisory group (UAG) that oversees the implementation of the May 2016 Executive Order. Monthly meetings are anticipated with the first meeting on August 15th. There will be subcommittees formed for each task including water use targets, shortage contingency plans and water loss.

Senate Bill 555 (SB 555), the Water Loss bill, requires water agencies to submit validated water loss audits by October 2017 and annually after that. There is a free technical assistance program being offered that is paid for by the state.

Agency staff that sign up and complete the program turning in their audit in 2017, will have the audit considered validated and will be in compliance with SB 555. After 2017 agency audits must be validated by a qualified water loss auditor certified through the California-Nevada American Water Works Association (CA NV AWWA) certification process. Ms. Talbot explained the training process for self-auditing and validating.

There was discussion on landscape data and water use and how that affects water efficiency numbers.

The current Water Efficiency Program message is to “Rethink Your Yard” by reducing outdoor water use, prioritizing trees, checking sprinklers for efficiency and upgrading landscape with low water use plants. A billboard campaign has been launched focusing on residents who have permanently changed their landscape to be more water efficiency in an effort to influence other residents to change their landscapes. Resources are available on the BeWaterSmart.Info website to assist interested residents in rethinking their yards.

5. RWA AFFILIATE APPLICATION

On May 15, 2014, the RWA Board approved a new Affiliate Membership policy. Entities eligible to become RWA Associate Members include public or private entities with an interest and management role in regional water matters that are not eligible for other classes of membership in RWA. The purpose of the Affiliate relationship is to promote communication between water managers and the community and to support RWA’s efforts to educate and inform the public. A letter that RWA received from California Pool & Spa Association requesting Affiliate status was included in the packet. John Woodling, Executive Director, commented that this is a statewide association located in Sacramento which offers opportunities to engage with an association located in our region but that operates on a statewide scale.

M/S/C Mr. Dugan moved, with a second by Mr. Yasutake, to recommend approval of RWA Affiliate application from California Pool & Spa Association. The motion carried by the unanimous voice vote of all directors present.

6. REGIONAL RELIABILITY PLAN UPDATE

Rob Swartz, Manager of Technical Services, gave an informational update reporting that staff is continuing to develop a project agreement to commence the Reliability Water Reliability Plan project as a subscription-based program at RWA. On June 16, 2016, staff released a draft project agreement to the potential participating agencies for their review. Comments were received by July 20, 2016. A revised project agreement was enclosed in the packet. Final details of the funding provided by each of the participants (included as Exhibit 3 of the project

agreement) are still under development, and an updated funding plan was provided to the Executive Committee. Mr. Swartz provided a brief overview of activities related to the project, gave an overview of the minor edits that were made to the agreement and requested approval of the project agreement by the Executive Committee. He said that by August the last details will be sorted out and as necessary, Exhibit 3 will be modified. It was suggested that the Executive Director have the ability to approve non substantive changes to the agreement.

M/S/C Ms. Sedwick moved, with a second by Ms. Tobin, to approve the Regional Water Reliability Plan Project Agreement giving the Executive Director the ability to approve non substantive changes to the agreement. The motion carried by the unanimous voice vote of all directors present.

7. LEGISLATION UPDATE

Dave Brent, Water Policy Advisor, gave an update saying that as the two-year legislative session comes towards a close, RWA's focus is on four bills that could have an impact on water policy and our member agencies in the future. The two-year legislative session will be wrapping up in August and staff will work closely with the RWA contract lobbyist (Fernandez Government Solutions), ACWA, and other agencies on these four bills while actively monitoring legislative actions that may bring last minute, high-priority legislation onto the radar screen.

The four bills that RWA is working on and the recommended positions are as follows:

AB 2909 (Levine) – Support if Amended: This bill was recently gutted and amended to become legislation that would help expedite certain types of recurring water transfers. While not a comprehensive overhaul to the water transfer processes in California, this bill would require the state board to develop and implement an expedited 30-day review process for approval of petitions to temporarily change the point of diversion, place of use, or purpose of use due to a transfer or exchange of water or water rights if the transfer is for a reoccurring water transfer or an environmentally beneficial transfer. It further requires DWR to develop a 30-day review process for reoccurring water transfers between contractors for State Water Project water and for reoccurring water transfers that utilize facilities of the State Water Project.

SB 552 (Wolk) – Oppose: This is a two-year bill that RWA had as a "Watch" but recent amendments moved our recommenced position to "Oppose". Of most concern to RWA, this bill, as amended, would give the SWRCB the authority to mandate consolidations of "designated water system" (defined as a public water system that serves a disadvantaged community and that the SWRCB finds consistently fails to provide an adequate and affordable supply of safe drinking water) without adequate assurances that the subsuming water agency would not be on the hook for increased costs associated with the consolidation.

SB 814 (Hill) – Oppose: This bill has been favorably amended from the version that RWA initially opposed. However, it still fails to recognize the outstanding management of local water supplies and drought response plans developed by RWA member agencies. Favorable amendments to the bill now stipulate that there must be a local water supply shortage condition to trigger the prohibition of excessive use and provides “menu” options of how a water supplier shall administer excessive use prohibitions. The bill also excludes properties that are currently without meters.

SB 1398 (Leyva) – Support if Amended: This bill is well intended and one that RWA would like to support. As currently written the bill would involve costly and potentially unnecessary replacement of infrastructure that is not known to present a lead-based threat to public health. RWA is actively working with the author to make amendments to the bill that would cost-effectively identify and mitigate the threat of lead levels exceeding public health standards and better define the limits of responsibility such that public agencies wouldn’t be responsible for plumbing on private property. The language currently in the bill states that the responsibility is from the pipe in the street to the house. Staff proposes that the bill be cleaned up to state that the public agencies are responsible for the pipe in the street to the meter.

Mr. Brent said there was a bill that would have instructed agencies to go onto school sites to do testing. The bill ultimately died, but a similar bill is anticipated next year.

The full RWA “Hot Bills” list was included in the board packet and information on lower priority bills that have been tracked throughout the legislative session are available on the RWA website or upon request.

There was discussion regarding possible future legislation that may focus on the level of contaminants allowed in drinking water.

M/S/C Mr. Yasutake moved, with a second by Ms. Tobin, to approve the RWA Positions on Legislation. The motion carried by the unanimous voice vote of all directors present.

8. EXECUTIVE DIRECTOR’S REPORT

Government Affairs Update – The State Water Resources Control Board is in the process of developing a Maximum Contaminant Level (MCL) for 1,2,3-trichloropropane (TCP). Existing data indicate that this contaminant has not had widespread occurrence in the RWA region. RWA joined other statewide and regional organizations in a letter to the SWRCB urging a scientifically based approach to Phase II of the Delta Water Quality Control Plan Update. RWA/SGA staff continues to take a leadership role in implementation of the Sustainable

Groundwater Management Act (SGMA). Staff attended a meeting of DWR's Practitioner Advisory Panel to provide input into the Water Available for a Replenishment report and the Best Management Practices (BMPs), both of which are due by the end of 2016.

Grants Update – Staff is currently managing seven grants totaling \$54.2 million. Staff is nearing completion of a funding agreement with DWR for the \$1.757 million grant award from the 2015 Proposition 84 Integrated Regional Water Management Implementation Grant round. Over the next quarter, RWA will be closing out the 2006 \$25 million Prop 50 award.

The Sacramento State Office of Water Programs (OWP) is being recommended to receive grant funds from the State Water Board to develop a Stormwater Resources Plan (SRP) for the American River Basin (ARB). The SRP is being developed in coordination with RWA and will be incorporated into the ARB Integrated Regional Water Management Plan when completed in 2018. A key benefit to the SRP is that it will make stormwater projects by ARB stakeholders eligible to receive grant funding from Proposition 1. RWA staff will participate with OWP and other regional stakeholders in developing the SRP.

RWA Outreach – Mr. Woodling as well as Jim Peifer and Andy Fecko were invited to speak to the Southern California Water Committee at its quarterly meeting on July 22, 2016. The presentation focused on our common interests in water supplies from the Sacramento River and tributaries and the challenges posed by an unsustainable Delta. We described our regions efforts on water efficiency to reduce demand as well as infrastructure investment to increase the reliability of supplies. RWA held a well-attended and successful (if somewhat warm) anniversary luncheon on July 14. Mr. Woodling received an invitation to speak at the National Resources Association seminar on Innovations in Groundwater Management.

9. CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(C) AND 54956.9(D) – UPDATE ON CALPERS CONTINUED OBLIGATION TO PROVIDE PENSION BENEFITS TO RWA EMPLOYEES

It was determined that a closed session was not necessary. John Woodling, Executive Director, gave an update on the next steps for SGA. Effective July 1, 2016 there is a SGA CalPERS contract in place. In order for SGA to have a CalPERS contract that includes employees participating in Social Security, there is a 12 to 18 month process for CalPERS and Social Security to come to an agreement that our new governmental pension plan for SGA can include employees' participation in Social Security. At this time we cannot contribute to Social Security and staff is working out the details of how SGA is going to deal with that. Once an agreement is in place Social Security will be paid retroactive.

10. DIRECTORS' COMMENTS

Mr. Dugan commented that we need to continue to reduce water use through public outreach and education. With the numbers data we can have responsible efficiency with the Regional Water Authority continuing to be the regional entity for information.

Mr. Foster reported that California American is in construction south of the river at their Chrom 6 treatment plant on a couple of well heads. They are basically tearing everything down and rebuilding to get the vessels in and up and running. The EPA is putting health advisory standards on their well, due to PFOA and PFOS. Cal Am will be moving forward to get treatment on the well using the best treatment, activated carbon. They will be applying for grant funding for the well treatment. Cal Am has finished their general rate case request and submitted it to the California Public Utilities Commission for their consideration.

Mr. Roscoe said that Sacramento Suburban Water District has a 4% rate increase to take effect January 1, 2017. He has received board direction to prepare a budget for 2017.

Ms. Tobin said that San Juan Water District is looking at rate changes including discussion on retail and wholesale rate increases. They just completed their 5 year business plan.

Chair Short reported that City of Lincoln has their regional sewer pipeline operational offering reclaimed water to customers. They have an agreement with Sierra Pacific to take them off potable water.

ADJOURNMENT

With no further business to come before the Board, Chair Short adjourned the meeting at 10:10 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer