

**REGIONAL WATER AUTHORITY  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
Thursday, September 8, 2016; 9:00 a.m.**

5620 Birdcage Street, Suite 110  
Citrus Heights, CA 95610  
(916) 967-7692

**AGENDA**

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

- 1. CALL TO ORDER AND ROLL CALL**
- 2. PUBLIC COMMENT**
- 3. CONSENT CALENDAR**
  - a) Minutes from the July 14, 2016 RWA regular board meeting  
**Action: Approve Consent Calendar Item**
  - b) **Action: Approve RWA Affiliate applications from California Pool and Spa Association and Brown and Caldwell**
  - c) **Action: Approve RWA Associate Member Policy 100.3 amendments**
- 4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS**
  - a) Information: Final minutes of the June 22, 2016 and July 27, 2016 Executive Committee meetings and draft minutes from the August 24, 2016 Executive Committee meeting
  - b) Information: Executive Committee report on the Executive Director's performance review
- 5. REGIONAL RELIABILITY PLAN UPDATE**

Presentation: Rob Swartz, Manager of Technical Services  
**Action: Adopt Resolution 2016-05 to Authorize the Executive Director to submit an application to the California Department of Water Resources for an Integrated Regional Water Management Planning Grant and to execute an Agreement if an award is made.**
- 6. LEGISLATION UPDATE**

Presentation: John Woodling, Executive Director and Dave Brent, Water Policy Advisor
- 7. WATER EFFICIENCY UPDATE**

Presentation: John Woodling, Executive Director

**8. 2016 AWARDS COMMITTEE APPOINTED**

Information Report: Executive Committee report on 2016 Awards Committee appointed by Chair Short

**9. EXECUTIVE DIRECTOR'S REPORT**

**10. 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**

**11. DIRECTORS' COMMENTS**

**ADJOURNMENT**

Upcoming meetings:

Next Executive Committee Meetings – Wednesday, September 28, 2016 and Wednesday, October 26, 2016, 8:30 a.m. at the RWA office.

Next RWA Board of Directors' Meeting – Thursday, November 10, 2016 9:00 a.m., at the RWA Office.

**AGENDA ITEM 3a: CONSENT CALENDAR**

The draft minutes from the RWA Regular Board Meeting held July 14, 2016.

**Action: Approve minutes from July 14, 2016 RWA Regular Board meeting**

## 1. CALL TO ORDER

Vice Chair Peifer called the meeting of the Board of Directors to order at 9:00 a.m. at the Regional Water Authority. Individuals in attendance are listed below:

### RWA Board Members

Ron Greenwood, Carmichael Water District  
Steve Nugent, Carmichael Water District  
Bob Churchill, Citrus Heights Water District  
Al Dains, Citrus Heights Water District  
Marcus Yasutake, City of Folsom  
Spencer Short, City of Lincoln  
Matthew Wheeler, City of Lincoln  
Pauline Roccucci, City of Roseville  
Kelye McKinney, City of Roseville  
Jim Peifer, City of Sacramento  
Stan Cleveland, City of Yuba City  
Diana Langley, City of Yuba City  
Ryan Saunders, Del Paso Manor Water District  
Debra Sedwick, Del Paso Manor Water District  
Bill George, El Dorado Irrigation District  
Mark Madison, Elk Grove Water District  
Randy Marx, Fair Oaks Water District  
Tom Gray, Fair Oaks Water District  
Paul Schubert, Golden State Water Company  
Michael Schaefer, Orange Vale Water Company  
Sharon Wilcox, Orange Vale Water Company  
Robert Dugan, Placer County Water Agency  
Brent Smith, Placer County Water Agency  
Gerald Pasek, Rancho Murieta Community Services District  
Darlene Gillum, Rancho Murieta Community Services District  
Brent Dills, Rio Linda/Elverta Community Water District  
Rob Roscoe, Sacramento Suburban Water District  
Neil Schild, Sacramento Suburban Water District  
Pam Tobin, San Juan Water District  
Shauna Lorange, San Juan Water District

**RWA Associates**

Arthur Starkovich, Sacramento Municipal Utility District

**RWA Affiliate Members**

Charles Duncan and Abigail Madrone, West Yost Associates and Yung-Hsin Sun, MWH Global.

**Staff Members**

John Woodling, Cecilia Partridge and Ryan Bezerra, Legal Counsel.

**Others in Attendance:**

Jim Mulligan, Hilary Straus, Dave Underwood, David Gordon, Brian Hensley and Nicole Krotoski. Catherine MacLeod, Bickmore, participated via conference call.

**2. PUBLIC COMMENT**

None.

**3. CONSENT CALENDAR**

- a. Minutes of the May 12, 2016 RWA regular board meeting

Motion/Second/Carried (M/S/C) Mr. Dugan moved, with a second by Ms. Tobin, to approve the minutes of the May 12, 2016 RWA regular board meeting. The motion carried by the unanimous voice vote of all directors.

**4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATION**

- a. Information: Final minutes from the April 27, 2016 and draft minutes of the June 22, 2016 Executive Committee meeting.

Vice Chair Peifer reported that an Executive Director Evaluation Committee was appointed at the June 22, 2016 Executive Committee meeting. A 2016 Executive Director evaluation form was handed out to each RWA member representative and alternate. Mr. Peifer asked that the forms be completed and returned to Kerry Schmitz, committee chair.

- b. Approve RWA Associate application from Placer County.

Mr. Woodling, Executive Director, said that Placer County has requested to become an RWA Associate member. Placer County has become more involved in water, especially in Sustainable Groundwater Management Act and the Groundwater Sustainability Agency formation in western Placer County. During the last RWA Executive Committee meeting it was determined that Placer County has around 200 connections that they serve in the community of Sheridan as a water supplier. Under the current RWA

policy they cannot become an Associate member. Mr. Woodling said that staff is communicating with Placer County to determine if they want to become a full member or whether RWA wants to review the Associate Member policy. This will be resolved to bring Placer County on in some capacity.

No action was taken at this time on the Associate application from Placer County.

## **5. RWA JULY 2015 OTHER POST EMPLOYMENT BENEFITS (OPEB) AND ACTUARIAL REPORT ON RETIREE BENEFITS**

Mr. Woodling gave a presentation explaining the evaluation of RWA liability for retiree health benefits for retirees and active employees and the new requirements. Under GASB 45, we are required to evaluate the RWA liability of retiree health benefits for retirees and active employees every two years. A new actuarial report requirement is the explicit liability of the projected cost of premiums for health benefits to current retirees and active employees in retirement. An additional requirement is the implicit subsidy that relates to the projected retiree health care costs exceeding the project premiums. CalPERS health plans combine active employees and retirees in a common pool. Retirees health care costs are expected to be greater than active employees. As a result, premiums for active employees subsidize premiums for retirees. RWA invested funds in the California Employers' Retiree Benefit Trust at a conservative rate of return of 7.25%. Previously, CalPERS used a discount rate of 7.61%, they have changed their discount rate for Strategy 1 to 7.28%.

Chair Spencer entered the meeting.

Bickmore evaluated rates of 7.0% and 6.75% to assess a similar level of conservatism to RWA's past decision. The Bickmore report on the Actuarial Valuation of the Other Post-Employment Benefit Programs as of July 1, 2015 was included in the packet. The Executive Committee recommendation is to accept the consultant report, fully fund the explicit liability and the implicit liability to the extent that funds were budgeted for the OPEB costs.

M/S/C Ms. Lorange moved, with a second by Mr. Nugent, to approve the RWA July 2015 OPEB and Actuarial Report on GASB 45 retiree benefit evaluation using the 7% discount rate, to continue funding of the explicit OPEB subsidy and to fund the implicit OPEB subsidy up to the amount of budget OPEB funding. The motions carried by the unanimous voice vote of all directors.

## **6. EXECUTIVE DIRECTOR'S REPORT**

**Government Affairs Update** – Staff has been working closely with the western Placer and Sutter County groundwater interests in the North

American Subbasin to get Groundwater Sustainability Agencies (GSA) established over the entire subbasin by the June 30, 2017 deadline. Our current discussions include the option of preparing one combined Groundwater Sustainability Plan (GSP) for the subbasin. The Sacramento Central Groundwater Authority is moving forward with establishing a GSA in the South American Subbasin. However, there are challenges including multiple overlapping agencies and basin boundary modification requests.

The California Water Commission (CWC) adopted the emergency regulations for GSPs and Alternative Plans as presented by DWR on May 16, 2016. The regulations became effective on June 1, 2016. Staff provided comments from RWA, SGA, and through the Association of California Water Agencies (ACWA) to both the California Department of Water Resources (DWR) and the CWC, and had a significant influence on the final outcome of the regulations. DWR will be developing two additional deliverables over the second half of the year; best management practices and the water available for replenishment report. Staff will continue to engage through the Practitioner Advisory Panel and ACWA Groundwater Committee.

In response to the Executive Order B-37-16, the State Water Resources Control Board (State Water Board) adopted a resolution and updated the Emergency Water Conservation Regulation text on May 18th with final approval obtained by the Office of Administrative Law on May 31st. The updated Emergency Regulation replaces the supplier mandated conservation targets with a supplier self-certify process that requires suppliers to demonstrate they can meet demands for an additional three drought years. If a supplier cannot demonstrate a balance between supply and demand, they must implement a conservation target to account for the deficit. The Emergency Regulation period was extended through the previous October 2016 deadline until January 2017. Monthly reporting of production and other information to the State Water Board is still required. End user water waste prohibitions from the previous Executive Order will now be permanent.

RWA provided a letter to the Public Utilities Commission (PUC) supporting a regulatory framework for water conservation for investor owned water companies that are consistent with the new emergency regulations adopted by the State Water Board. The PUC was considering requiring continuation of the mandatory targets from the previous emergency regulation.

The State Water Board and DWR have begun a process to develop the new water use target permanent framework. These targets shall build on existing law requirements such as 20 X 2020. The Executive Order states that targets should be customized to the unique conditions of each agency and shall be based on strengthened standards for indoor residential per capita water use, outdoor irrigation, commercial, industrial and institutional (CII) use, and water lost through leaks. Several "listening sessions" have already been hosted by the State Water Board and DWR to gather information on how to develop this framework going forward. Staff expects several workgroups will

be formed to carry out more focused tasks to align with the different use categories listed above. At this time, no meetings have been scheduled. As stated in the Executive Order, a draft proposed new water use target permanent framework shall be publicly issued by January 10, 2017.

**Financial Documents** – The financial reports ending May 31, 2016 were included in the packet.

**7. 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**

**8. DIRECTORS' COMMENTS**

Ms. Langley noted that Yuba City just went through a Proposition 218 process to increase water rates. The rates were approved and staff is going to Council on July 18<sup>th</sup> to provide them with 3 options for implementation.

Mr. Cleveland said that the City of Yuba manages the water and is directly responsible to the citizens for water rates. Their rates are based on 30% conservation and are relatively low. They will come back at budget time to reassess rather than automatically initiating with no discussion.

Mr. Roscoe commented on the new GSP requirements thanking Mr. Woodling for his involvement as chair of the ACWA Groundwater Committee. The line-by-line edits and comments made by Mr. Woodling on the many pages of regulations made the final regulations more comprehensive and were ultimately accepted by DWR in the final regulations. Mr. Roscoe said that he is looking forward to Mr. Woodling's involvement in the best management practices.

Mr. Yasutake reported that the City of Folsom adopted their 2015 Urban Water Management Plan and submitted their self certification with a 0% mandatory requirement, asking for a 10% voluntary reduction, compared to 2013.

**Adjournment**

With no further business to come before the Board, Chair Short adjourned the meeting at 9:24 a.m.

By:

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Chairperson

Attest:

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Nancy Marrier, Board Secretary / Treasurer

## **AGENDA ITEM 3b: CONSENT CALENDAR**

### **BACKGROUND:**

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. Attached are letters that RWA has received from California Pool and Spa Association and Brown and Caldwell requesting Affiliate status.

### **EXECUTIVE COMMITTEE RECOMMENDATION:**

**Action: Approve RWA Affiliate applications from California Pool and Spa Association and Brown and Caldwell**



# CPSA

California Pool & Spa Association

JUL 12 2016

July 11, 2016

Nancy Marrier  
Regional Water Authority  
5620 Birdcage Street, Suite 180  
Citrus Heights, CA 95610

Dear Ms. Marrier,

I am writing to apply for Affiliate membership in the Regional Water Authority for the California Pool and Spa Association (CPSA). The CPSA is a California-based trade association that represents the pool and spa industry throughout the state to all levels of government, ranging from local government up to the state Legislature and Governor's office. We work to represent the issues most pertinent to our members, who include pool service professionals, subcontractors, pool builders, retail stores, distributors, and manufacturers who work at the national level. These interests are many and varied, but have recently focused water management at the state and local level as the drought continues. It is a well-documented fact that pools and spas do not waste water, and the CPSA has worked diligently in coordination with water professionals in recent years to ensure that the pool and spa industry is represented fairly before these institutions.

Along with protecting the interests of the pool and spa industry, the CPSA has also dedicated itself to becoming a proactive member of the water community that advocates for careful and thoughtful water use. While it is true that pools and spas do not waste water, and in fact save water when compared to traditional landscaping, there is always more that can be done to make them even more efficient than they already are. The CPSA has run the Let's Pool Together Campaign since 2014 to inform both pool professionals and pool owners of the many ways they can save even more water, such as always using a pool cover and changing filtration methods. In 2015 the CPSA helped commission a study at Cal Poly to research which pool covers provided the most efficient water savings, and shared that information with every water district in California to encourage the implementation of rebates for these inexpensive and highly effective water savers. We are also currently working with our members and other water districts to publicize the water cleaning technique known as reverse osmosis that can clean an entire pool without needing to drain it, thereby saving thousands of gallons of water for every pool cleaned.

The CPSA would like to continue these efforts as an Affiliated partner with the Regional Water Authority. As the CPSA's main office is located in Sacramento and many of our members are in the surrounding region, we feel it is a natural fit for us to take part in our water community and contribute to the region's water future. We would like to share the many water-saving technologies that the pool and spa industry has developed in recent years, and work with local entities to create plans for new and dynamic ways for our members to use water wisely. We look forward to the chance to work with Regional Water Authority members, and to being an Affiliated member for years to come.

Thank you,

John Norwood, Executive Director  
California Pool and Spa Association

Protect • Educate • Promote

11020 White Rock Road, Suite 200  
Rancho Cordova, California 95670

Tel: (916) 444-0123  
Fax: (916) 635-8805

August 17, 2016



Ms. Nancy Marrier  
Regional Water Authority  
5620 Birdcage Street, Suite 180  
Citrus Heights, CA 95610

Dear Ms. Marrier:

We are writing to apply for Affiliate membership in the Regional Water Authority for Brown and Caldwell (BC). BC is an environmental engineering consulting company with local branch offices in Rancho Cordova and Davis. BC has had the pleasure of providing consulting services to RWA and its member agencies, as well as surrounding water agencies, for over 40 years. A number of our staff have been involved with RWA since its inception and with its member agencies for decades.

BC has a sincere interest in helping RWA succeed in their mission, "To serve and represent the regional water supply interests, and to assist members in protecting and enhancing the reliability, availability, affordability and quality of water resources." We look forward to being an active participant in helping RWA fulfill its mission, and to being an Affiliate member for years to come.

Sincerely,

A handwritten signature in black ink, appearing to read "JW Graydon".

James W. Graydon, P.E.  
Vice President

A handwritten signature in blue ink, appearing to read "D Zuber".

David Zuber, P.G., PMP  
Vice President

## **AGENDA ITEM 3c: CONSENT CALENDAR**

### **BACKGROUND:**

The attached changes may grant Associate Membership to an entity who otherwise qualifies for that membership and whose delivery of potable water is a minor element of its activities and not a primary reason for its seeking Associate Membership in RWA.

### **EXECUTIVE COMMITTEE RECOMMENDATION:**

**Action: Approve RWA Associate Member Policy 100.3 amendments**

# REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

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Policy Type : General  
Policy Title : RWA Associate Members  
Policy Number : 100.3  
Date Adopted : April 23, 2003  
Date Amended : May 15, 2014  
May 12, 2016

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## RWA ASSOCIATE MEMBERS

Entities eligible to become Regional Water Authority (RWA) Associate Members include public or private entities with water management responsibilities and authorities who are not municipal water suppliers in this region. Agencies or water utilities that deliver potable retail or wholesale water in this region are not eligible to become RWA Associates, as these agencies are eligible to become RWA Members or Contracting Entities. Associate members may include, but are not limited to agricultural water providers, wastewater agencies, flood control agencies, and water planning organizations. [Notwithstanding the remainder of this paragraph, the RWA Board may grant Associate Membership to an entity that otherwise qualifies for Associate Membership and whose delivery of potable water is a minor element of its activities, and not the primary reason for its seeking Associate Membership.](#)

Each entity that applies to become an RWA Associate must be approved by a two-thirds majority vote of the RWA Board of Directors. RWA Associates do not hold a seat on the RWA Board, and therefore are not eligible to vote on RWA Board business or policy matters, including legislative/policy issues under Section 7(a) of the RWA joint powers agreement. RWA Associates pay an annual fee [based on one-tenth of one percent \(0.1%\) of their annual operating budget.](#) subject to a cap set by the RWA Board of Directors. The annual fee for RWA Associates is subject to adjustment by the RWA Board in the development and approval of the annual budget. RWA Associates are eligible to participate in RWA subscription programs, and will not be subject to non-member surcharge fees for such programs.

**Deleted:** equal to 0.1% of the entity's annual operating budget, rounded up to the next even thousand dollars,

## **AGENDA ITEM 4a: EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS**

### **EXECUTIVE COMMITTEE RECOMMENDATION:**

Information: Final minutes of the June 22, 2016 and July 27, 2016 Executive Committee meetings and draft minutes from the August 24, 2016 Executive Committee meeting

**1. CALL TO ORDER**

Vice Chair Peifer 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  
Jim Peifer, City of Sacramento  
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

Staff Members

John Woodling, Rob Swartz, Nancy Marrier, Cecilia Partridge, Monica Garcia and Katrina Gonzalez, legal counsel.

Others in Attendance

Mike O'Hagan and Kelye McKinney. Nicole Krotoski and Catherine McLeod participated via conference phone.

**2. PUBLIC COMMENT**

None

**3. CONSENT CALENDAR**

The minutes from the Executive Committee meeting held April 27, 2016.

Motion/Second/Carried (M/S/C) Mr. Roscoe moved, with a second by Ms. Schmitz, to approve the minutes from the April 27, 2016 Executive Committee meeting. The motion carried by the unanimous voice vote of all directors present.

**4. RWA ASSOCIATE APPLICATION**

RWA Policies and Procedures 100.3, RWA Associate Members, was amended May 12, 2016. Entities eligible to become Regional Water Authority (RWA)

Associate Members include public or private entities with water management responsibilities and authorities who are not municipal water suppliers in this region. Agencies or water utilities that deliver potable retail or wholesale water in this region are not eligible to become RWA Associates, as these agencies are eligible to become RWA Members or Contracting Entities. Associate members may include, but are not limited to agricultural water providers, wastewater agencies, flood control agencies, and water planning organizations.

Each entity that applies to become an RWA Associate must be approved by a two-thirds majority vote of the RWA Board of Directors. RWA Associates do not hold a seat on the RWA Board, and therefore are not eligible to vote on RWA Board business or policy matters, including legislative/policy issues under Section 7(a) of the RWA joint powers agreement. RWA Associates pay an annual fee equal to 0.1% of the entity's annual operating budget, rounded up to the next even thousand dollars, subject to a cap set by the RWA Board of Directors. The annual fee for RWA Associates is subject to adjustment by the RWA Board in the development and approval of the annual budget, and has been increased in recent years by a percentage equivalent to the increase of member fees. RWA Associates are eligible to participate in RWA subscription programs, and will not be subject to non-member surcharge fees for such programs. A letter that RWA received from Placer County requesting RWA Associate Membership was included in the packet.

Placer County will be a partner relative to water infrastructure in unincorporated areas of the county and they are active with the SGMA compliance piece. With the Placer County Groundwater Management Group, the formation of GSA and SGMA and recognizing that Placer County is wide and varied insures that all partners are involved. Mr. Dugan will be prepared to present this item to the full board at the July 14, 2016 before the action item is made.

M/S/C Mr. Roscoe moved, with a second by Mr. Dugan, to recommend RWA Board approval of RWA Associate application from Placer County. The motion carried by the unanimous voice vote of all directors.

5. Vice Chair Peifer appointed a 2016 Executive Director Evaluation Committee including Kerry Schmitz, Audie Foster, Robert Dugan, Jim Peifer, Kelye McKinney. Ms. Schmitz was appointed committee chair. John Woodling, Executive Director, will send his self-evaluation to the committee members by July 1, 2016. In an effort to obtain as much input from the members as possible, Ms. Schmitz suggested that Executive Director Evaluation Forms be distributed to the RWA members at the July 14, 2016 board meeting.

Chair Short entered the meeting and took over chairing the meeting from Vice Chair Peifer.

## 6. RWA DRAFT JULY 2015 OTHER POST EMPLOYMENT BENEFITS (OPEB) AND ACTUARIAL REPORT ON RETIREE BENEFITS

Bickmore recently conducted an updated biennial actuarial valuation of the Regional Water Authority's Other Post Employment Benefit (OPEB) obligation in compliance with Governmental Accounting Standards Board Statement No. 45 (GASB 45), Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions. This draft report calculated the annual required contribution for the fiscal years ending June 30, 2017 and 2018.

Catherine McLeod, Bickmore, explained the background for reporting the OPEB Liability and the annual OPEB Expense. The valuation cycle for RWA is every two years. In the process the future value of expected benefit payments for the current retirees until their death and for current active employees is determined.

Mr. Woodling provided an overview of the draft valuation report changes. This valuation assumed no changes to the discount rate of 7.25% using California Employers' Retiree Benefit Trust (CERBT) Asset Allocation Strategy One as confirmed at the January 14, 2016 Board meeting.

### **NEW VALUATION CONCEPT:**

Since the most recent prior valuation report, a new concept is introduced into the draft valuation. RWA is now required to calculate an additional implicit subsidy in determining its total OPEB liability. Previously, RWA was exempt from this calculation.

Mr. Woodling explained explicit subsidy and implicit subsidy. Explicit subsidy<sup>1</sup> is what RWA pays or expects to pay for health care expense for current retirees and current staff. Implicit subsidy relates to the way CalPERS health plans work. The health benefit pool that RWA is in combines active and retired employees into one health plan. If retirees who are older were in a separate pool by themselves, their health care premiums would be higher. As a result, there is an implicit subsidy to the retiree health benefits by current employees paying for health benefits.

While the implicit subsidy must be valued and disclosed in the financial statements, it may not impact the net benefit cash flows and RWA may or may not choose to fund this liability differently than the explicit subsidy liability. If RWA chooses not to fund the implicit liability, the discount rate for the implicit subsidy would need to be adjusted to 4.0%, which would result in an even larger OPEB liability for this portion and consequently total liability. Not funding the implicit portion of the OPEB would generate a larger accounting liability.

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<sup>1</sup> This subsidy represents the healthcare premiums that are expected to be paid either in the future for actives or currently for retirees based upon actual and/or expected future premium costs. This subsidy is similar to the prior valuation reports.

If the CalPERS medical program continues in its current form (i.e. blended premium rates for active employees and pre-Medicare retirees) and RWA continues to participate in this program, RWA could expect that the implicit liability will result in zero cash outlay since the additional costs for retirees each year is covered by an equal and offsetting amount of higher total premium cost for active employees than would have incurred if the actives were insured separately.

The EC discussed the risks of not funding the implicit liability including the fact that RWA is made up of a voluntary membership. EC members expressed the desire to fund this implicit liability to hedge against any future changes to the CalPERS medical program that could result in increased costs, thereby requiring the additional payment from former members of RWA. Catherine MacLeod of Bickmore advised that RWA should monitor the funding status of the total OPEB in the future to avoid any significant overfunding of projected benefits that may result by funding the implicit subsidy. This analysis can be done as part of the bi-annual valuation.

Alternative discount rates

A draft report included in the EC packet assumed no changes to the discount rate of 7.25%. Bickmore also provided additional information to evaluate whether the Board wishes to continue using a discount rate lower than required by the CERBT to provide cushion for choosing Strategy 1 and potential adverse market conditions<sup>2</sup>. The following summarized comparative information for FYE 2017 was provided in the staff report and is derived from information provided by Bickmore.

FYE 2017	7.00% Explicit	7.00% Implicit	Total	Increase % from 7.25%
UAAL Total	(\$109,238)	\$184,827	\$75,579	47%
ARC	\$33,261	\$39,484	\$72,745	9%

Using a lower discount rate of 7.0% does increase the actuarially calculated liability and consequently, the required annual payments to fund the OPEB trust. The FY17 budget had planned for an increase in annual OPEB costs and could pay for this increase if the Board chooses this lower discount rate.

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<sup>2</sup> Recall that the CERBT lowered its expected discount rate for Strategy 1 from 7.61% to 7.28% in September 2014. Since RWA had chosen a lower discount rate, the effect technically did not impact RWA.

## Recommendation

M/S/C Ms. Sedwick moved, with a second by Mr. Roscoe, to recommend the RWA Board adopt the 7% discount rate and approve the draft RWA July 2015 OPEB and Actuarial Report on GASB 45 retiree benefit evaluation with discount rate modifications and to recommend continued funding of explicit OPEB subsidy and funding of the implicit OPEB subsidy with available OPEB budgeted funds. The motion carried by the unanimous voice vote of all directors present.

Nicole Krotoski and Catherine McLeod exited the conference phone line.

## **7. 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 8, 2016, staff held a meeting of potential project participants to provide an overview of the main components of the project agreement. On June 16, 2016, staff released a draft project agreement to the potential participating agencies for their review. Comments are due by the next meeting on July 13, 2016.

Staff provided a brief overview of the draft project agreement to the Executive Committee. After agencies have had a chance to comment on the draft agreement, by July 13, 2016, staff will bring a final version of the project agreement for approval on July 27, 2016. The agreement integrates two projects, a Regional Drought Contingency Plan and a Regional Water Reliability Plan. The packet included a financing plan for project agreement participants.

## **8. LEGISLATION UPDATE**

John Woodling, Executive Director, gave an update on legislation referring to the Legislative Hot Bill List. Since the last Executive Committee Meeting in April, the State Senate and Assembly have gone through the process of committee hearings, amendments, and votes to move bills out of their respective houses and onto the second house for further consideration. That process wrapped up around the first week of June with many of the bills RWA is tracking failing to be passed out of the house of origin. Those bills are now inactive or dead.

As of June 16, the RWA Hot List of bills consists of 21 active bills including the addition of SB 552 by Senator Wolk. SB 552 is a 2-year bill from 2015 that was amended in May and is now being considered in the Assembly.

As amended, SB 552 would allow the State Water Resources Control Board to step into the role of administrator and manager of water agencies that fail to meet water quality standards and could require those same agencies to be consolidated with

well run, compliant water agencies. There are a couple of major concerns with this bill. One is the lack of specificity in the bill relating to funding of the required administrative services and whether the state appointed administrator would be subject to Proposition 218. Further, this bill would specify that if the State ordered a consolidation, customers of the subsumed water system may not be charged an additional fee beyond the costs of the consolidation itself. As written, the subsuming agency would have to take on additional costs and financial risk in the consolidation of the troubled agency. RWA and other water organizations such as the Association of California Water Agencies (ACWA) agree that safe drinking water is a right of every Californian, but it is a cost that should not be paid by public water agencies and their ratepayers as proposed in SB 552.

The Executive Director sent a letter opposing SB 552 on June 9<sup>th</sup> to the members of the Assembly Environmental Safety and Toxic Materials Committee. However, the Committee passed SB 552 on June 14<sup>th</sup> and referred it to the Assembly Water, Parks, and Wildlife (WPW) Committee for further consideration. We intend to send a letter of opposition to the WPW Committee and direct Fernandez Government Solutions (RWA's contract lobbyist) to actively try to stop the bill from passage.

In addition to the SB 552 letter, RWA sent letters supporting AB 1716 (McCarty) and SB 1340 (Wolk) and letters opposing SB 814 (Hill) and SB 1317 (Wolk). These letters are available on the RWA website or upon request.

On May 18<sup>th</sup>, our local state representatives signed onto a letter addressed to the legislative leadership advocating for \$100 million from the Greenhouse Gas Reduction Fund (GGRF) to be provided to local water agencies for supplementing the popular turf replacement programs. The timing of the letter coincided with the State budget process and it was hoped that the budget would include appropriations from the GGRF. At this time, it appears that the State budget will be passed without a commitment on GGRF appropriations but there may be further consideration later in the summer. RWA's lobbyist and staff will continue to work with our local delegation and the legislative leadership over the next couple of months to secure these funds.

Staff recommended the Executive Committee adopt the recommended changes to the Hot List bills and the positions as put forth by the LSPC. The entire list of bills will be tracked continuously, vetted through the LSPC Committee, and brought forward to the Executive Committee to assure appropriate actions are taken as the 2016 Legislative Session continues.

There was Executive Committee consensus in support of the amended Hot List.

## **9. RWA JULY 14, 2016 BOARD MEETING**

The draft agenda was included in the packet for the July 14, 2016 full Board meeting.

After discussion it was decided to add a closed session as agenda item 7 to the July 14, 2016 full Board meeting agenda moving Directors' Comments to agenda item 8.

M/S/C Mr. Roscoe moved, with a second by Mr. Dugan, to approve the July 14, 2016 proposed RWA Board meeting agenda as amended. The motion carried by the unanimous voice vote of all directors present.

## 10. EXECUTIVE DIRECTOR REPORT

Mr. Woodling said that we are on track with CalPERS for SGA to have a contract on July 1, 2016 with the current funds on account to be split between RWA and SGA according to the analysis. The issue going forward is that the SGA contract needs to include employees' paid Social Security identical to the RWA contract. It will take between 12 and 18 months for an agreement to be worked out between the parties allowing SGA to pay the employees' Social Security to the IRS. This has caused issues on how to have employees' Social Security available to make a payment retroactive to July 1, 2016 once an agreement is finalized.

**Government Affairs Update** – The California Water Commission adopted the emergency regulations for Groundwater Sustainability Plans and Alternatives as presented by DWR on May 16, 2016. The regulations became effective on June 1, 2016. Staff provided comments from RWA, SGA, and through ACWA provided comments to both DWR and the Commission, and had a significant influence on the final outcome of the regulations. DWR will be developing two additional deliverables over the second half of the year; best management practices and the water available for replenishment report. Staff will continue to engage through the Practitioner Advisory Panel and ACWA Groundwater Committee. Staff continues to coordinate discussions between SGA, West Placer Groundwater Group, and Sutter County interests to plan for compliance in the North American Subbasin. Staff continues to track developments in the SCGA portion of the region.

A letter was drafted to the Public Utility Commission regarding the action they were considering to either adopt a new framework for the water conservation regulations or use the old standards.

**Water Efficiency Program Update** – Governor Brown issued Executive Order B-37-16 on May 9, 2016 which outlined two major tasks: directed the State Water Resources Control Board (State Water Board) to adjust the Emergency Regulation conservation targets to account for differing water supply conditions throughout the state and directed the Department of Water Resources (Department) and the State Water Board to develop a new water use target framework for longer term water reductions.

In response to the Executive Order, the State Water Board adopted a resolution and updated the Emergency Regulation text on May 18<sup>th</sup> with final approval obtained by

the Office of Administrative Law on May 31<sup>st</sup>. The updated Emergency Regulation replaces the supplier mandated conservation targets with a supplier self-certify process that requires suppliers to demonstrate they can meet demands for an additional three drought years.

**Financial Documents** – The financial reports ending May 31, 2016 were included in the packet.

## **11. DIRECTORS' COMMENTS**

Mr. Roscoe said that Sacramento Suburban Water District staff has been instructed by their board to begin preparing budgets for the 2017 calendar year based on roll back rates. He thanked Mr. Swartz for his presentation to the Sacramento Suburban Water District Board of Directors.

Mr. Yasutake said that the council for the City of Folsom adopted a 2015 Urban Water Management Plan and they have submitted their self-certification.

Ms. Sedwick said that Del Paso Manor has adopted a budget with a rate increase. Even with the rate increase they will be forced to dip into their reserves to cover this year's budget.

Mr. Foster thanked RWA for their letter of support to the PUC. California American currently has a single well in the Rancho Cordova service area that has unmanaged and unregulated groundwater contaminants PFOA and PFOS that the EPA requires testing for. The EPA has moved forward and placed a health advisory indicating that the water should not be consumed if levels are detected over 70 parts per trillion. California American is working through a process with the EPA and the Department of Drinking Water to allow for treatment of the contaminant even though it is not regulated.

Mr. Roscoe mentioned that some states are testing drinking water at schools whether the testing is required or not. Sacramento Suburban Water District is considering taking water samples from all of the schools in their service area.

Mr. Peifer reported that City of Sacramento council adopted their Urban Water Management Plan. The council rejected the staff proposal to go to 10% conservation. They are currently on a 2 day a week watering program.

Mr. Dugan said that Placer County Water Agency has 100 customers on well water in Sheridan. The PG&E Diablo Canyon decommission proposal relates to significant reductions in energy use, replacing it with renewables or non-renewables. This could benefit agencies that have hydropower facilities that are part of the water system.

Chair Short reported that City of Lincoln has removed their water restrictions that are not state mandated. The agency has heard concerns from residents regarding the water conservation restrictions. Their reclaimed system will be turned on in two weeks saving the City \$75,000 and freeing up more water through the Placer County Water Agency system.

## **ADJOURNMENT**

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

By:

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Chairperson

Attest:

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Nancy Marrier, Board Secretary / Treasurer

## **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:

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Chairperson

Attest:

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Nancy Marrier, Board Secretary / Treasurer

**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  
Jim Peifer, City of Sacramento  
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 Katrina Gonzales, legal counsel.

Others in Attendance

Mike O'Hagan, Kelye McKinney and Kevin Thomas.

**2. PUBLIC COMMENT**

None

**3. CONSENT CALENDAR**

The minutes from the Executive Committee meeting held July 27, 2016.

Motion/Second/Carried (M/S/C) Ms. Sedwick moved, with a second by Ms. Schmitz, to approve the minutes from the July 27, 2016 Executive Committee meeting. The motion carried by the unanimous voice vote of all directors present.

**4. REGIONAL RELIABILITY PLAN UPDATE**

Rob Swartz, Manager of Technical Services gave a brief Regional Reliability Plan update. Staff is continuing to work with our consultant, MWH, to develop a survey of information to collect from each agency. As part of this process, there have

been pilot interview meetings with Fair Oaks Water and the City of Lincoln. Staff expects to begin interviews of participating agencies in October.

Mr. Swartz said that the Department of Water Resources has just released the IRWM planning grant program. Staff will be applying for the grant with the application due on September 23, 2016. The goal is that the grant funding will offset the difference between the Phase 1 theme and the not to exceed theme. The department has updated their IRWMP guidelines that include new requirements. DWR is deferring the release of the implementation grants until early 2018 giving local agencies time to update their plans.

There was discussion on how detailed future information will be as a method of standardizing agency data is determined.

## **5. 2015 PROPOSITION 84 INTEGRATED REGIONAL WATER MANAGEMENT GRANT PROJECT AGREEMENT**

Mr. Swartz said that in 2015, RWA was recommended for a \$1.757 million award from the final round of the Proposition 84 Integrated Regional Water Management Grant Program administered by the California Department of Water Resources (DWR). The grant will fund four priority projects in the region. The grant agreement between RWA and DWR is currently being routed for signature. The DWR grant agreement requires that RWA demonstrates the grant sub-recipients are aware of, and agree to, the terms of the DWR agreement. Additionally, in accordance with RWA's policy, projects are to be funded directly by the participants. The project agreement was enclosed in the packet and will launch an RWA subscription project to manage the grant on behalf of the grant recipients. The project agreement has been reviewed by RWA legal counsel. Staff requested that the Executive Committee approve the RWA project agreement.

M/S/C Ms. Tobin moved, with a second by Mr. Peifer, to Approve 2015 Proposition 84 Grant Project Agreement. The motion carried by the unanimous voice vote of all directors present.

## **6. 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. Included in the packet was a letter that RWA received from Brown and Caldwell requesting Affiliate status.

Mr. Woodling said that in addition to consultant firms becoming Affiliate members, we have a broad mix of other entities including California Pool and Spa Association, Sacramento Golf Industry Water Conservation Task Force and

Sacramento Association of Realtors. Staff has had opportunities to reach out to the Affiliate members offering them resources and benefits.

M/S/C Mr. Roscoe moved, with a second by Mr. Dugan, to recommend RWA Board approval of RWA Affiliate application from Brown and Caldwell. The motion carried by the unanimous voice vote of all directors present.

**7. CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(E) and 54957 – PUBLIC EMPLOYEE PERFORMANCE EVALUATION**

**8. REPORT FROM CLOSED SESSION – EXECUTIVE DIRECTOR’S PERFORMANCE**

M/S/C Mr. Roscoe moved, with a second by Mr. Dugan to approve the report on Executive Director’s Performance Evaluation pursuant to Exhibit A of the existing contract. Roll call was taken with unanimous support of all directors.

**9. MODIFICATION OF ASSOCIATE MEMBER POLICY 100.3**

Mr. Woodling said that the changes made to Policy 100.3 may grant Associate Membership to an entity who otherwise qualifies for that membership and whose delivery of potable water is a minor element of its activities and not a primary reason for its seeking Associate Membership in RWA.

M/S/C Mr. Dugan moved, with a second by Mr. Roscoe, to recommend RWA Board approval of proposed amendments to Policy 100.3. The motion carried by the unanimous voice vote of all directors present.

**10. RWA SEPTEMBER 8, 2016 BOARD MEETING**

There was discussion on the RWA September 8, 2016 Board meeting agenda. It was agreed to move items from the Executive Committee Report and Recommendations to the Consent Calendar and adding item 4b to report on the Executive Director’s Performance Evaluation. The Chair to Appoint 2016 Awards Committee will be a report item only.

M/S/C Mr. Peifer moved, with a second by Ms. Sedwick, to approve the agenda for September 8, 2016 meeting of the RWA Board of Directors with the amendments discussed. The motion carried by the unanimous voice vote of all directors present.

**11. EXECUTIVE DIRECTOR’S REPORT**

**Government Affairs Update** – The State Water Resources Control Board and DWR have begun the process to prepare recommendations to implement the Governor’s Executive Order on long term water conservation. Mr. Woodling and Mr. Peifer are serving on an Urban Advisory Group which will meet over the next few months to provide input to the report, which is due in mid-January. The report is expected to include recommendations that will need to be implemented through

legislation. Four areas will be addressed: reducing water loss, changes to the water shortage contingency plan element of urban water management plans, targets that will exceed those required in SBX7 7 (20x2020), and reporting and enforcement. RWA has convened a water efficiency policy group to provide input to our participation. They have a current process ongoing for SB 555, which will be the primary driver for what populates the framework. The main focus will be strengthening local drought resilience, changing the requirements in the Urban Water Management Plan and planning for a 5 year drought. There are working groups that will meet next week. Using water more wisely, which is the new standard for indoor water use, outdoor landscape water use, residential, CII reductions in water use and the ER specifically states that there will be new standards for those areas and those will result in targets for water agencies and shall accomplish more conservation than 20 x 2020 requirements currently do.

The Legislature will complete its work in the two-year session on August 31, 2016. The RWA Advocacy Program has had another successful year. One of the major concerns at the beginning of the year, a public goods charge on water, failed to gain traction. RWA was successful in getting amendments to SB 1398 (Leyva) which requires replacement of lead service lines or those of unknown composition. In its original form, the bill would have required replacement of service lines on customer property, and could have been excessively burdensome to some RWA members that had inherited poorly documented water systems.

RWA participated in an ACWA coordinated letter to the Governor commenting on the Delta Smelt Resiliency Strategy. One particularly troublesome element of the plan would be to use precious stored water to increase summer Delta outflows.

**Grants Update** – Staff is currently managing seven grants totaling \$54.2 million. Staff is nearing execution 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. An example of regional collaboration is the check, in the amount of \$723,187, that was just sent to Carmichael Water District for completing their project to serve treated water to Golden State Water.

**Water Efficiency Update** – Beginning in June, new emergency regulations for water conservation went into effect. All RWA member water providers certified the capacity of their water supplies to serve customer demand for three additional years of drought. As a result, state mandated water conservation standards no longer apply. The media has characterized this as “zero conservation is required.” In reality, the result is that water conservation is back in the hands of local agencies, as it has always been in the past. The Sacramento region continues to keep water use low compared to 2013, achieving a 23% reduction in July. We are aggressively reaching out to the media to promote a more accurate message.

Mr. Peifer commented on the Delta smelt resiliency plan letter. He thanked John for signing on to an effort where sending Delta outflow in a certain way could be problematic for the agencies and water supplies.

## 12. DIRECTORS' COMMENTS

Mr. Roscoe reported that Sacramento Suburban Water District has 2 Director positions open for election this fall. One position will be contested.

Ms. Tobin said that San Juan Water District has 3 people running for 2 Director positions available this year.

Ms. Sedwick said that in the election for Del Paso Manor Water District no one ran opposed. She asked for a status update on the Powerhouse Science Center is presented at the September Executive Committee meeting. Mary Henrici was appointed to the Rio Linda Board.

Mr. Dugan reported that Placer County Water District has 3 seats open with only one running opposed. He suggested that we continue the SGMA dialog with municipalities who are not RWA members to educate them as opportunities are presented.

Mr. Peifer commented that the subject of water will always be a challenge with SACOG. RWA needs to continue to be diligent with their responses and perspectives on water use.

Mr. Foster said that California American Water customers have been notified of a rate increase that will take place over the next 3 years.

Chair Short said that there are 6 people running for 3 Director positions for the City of Lincoln. There are serious concerns regarding the effect of the drought on the street trees. The city council approved a letter to be sent to the Placer electeds and the managers of each agency to discuss SGMA.

Ms. McKinney said that Pauline Roccucci and Mayor Carol Garcia have termed out.

## ADJOURNMENT

With no further business to come before the Board, Chair Short adjourned the meeting at 10:21 a.m.

By:

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Chairperson

Attest:

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Nancy Marrier, Board Secretary / Treasurer

**AGENDA ITEM 4b: EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS**

**EXECUTIVE COMMITTEE RECOMMENDATION:**

Information: Executive Committee report on the Executive Director's performance review

## **AGENDA ITEM 5: REGIONAL RELIABILITY PLAN UPDATE**

### **BACKGROUND:**

Staff will provide an update on the effort to develop a Regional Water Reliability Plan (RWRP). Additionally, the California Department of Water Resources released updated guidelines and a planning grant funding opportunity under the Integrated Regional Water Management (IRWM) Program. Applications are due September 23, 2016. Upon review of the guidelines, staff has determined that RWA will need to update its adopted 2013 IRWM Plan. Much of the work to be updated is in evaluating vulnerabilities and mitigation actions under future climate conditions. As this is consistent with the activities under the RWRP, staff is recommending to pursue the IRWM Planning Grant to support both the IRWM Plan update and the RWRP. Staff will provide an overview of the work scope to be included in the IRWM application and request the Board adopt a resolution to authorize staff to pursue the IRWM Planning Grant.

### **EXECUTIVE COMMITTEE RECOMMENDATION:**

Presentation: Rob Swartz, Manager of Technical Services

**Action: Adopt Resolution 2016-05 to Authorize the Executive Director to submit an application to the California Department of Water Resources for an Integrated Regional Water Management Planning Grant and to execute an Agreement if an award is made.**

**RESOLUTION NO. 2016-05**  
**A RESOLUTION OF THE REGIONAL WATER AUTHORITY AUTHORIZING**  
**SUBMITTAL OF AN INTEGRATED REGIONAL WATER MANAGEMENT**  
**PLANNING GRANT APPLICATION AND ENTERING INTO A GRANT AGREEMENT**

**WHEREAS**, the Regional Water Authority (“Authority”) was formed to serve and represent regional water supply interests and to assist members in protecting and enhancing the reliability, availability, affordability and quality of water resources; and

**WHEREAS**, the members of the Authority have entered into a project agreement to prepare an Integrated Regional Water Management Plan (“IRWMP”) to ensure that they have water supplies, facilities and contractual arrangements in place to be able to provide high-quality, reliable long-term water supplies within their service areas at the lowest practicable costs; and

**WHEREAS**, the Authority adopted the American River Basin IRWMP in July 2013 and desires to complete an update to ensure compliance with new IRWMP guidelines released by the California Department of Water Resources in August 2016;

**NOW, THEREFORE**, be it resolved by the Board of Directors of the Authority as follows:

1. The Executive Director of RWA is hereby authorized and directed to prepare the necessary data, make investigations, execute and file an application with the California Department of Water Resources to obtain an Integrated Regional Water Management Planning Grant pursuant to the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Water Code Section 79700 *et seq.*) for completion of the Authority’s American River Basin IRWMP Update.
2. The Executive Director of RWA is hereby authorized to enter into an agreement with the California Department of Water Resources to accept the grant.

**PASSED AND ADOPTED** at a meeting of the Authority held on September 8, 2016.

By: \_\_\_\_\_  
Spencer Short  
Chair, Regional Water Authority

Attest: \_\_\_\_\_  
Nancy Marrier  
Clerk, Regional Water Authority

## AGENDA ITEM 6: LEGISLATION UPDATE

### BACKGROUND:

#### 2016 Legislative Session

On August 31<sup>st</sup>, the two-year legislative session ended and bills approved by both houses have been forwarded to the Governor for signature or veto. Out of the approximately 100 bills that RWA initially reviewed back in January and the 36 bills we identified as “Hot Bills”, RWA’s focus at the close of the session was on three bills that could have an impact on water policy and our member agencies in the future. RWA was very effective this year, working independently and with others to gain favorable amendments to legislation or to oppose bills that ultimately failed to pass the Legislature.

The three remaining bills and their status are as follows:

**SB 552 (Wolk) – Neutral:** This is a two-year bill that gives 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). RWA opposed an earlier version of the bill on the basis that it needed more assurances that the subsuming water agency would not be on the hook for increased costs associated with the consolidation. Late session amendments provided more assurances and RWA did not continue to oppose the bill.

Status as of August 31<sup>st</sup>: Enrolled. Awaiting the Governor’s action.

**SB 814 (Hill) – Neutral:** 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.

Status as of August 31<sup>st</sup>: Chaptered. Signed into law by the Governor August 29<sup>th</sup>.

**SB 1398 (Leyva) – Neutral:** RWA worked closely with Senator Leyva’s staff on amendments to this bill that requires local water agencies to identify and mitigate the threat of lead levels exceeding public health standards in the public water supply. Key amendments included defining the limits of responsibility such that public agencies wouldn’t be responsible for plumbing on private property, clarifications that will allow consideration of site specific information to pipe replacement programs, and assurances that time schedules for pipe replacement are consistent with cleanup orders at Federal Superfund sites.

Status as of August 31<sup>st</sup>: Enrolled. Awaiting the Governor's action.

The full RWA "Hot Bills" list is available on the RWA website and will be available upon request. Following action by the Governor, staff will develop an overview of new legislation that may affect your agency in the future.

### **Public Goods Charge**

The RWA Board adopted a policy position last fall related to the potential for a public goods charge on water. At the time, there was a concern that SB 20 (Pavley) would develop into legislation on a public goods charge. The issue did not develop in 2016, but will continue to be of concern in the future.

### **Advocacy Program Planning for 2017**

In the coming weeks, RWA will begin planning for the start of the next two-year session, which begins in January 2017. An important consideration in planning for 2017 will be the fact that due to term limits, several senior legislators will not be returning after the November elections. It will be important for RWA to educate and develop working relationship with new members from our region and on key committees, as well as to continue building upon the key relationships we have fostered over the past few years. As part of the planning process, we will review the Advocacy Program Principles adopted by the Board and other policies to assure they are up to date.

The Advocacy Program has been progressing over the past several years, in fulfillment of a key objective of RWA's 2013 Strategic Plan. The Board approved a budget for FY 2016-17 that support the move from part-time temporary to full-time permanent staffing to manage the Advocacy Program. Recruitment will begin soon, with a goal of bringing a staff member on board around the beginning of 2017.

The contract lobbyist contract is handled as an RWA subscription program. Currently 10 RWA members fund the contract lobbyist through the Lobbyist Subscription Program. While the policy positions RWA staff and the lobbyist advocate for represent the full RWA membership, subscription program participants help to guide priorities and specific activities. Staff will be soliciting interest for participation in the program from other RWA members, with a goal of having additional participants for calendar year 2017.

### **STAFF RECOMMENDATION:**

Presentation: John Woodling, Executive Director and Dave Brent, Water Policy Advisor

## **AGENDA ITEM 7: WATER EFFICIENCY UPDATE**

### **BACKGROUND:**

Since June 1<sup>st</sup> 2016 RWA members have been operating in response to Executive Order B-37-16 and associated emergency regulations from the State Water Resources Control Board. The process for emergency water conservation under the new EO provides for each water supplier to conduct an assessment of its expected water supplies and ability to meet customer demand if the drought continued for three additional years. RWA members found supplies to be adequate, and as a result, authority for water management and water conservation are returned to the local level, rather than the state mandated enforceable targets that were applied in 2015.

In addition, the EO called for the development of new standards and permanent targets for water efficiency that exceed the requirements of SBX7 7, passed in 2009, which required a 20% reduction in water use by 2020.

Staff will report to the RWA Board on the status of current year water use, as well as the process for the development of the permanent framework, which the EO required by January 2017.

### **EXECUTIVE COMMITTEE RECOMMENDATION:**

Presentation: John Woodling, Executive Director

## **AGENDA ITEM 8: 2016 AWARDS COMMITTEE APPOINTED**

### **BACKGROUND:**

Information Report: Executive Committee report on 2016 Awards Committee appointed by Chair Short

**AGENDA ITEM 9: EXECUTIVE DIRECTOR'S REPORT**

**SEPTEMBER 8, 2016**

**TO: REGIONAL WATER AUTHORITY BOARD OF DIRECTORS**

**FROM: JOHN WOODLING**

**RE: EXECUTIVE DIRECTOR'S REPORT**

- a) Government Affairs Update** – RWA participated in an ACWA coordinated letter to the Governor commenting on the Delta Smelt Resiliency Strategy (attached). One particularly troublesome element of the plan would be to use precious stored water to increase summer Delta outflows.

Staff continues to engage in the State's process to develop the implementation of the Sustainable Groundwater Management Program. This includes development of Best Management Practices and the report on Water Available for Replenishment. In addition, staff continues to provide a forum for coordination of SGMA implementation at the local level in Sacramento, Placer and Sutter Counties. Depending on the interest of the Board, a detailed briefing on SGMA implementation for the November Board meeting will be developed.

- b) Grants Update** – Staff is currently managing eight grants totaling \$55.9 million. Staff has fully executed a funding agreement with DWR for the \$1.757 million grant award from the 2015 Proposition 84 Integrated Regional Water Management Implementation Grant round. By the end of the calendar year, RWA will be closing out four grants: 1) 2006 DWR Prop 50 Grant, 2) 2014 USBR Calfed Meter Grant, 3) 2014 USBR WaterSMART Grant, and 4) 2014 USBR Calfed Interior Retrofit Grant.

Over the past quarter, nearly \$4.9 million in grant reimbursements have been distributed to participating agencies. Notable for the last month is reimbursement to Carmichael Water District for \$723,187 from the 2014 Proposition 84 Drought Grant, for their intertie to Golden State Water.

- c) Powerhouse Science Center Update** – On May 15, 2014, the RWA Board approved an agreement with the Powerhouse Science Center to provide \$500,000 over 15 years to sponsor and coordinate content for two exhibits in the Liquid Gold Gallery at the science center to be developed along the Sacramento River north of Old Sacramento. The project is delayed from the original schedule, but making progress. Staff will provide a full update at the September 8<sup>th</sup> meeting of the Board.



August 17, 2016

The Honorable Edmund G. Brown, Jr.  
Governor, State of California  
State Capitol  
Sacramento, CA 95814

**RE: Delta Smelt Resiliency Strategy**

Dear Governor Brown:

We commend your Administration for taking a positive step forward with release of the Delta Smelt Resiliency Strategy last month. The water supply community has supported a more comprehensive approach to ecosystem management for more than two decades. Now there is a plan on the table that takes a life cycle approach and relies on a comprehensive set of tools to better manage aquatic resources as we implement powerful laws such as the Endangered Species Act (ESA).

The signatories to this letter represent urban and agricultural water users in all parts of the state, ranging from north to south to coastal to inland. We have taken a strong policy position in support of comprehensive solutions such as those outlined in your California Water Action Plan.

The Delta Smelt Resiliency Strategy addresses multiple stressors and contemplates everything from creating better habitat, more food sources and higher turbidity to reducing levels of invasive weeds, predators and harmful algal blooms. It's a significant management shift away from the ineffective, single-stressor approach to a multi-pronged, systematic effort that will allow state and federal agencies to study the synergy of various actions undertaken as part of the strategy.

This is exactly the approach we need. As we have seen in recent decades and especially during the past four years of drought, focusing solely on pumping restrictions without addressing the myriad other factors affecting smelt populations and habitat has served to maximize conflict between species protection and water supply while failing to adequately serve either. The resulting situation has been completely at odds with California's commitment to the coequal goals of improved ecosystem health and water supply reliability.

While we applaud the Delta Smelt Resiliency Strategy's comprehensive approach, we must note that we have deep concerns about one element: further increasing summer outflows at a time when such flows would not naturally occur in the system. The science simply does not justify such an action, particularly

The Honorable Edmund G. Brown Jr.

August 17, 2016

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given the impacts on California's water supply and economy. The summer outflow element represents a continuation of an ill-advised strategy that uses scarce water resources in a highly ineffective manner with little or no prospect of improving the environment. For this reason and in light of the coequal goals, we request that inclusion of the summer outflow element be reconsidered and eliminated from the strategy.

The water supply community strongly supports the California policy of coequal goals. However, actions by regulatory agencies continue to undermine that policy. Achieving the coequal goals in California requires a comprehensive strategy for water supply, as outlined in your California Water Action Plan, and for the ecosystem, as envisioned for the first time in the Delta Smelt Resiliency Strategy. The effectiveness of these initiatives can be further enhanced through improved transparency and stakeholder participation so we can begin to close the chasm.

We thank your Administration for your leadership on this issue and look forward to working with state and federal agencies as we move toward a fundamentally different approach to the ESA while remaining true to the coequal goals.

Sincerely,



Timothy H. Quinn  
Executive Director  
Association of California  
Water Agencies



Martin Zvirbulis  
General Manager  
Cucamonga Valley Water District



Paul Jones  
General Manager  
Eastern Municipal Water District



Jason Phillips  
Chief Executive Officer  
Friant Water Authority



Paul Cook  
General Manager  
Irvine Ranch Water District



Jeff Kightlinger  
General Manager  
Metropolitan Water District of  
Southern California



Remleh Scherzinger  
General Manager  
Nevada Irrigation District



Todd Manley  
Director of Government Relations  
Northern California Water  
Association



Einar Maisch  
General Manager  
Placer County Water Agency

The Honorable Edmund G. Brown Jr.

August 17, 2016

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John Woodling  
Executive Director  
Regional Water Authority



Steve Chedester  
Executive Director  
San Joaquin River Exchange  
Contractors Water Authority



Jason Peltier  
General Manager  
San Luis & Delta-Mendota Water  
Authority

cc: The Honorable John Laird, Secretary for Natural Resources, California Natural Resources Agency  
The Honorable Matt Rodriguez, Secretary for Environmental Protection, California Environmental  
Protection Agency  
The Honorable Karen Ross, Secretary, California Department of Food and Agriculture  
The Honorable Charlton Bonham, Director, California Department of Fish and Wildlife  
The Honorable Mark Cowin, Director, California Department of Water Resources  
The Honorable Felicia Marcus, Chair, State Water Resources Control Board  
Ms. Kim Craig, Deputy Cabinet Secretary, Office of Governor Brown  
Ms. Karla Nemeth, Deputy Secretary for Water Policy, California Natural Resources Agency

**Regional Water Authority Status of Grant Awards**  
September, 2016

	Prop 50 Implementation Grant	Prop 84 2011 Implementation Grant	USBR CalFed 2014 Meter Grant (1)	USBR 2014 WaterSmart Meter Grant (1)	USBR CalFed 2014 Interior Retrofit Grant (1)	Prop 84 Drought Grant	DWR Water Energy Grant	Prop 84 2015 Implementation Grant	Total
<b>Awarding Agency</b>	DWR	DWR	USBR	USBR	USBR	DWR	DWR	DWR	
<b>Award/Effective Date</b>	1/18/2007	8/16/2011	9/17/2014	9/16/2014	9/15/2014	1/17/2014	12/22/2015	1/13/2016	
<b>Completion Date</b>	6/30/2016	12/31/2017	9/30/2016	9/30/2016	9/30/2016	6/30/2018	12/31/2017	6/30/2018	
<b>Grant Award Amount</b>	\$25,000,000	\$16,030,766	\$298,500	\$298,500	\$300,000	\$9,765,000	\$2,500,000	\$1,757,000	\$55,949,766
<b>Reimbursement Requests Currently Being Reviewed</b>	\$1,229,910	\$1,738,245	\$0	\$0	\$0	\$0	\$12,978	\$0	\$2,981,134
<b>Reimbursements Received During Previous Quarter</b>	\$2,074,700	\$867,440	\$199,000	\$298,500	\$61,637	\$1,372,472	\$14,376	\$0	\$4,888,125
<b>Reimbursements Paid to Date</b>	\$23,392,541	\$4,586,129	\$298,500	\$298,500	\$264,620	\$3,999,024	\$14,376	\$0	\$32,853,690
<b>Grant Award Outstanding</b>	\$377,549	\$9,706,392	\$0	\$0	\$35,380	\$5,765,976	\$2,472,646	\$1,757,000	\$20,114,943

(1) Grant was awarded to Sacramento Suburban WD on behalf of the region. RWA developed the application and is managing the grant.

**AGENDA ITEM 10: 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**

**AGENDA ITEM 11: DIRECTORS' COMMENTS**