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. Information: Final minutes of the February 22, 2017 and March 22, 2017 Executive Committee meetings
   b. Draft minutes from the March 9, 2017 RWA regular board meeting
      Action: Approve the Consent Calendar Item

4. RESOLUTION NO 2017-03 IN SUPPORT OF ACWA POLICY STATEMENT ON BAY-Delta FLOW REQUIREMENTS
   Action: Approve Resolution No. 2017-03 Supporting the ACWA Policy Statement on Bay-Delta Flow Requirements

5. EL DORADO COUNTY WATER AGENCY
   Information Presentation: Kenneth V. Payne, P.E., EDCWA Interim General Manager

6. CALIFORNIA URBAN WATER CONSERVATION COUNCIL BECOMING CALIFORNIA WATER EFFICIENCY PARTNERSHIP
   Information Presentation: Sarah Foley, Interim Executive Director

7. LEGISLATIVE AND REGULATORY UPDATE
   Discussion: Adam W. Robin, Legislative and Regulatory Affairs Project Manager

8. EXECUTIVE DIRECTOR’S REPORT
9. DIRECTORS’ COMMENTS

ADJOURNMENT

Upcoming meetings:

Next Executive Committee Meetings – Wednesday, May 24, 2017 and Wednesday, June 28, 2017, 8:30 a.m. at the RWA office.

Next RWA Board of Directors’ Meeting – Thursday, July 13, 2017, 9:00 a.m., at the RWA Office.
AGENDA ITEM 3a: CONSENT CALENDAR

Information: Final minutes of the February 22, 2017 and March 22, 2017 Executive Committee meetings
1. CALL TO ORDER

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
Ron Greenwood, Carmichael Water District
Marcus Yasutake, City of Folsom
Kelye McKinney, City of Roseville
Jim Peifer, City of Sacramento
Paul Schubert, Golden State Water Company
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, Adam Robin, Nancy Marrier, Amy Talbot, Cecilia Partridge, Monica Garcia and Ryan Bezerra, legal counsel.

Others in Attendance
Paul Helliker and Charles Duncan, Nicole Krotoski participated via conference phone.

2. PUBLIC COMMENT

None

3. CONSENT CALENDAR

The minutes from the Executive Committee meeting held January 25, 2017.

Motion/Second/Carried (M/S/C) Mr. Greenwood moved, with a second by Ms. McKinney, to approve the minutes from the January 25, 2017 Executive Committee meeting. The motion carried by the unanimous voice vote of all directors present. Mr. Dugan abstained.
4. DEVELOPMENT OF FY 2017 – 2018 BUDGET

Each year the RWA Executive Committee (EC) reviews and makes a recommendation for adoption of the budget by the full board. The EC discussed some strategic drivers of the proposed Fiscal Year 2017-2018 budget (“FY18 Budget”) at the January 25, 2017 EC meeting. The EC was presented with a list of the significant decisions that impacted the development of the budget objectives and outcomes which drive fees and expenses. Based upon direction from the EC, staff prepared a draft budget for review at the February 22, 2017 EC meeting.

Mr. Woodling gave an overview of the fiscal year 2017-18 budget. He discussed the following:

1) Benefits of RWA membership, including regional collaboration and a successful model for grant funding.
2) Provided an overview of total grant awards per participant in comparison to dues paid by participant, noting that grant awards for most members have far exceeded dues.
3) A total 10% increase on general and associate membership fees is proposed. This 10% increase was forecast in the previous year.
4) The fee increase continues to pay for the implementation phase of the strategic plan, including full year staffing of new position.
5) Discussed the continued process of the strategic plan implementation, including staffing starting in FY17, funding of the position in part by the strategic plan fund designation (which began in FY16), and eventually transitioning to dues fully paying for the plan by FY19.
6) Noted that the WEP manager continues to support RWA programs. In FY17, this position was funded 10% by core dues. The proposed budget continued increasing the core dues funding by 10% per year, with 20% funding in FY18.
7) Outlined the CalPERS pension plan unfunded liability payment made in FY2016. Additionally, discussed how the decrease in discount rate from 7.5% to 7.0% will increase the unfunded liability and thereby increase future contributions.
8) The budget assumes an increase in leasing costs in FY19 with potential moving costs in FY18 since the lease expires at the beginning of FY19.
9) Continuing to pay for the OPEB explicit and implicit subsidy as outlined in the July 1, 2015 actuary report.
10) A compensation survey will be done in FY18. Any increases due to this survey have not been factored into the budget.
11) IRWM is now being funded by core dues since the designation has been completely expended.
12) Looking at FY19, currently projecting an additional 10% increase to fully support government relations position, continue funding unfunded pension liabilities, increased leasing costs, and increasing support of WEP to 30% of WEP manager position.
Based upon the discussions above as well as historical financial information, the FY18 proposed budget was attached for review.

Ms. Tobin entered the meeting.

There was discussion about making larger pension payments in the future to avoid being underfunded. Everyone agreed that this should be part of the discussion going into the future, including exploring the concept of a one-time invoice to members for the unfunded liability portion. Staff will bring back to the EC the unfunded pension liability funding option to future meetings for additional discussion. EC agreed that in the interim, RWA should continue to make additional incremental payments towards its unfunded liability included in the proposed FY18 budget.

The following information is included in the minutes extracted from the staff report but was not explicitly discussed during the EC meeting:

**Summary Budget Overview**

**Revenues**

1) A total 10% increase on general and associate membership fees is proposed. This 10% increase was forecast in the previous year. The increase is needed to fully implement the strategic plan, plus continuing to pay sums towards the unfunded pension liability. Additionally, core revenues are now projected to cover 20% of the WEP manager costs and related office expenses.

2) No increases to affiliate membership fees are planned.

3) SGA service fees represent 50% sharable costs according to the Administrative Services Agreement and exclude the Water Efficiency Program staffing, the legislative program manager, and the retired annuitants for RWA and SGA. SGA does pay for 20% of the project assistant position.

4) Subscription program revenues provide 15% of needed RWA Core revenues and reflect income earned from providing staffing and office support to subscription based programs, including the WEP.

5) Powerhouse Science Center reflects five year allocated funding with FY19 as the final year.

6) Other revenues represent interest income and holiday social revenues.

**Expenses**

1) The core program budgets for all staffing positions including the WEP position and new legislative program manager position. RWA Core dues are projected to pay for 20% of WEP program manager position and related office costs.

2) Shared staffing costs are allocated 50/50 to SGA and RWA which excludes the WEP program manager, legislative Program Manager, the project assistant
position. The project assistant is allocated 20% to SGA. These allocations result in 4.8 FTEs for RWA and 2.2 FTEs for SGA for a total of 7 fulltime positions.

3) Staff salaries are within ranges assigned by a 2012 total compensation survey and reflect a possible 5% increase for merit (including COLA), plus 2% to compensate for the employees paying 2% of their PERS retirement contribution. In FY18, staff will pay 6% of their PERS portion. Beginning in FY19, staff will pay the full 7% employee share.

4) The FY18 budget now includes a legislative program manager staff position for a full year.

5) Benefit costs also include projected increases for CalPERS pension payments, OPEB and health care, and a reduction of a 2% employer pick up of the employee portion of PERS retirement benefits, so that RWA is only paying 1% of the employee portion in FY18.

6) Office cost increases are based upon estimated increases in FY18. For FY19 and beyond, these costs are estimated at 3% annual increases unless specific increases have been identified, such as the office lease renewal which is budgeted for an expected increase.

7) Professional fees now include IRWM consulting costs. It also includes higher audit, accounting and actuarial analysis fees due to the new reporting requirement for GASB 68 and implementation of GASB 75, increased public relations, stable legal costs, a compensation survey, and $21,000 for unexpected items.

8) Other includes office equipment purchases and potential office move costs of $20,000.

9) Core project expenses include costs associated with the Powerhouse Science Center partnership.

Revenues net of Expenses

1) Core revenues in excess of core expenses project a net cash inflow of approximately $47,300 for the core program. The subscription based programs pay for use of staff time as well as some allocated office costs to run these programs.

2) Subscription expenses are projected to exceed revenues by approximately $572,100, largely due to the Water Energy Grant. Many subscription program expenses will be funded from previously collected funds which have been set aside for this purpose.

3) Combined core and subscription expenses versus revenues net a projected decrease in cash flow of approximately $524,800 essentially caused by the subscription program timing of cash collections versus expenses.

Designations

1) The operating fund is targeted at four months for FYE 17-18, which falls within the policy guideline of four to six months. The operating fund designation will be capped at four months, with any remaining resources funding the Strategic Plan Fund and/or not designated.
2) The Strategic Plan Fund represents resources being set aside to fully implement the strategic plan. The FY18 budget anticipates using a portion of this fund to pay for the new legislative program manager until it is depleted in FY19.

3) The Powerhouse Science Center ("PSC") designation represents the difference in collection of fees for this project versus the payments made per the contract with PSC.

4) The designations are detailed by type. The total change in cash from Projected FY17 to Proposed FY18 by subtotal for the core program reflects the overall net cash inflow of approximately $47,300 and the effect on each type of designation.

5) The designations for the subscription program reflect a decrease of approximately $572,100 over subscription based expenses, largely due to the water energy grant expected costs in FY18. These programs typically collect revenues in advance of expenses. These expenses will be funded from the corresponding program designations.

**SUBSCRIPTION PROGRAMS**

These subscription based programs are subject to approval by the individual participants. The revenues are included for total estimate purposes and to reflect the expected contribution towards the Core program for staffing and office costs which is budgeted at 15% for FY18. Adopting the fiscal year 2017-2018 budget does not approve the subscription based programs.

1) Subscription program revenues are projected for the Water Efficiency Program (WEP Category 1 and 2), Prop 84 grant management and grant revenue, the regional reliability plan management fees, the government relations contract lobbyist, the 2014 drought grant management and grant revenue, the 2014 Water Energy grant management and grant revenues, and the 2015 IRWM grant. The revenues include fees from participants and grant reimbursements from existing grants.

2) Subscription program expenses represent the direct consulting and third-party costs for these subscription programs. It also includes the cost of using RWA staff and allocated office costs to determine the cash flow effect on these programs. In a combined budget, the RWA staff and allocated office costs are netted out to avoid double counting of the costs since these costs are also included in the Core budget. See Summary Table – Split Program for a reconciliation of the individual budgets to the overall RWA budget per the combined Executive Summary Table.

3) The subscription based programs collect fees in advance of expenses and often straddle several years prior to completion. The funds are held in an advance restriction until the expenses are incurred. With the exception of WEP, these additional program advances are only recognized as income as the related expenses are incurred. These advances are tracked for budgeting purposes and also included on the detail program budget sheet. While WEP fees are set aside for WEP services, these fees are recognized as incurred.
4) The subscription restrictions reflect the available funds for these programs. The use of these designations projected in FY18 is reflected in the changes in the individual restrictions.

**Outlook for FY 2019**

In looking out to the future, RWA can anticipate another potential 10% increase in dues in FY19 in order to meet increased expenses related to new staffing, increased leasing costs, continue paying the unfunded pension plan liability and increased costs related to the change in discount rate, and continue paying for the shift of the WEP manager costs to be funded 30% by core dues. The unfunded pension plan liability cost is expected to increase due to the change in discount rate. FY19 and beyond does reflect increased budgeted 6% salary costs but does not incorporate increases that may arise due to revision of job classifications or compensation benchmark comparisons. Future projections assume RWA and SGA share staffing and administrative costs and subscription based programs will contribute 12% of revenues to pay for Core staffing and office costs.

Finally, no changes to membership are anticipated, including any decline due to agency consolidations or nonparticipation. These changes would have a significant impact on rate increases in the future.

M/S/C Mr. Roscoe moved, with a second by Mr. Dugan to recommend RWA Board Approval of Proposed FY 2017 – 2018 Budget. The Executive Committee directed staff to have future discussion to provide options to deal with the retirement and OPEB obligations that are presently underfunded.

5. **LEGISLATIVE AND REGULATORY UPDATE**

Adam Robin, Legislative and Regulatory Affairs Program Manager, updated the Executive Committee on legislative and regulatory issues. There are three position recommendations from the lobbyist subscription program for approval. One position is related to long-term water use efficiency legislation in response to the Brown Administration’s draft framework to “Make Conservation a California Way of Life”, the final version of which is expected to be released soon. RWA led the development of draft legislative language that has provided the basis for the Association of California Water Agencies’ (ACWA) discussions and getting to a point where local agencies around the state can agree in principle on legislation.

To date there are ten pieces of legislation that have been introduced as spot bills with conservation as their focus. RWA worked with our lobbyist to get two of those bills introduced.

Mr. Woodling commented that our biggest issue with any legislation on this issue is for standards to be set that we can live with and to ensure that the State Water
Resources Control Board (SWRCB) doesn’t get any ongoing regulatory authority to change water use targets over time.

Chair Peifer said that we need to be aligned with other water supply interests throughout the state to make certain we get something beneficial for us and that there is unanimous understanding that defines what water efficiency is. Anything that is inconsistent with the coalition comment letters submitted in response to the Administration’s draft framework could be trouble.

Mr. Robin said that the SWRCB acted to add language to the resolution readopting the Emergency Urban Water Conservation Regulations. The SWRCB directed their staff to bring the item back in May for reassessment and authorized its Executive Director to modify or rescind the emergency regulation in the event that the Statewide Drought Emergency proclamation is lifted.

In 2015, ACWA working with the League of California Cities and the California State Association of Counties, undertook a comprehensive effort looking at what it would take to amend Proposition 218 of the California Constitution to address three separate but related issues. There were problems presented for funding storm water projects under Prop 218, Low Income Rate Payer Assistance Programs, and the adoption of conservation or demand based rate structures for water agencies. In 2016, Senator Hertzberg introduced Senate Bill (SB) 1298 that would have attempted to address these issues without amending the California Constitution. Senator Hertzberg is now the chair of the Senate Natural Resources and Water Committee and has an interest in continuing to work on this issue. His vehicles to attempt to try and push the issue through this year are SB 231 and Senate Constitutional Amendment (SCA) 4. The storm water issue is dealt with in SB 231, while SCA 4 would amend the California Constitution to allow local agencies to create low income rate payer assistance programs and would also create new rate structure setting authorities for local agencies. Mr. Hertzberg has approached ACWA to sponsor SCA 4. ACWA’s Board of Directors and the ACWA State Legislative Committee considered this issue, and determined they would only consider sponsorship of SCA 4 if agreement could be reached with the author on a clear list of conditions.

Mr. Roscoe exited the meeting.

AB 401 (2015) requires the state to produce a report to the Legislature by February 2018 on recommendations to create a statewide low-income water rate assistance program. The report will also include an assessment of the needs and potential funding mechanisms to support operations and maintenance in disadvantaged communities that lack access to safe drinking water. The SWRCB held a workshop on the development of the report in early February. SWRCB staff have indicated they will seek to accelerate the development and release of the final report.
Under the Lead Sampling of Drinking Water in California Schools Initiative every water system in California received a permit amendment in January requiring them to provide lead sampling services to K through 12 schools upon request. Local agencies have a variety of concerns related to the permit amendment, including communication responsibilities in the event of an exceedance, the cost of sampling, and the precedent of creating a statewide program through permit amendments.

Mr. Robin provided an update on Lobbyist Subscription Program activities, membership, and recommended positions/priorities on legislation. He announced that Citrus Heights Water District has elected to join the Lobbyist Subscription Program.

It was suggested that an update be given to the full board on the current policy principles and positions related to water use efficiency. Once the bills are formally introduced staff will bring them to the Executive Committee to get position approval.

M/S/C Mr. Greenwood moved, with a second by Ms. Tobin to adopt positions on Legislation as presented.

6. WATER FUTURE BRANDING FOR REGIONAL RELIABILITY PLAN

John Woodling, Executive Director, said that RWA and its members are undertaking a number of efforts to plan for the region’s future water supply reliability, including the Regional Water Reliability Plan, development of a regional “water bank,” regional water transfers, the RiverArc project, and implementation of the modified Lower American River Flow Management Standard.

To better discuss these efforts with state and federal representatives and agency staff, local elected officials and the public, the regional business community, potential partners outside the region, and others, the City of Roseville and Placer County Water Agency led efforts to develop a branding and marketing strategy for the package. RWA’s public relations consultant was tasked with coordinating with the RWA member efforts.

The group held two focus groups, with influencers and the general public, to test key messages about the program as well as get feedback on potential brands. The status of the project and the “Water Future” brand were presented to the participants of the Regional Water Reliability Plan, some of whom requested that the Executive Committee discuss the branding/marketing efforts.

Ms. McKinney explained that the branding and marketing strategy effort is an attempt to support Cap-to-Cap and to share key projects within our region. There have been Water Future Branding discussions at the last two Regional Reliability Plan meetings. When we started communicating together about regional
collaborative choices that benefited the Regional Reliability Plan, we received the attention of legislators and congressional representatives and the credibility of RWA increased.

After discussion on what the approval process should be when agencies use the RWA logo, it was agreed to give the Executive Director broad latitude to be able to stamp flyers and documents with the RWA logo. There may be requests to use the RWA logo; when time permits, the Executive Director might want to bring the request to the Executive Committee for approval.

7. **COMPENSATION SURVEY**

RWA Policy 400.2, Employee Compensation Policy, states,

*The Executive Committee will generally conduct a compensation survey at least every five years to ensure that the total compensation offered by the Authority (salaries, wages, and benefits) is consistent with this Policy; provided, however that a compensation survey may be commissioned at any time if directed by the Executive Committee or if recommended by the Executive Director and approved by the Executive Committee. The Executive Committee may also use its discretion to waive or vary the five year commitment.*

The last RWA compensation survey was completed in late 2012. Staff recommends undertaking a survey during 2017. Mr. Woodling recommended staff meet with Shellie Anderson, Bryce Consulting, to initiate a compensation survey.

M/S/C Ms. McKinney moved, with a second by Ms. Tobin to direct Executive Director to undertake a Compensation Survey with the preliminary report to be completed by August 2017 and the final report completed by October 2017.

8. **STRATEGIC PLAN PROGRESS DISCUSSION**

RWA adopted its *Strategic Plan 2013-2018*+ in late 2013. In the interim, a number of internal and external factors have changed, including the passage of the Sustainable Groundwater Management Act, the drought emergency, and proposals for new permanent water conservation standards.

At the January 25, 2017 Executive Committee meeting, the Executive Committee discussed the progress on strategic plan implementation as well as the approach to updating, modifying, and reprioritizing elements of the plan. Staff solicited input from the Executive Committee on the progress of the strategic plan, and will seek input on presenting progress to the full RWA Board.
John Woodling, Executive Director, presented for discussion a Strategic Plan handout including objectives, status, RWAs role and a comment section. There was discussion on reprioritizing and modifying objectives.

After discussion, it was agreed to give the full board information from the Executive Committee on the list of accomplishments and changes or reprioritization for the Strategic Plan with Executive Committee recommendations. It was suggested that the Executive Director send the RWA Strategic Plan 2013-2018+ status report to the full board requesting comments on objectives and status.

9. **MARCH 9, 2017 RWA BOARD MEETING AGENDA**

   M/S/C Ms. Tobin moved, with a second by Mr. Greenwood to approve the March 9, 2017 proposed RWA Board Meeting Agenda reversing the order of agenda items number 4 and 6.

10. **SUBCOMMITTEE REPORTS**

    At the January meeting of the Executive Committee, Chair Peifer appointed three subcommittees to work on specific issues. Kerry Schmitz was appointed Chair of a Conference/Education Subcommittee that also included Rob Roscoe, Pam Tobin and Kelye McKinney. Pam Tobin, Ron Greenwood, Marcus Yasutake and John Woodling were appointed to an Office Space/Lease Subcommittee to evaluate office space options for RWA when its lease on 5620 Birdcage expires in 2018. Robert Dugan was appointed Chair of a Membership Subcommittee to evaluate and help recruit potential new members.

    Ms. Schmitz reported from the Conference/Education Subcommittee. The subcommittee has discussed types of events, topics, the audience, possible speakers, potential partners or partner agencies, cost of event, duration of event and timing of event to provide educational information. It was suggested that RWA partner with other agencies who could help facilitate the event. The subcommittee will bring an update back to the Executive Committee after they have reached out to other agencies and have a better idea how an event can best be achieved. Chair Peifer was asked to join this subcommittee.

    Mr. Dugan said that he would like to have direction to identify how to proceed for new RWA membership. He requested that John Woodling, Rob Roscoe and Jim Peifer join his membership subcommittee effort. The subcommittee members will meet prior to the March Executive Committee meeting.

    A copy of the current RWA office lease agreement was provided to the Office Space/Lease Subcommittee. The members requested information about the office space needs for the future.
11. EXECUTIVE DIRECTOR’S REPORT

**Water Efficiency Update** – In 2016, the region saved 25% compared to 2013 or approximately 41.6 billion gallons. The December 2016 savings were 24% compared to December 2013. The cumulative savings for the Emergency Regulation timeframe from June 2015 through December 2016 is 28% or 78.8 billion gallons. The most current state savings information available is cumulative savings from June 2015 through December 2016 at 23% (793 billion gallons).

**Grants Update** – Staff is currently managing four grants totaling $30 million. RWA has received confirmation from DWR that the $25 million 2006 DWR Prop 50 Implementation Grant terms have been met. DWR is in the process of releasing the final retention on the project. In February, RWA received a commitment letter from DWR for the $250K 2016 Prop 1 Integrated Regional Water Management Planning Grant award. The grant will be used to update the American River Basin IRWM Plan to meet updated standards released in 2016.

12. DIRECTORS’ COMMENTS

Mr. Greenwood reported that Carmichael Water District is becoming more involved with their community joining the Kiwanis Club and being active in their Chamber. The District will be hosting an event at the Carmichael Water District office to engage K through 12 students.

Ms. McKinney has been appointed as a Planning Commissioner for the City of Lincoln while continuing her employment with the City of Roseville.

Chair Peifer reported that Mayor Steinberg has given his nod to assemble a standing committee on utilities from the city council members at the City of Sacramento.

ADJOURNMENT

With no further business to come before the Executive Committee, Chair Peifer adjourned the meeting at 11:42 a.m.

By:

_____________________________
Chairperson

Attest:

_____________________________
Nancy Marrier, Board Secretary / Treasurer
1. CALL TO ORDER

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

Executive Committee Members
Ron Greenwood, Carmichael Water District
Marcus Yasutake, City of Folsom
Kelye McKinney, City of Roseville
Jim Peifer, City of Sacramento
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, Adam Robin, Nancy Marrier, Cecilia Partridge, Monica Garcia and Katrina Nelson, legal counsel.

Others in Attendance
Harry Laswell, Charles Duncan, Paul Helliker, Michael Raffety and Nicole Krotoski.

2. PUBLIC COMMENT

None

3. CONSENT CALENDAR

The minutes from the Executive Committee meeting held February 22, 2017.

Motion/Second/Carried (M/S/C) Mr. Greenwood moved, with a second by Ms. McKinney, to approve the minutes from the February 22, 2017 Executive Committee meeting. The motion carried by the unanimous voice vote of all directors present.

Item number 5 was moved ahead of item number 4, but is being reported in the order listed on the agenda.

Chair Peifer entered the meeting. Vice Chair Yasutake handed the gavel over to Chair Peifer for the remainder of the meeting.
4. POWERHOUSE SCIENCE CENTER UPDATE

Harry Laswell, Executive Director & CEO, Powerhouse Science Center provided a presentation on construction progress, funding details and an updated timeline for opening the Powerhouse Science Center. In 2014, RWA agreed to sponsor two exhibits, Water Detective and Open Waters, in the new Powerhouse Science Center to be located on the riverfront in downtown Sacramento. The agreement is for $500,000, paid over the next 15 years. The new Powerhouse Science Center is expected to serve over 320,000 visitors annually from around the Sacramento region as a center for science education, exploration and promotion of the California Capital region.

Mr. Laswell explained that the project is behind schedule due to funding difficulties. He gave the progress timeline for the last year and said that the goal is to close financing in August 2017. Some of the original building plans have been changed due to lack of funding and a later than expected start on construction of the project. The current plan, depending on financing, is to open the Powerhouse Science Center 24 months after construction begins.

After discussion it was agreed that no further annual payments should be made to the Powerhouse Science Center until substantial progress is made on the project. Mr. Dugan volunteered to find out how firm the construction and funding time lines are that were given by Mr. Laswell and report his findings back to the Executive Committee. After Mr. Dugan makes his report to the Executive Committee it will be decided if the information should go to the RWA full Board.

It was suggested that staff reengage with the Powerhouse regarding our agreement over exhibit content to confirm that we control the messaging on our exhibits.

5. UPDATE ON WATER RELIABILITY PLAN

Rob Swartz, Manager of Technical Services, gave a Regional Water Reliability Plan update. As part of development of the Regional Water Reliability Plan, four sub-regional groups met the week of March 6th to discuss potential mitigation actions to address water supply vulnerabilities. Results of these meetings will be discussed with the larger group at the next Regional Water Reliability Plan meeting on April 12th.

He said that staff is currently working on a Drought Contingency Plan and Regional Water Reliability Plan that involves expanding conjunctive use. Staff are attempting to understand that if operations are changed and facility improvements are made how much can be stored in wet periods and how much can be pulled out in dry periods. Staff are wrapping up the vulnerabilities portion of studies and moving into what can be done to mitigate the identified vulnerabilities.

Last month the Bureau of Reclamation issued a Funding Opportunity Announcement for WaterSMART grants to support the development of water
marketing strategies that will help prevent water conflicts and will contribute to water supply sustainability. There is a 50 percent local cost share. Eligible projects include development of a water marketing strategy to establish or expand water markets or water marketing activities. This is a timely opportunity for water purveyors in the American River Basin as water marketing strategies are being actively considered in development of both the ongoing Regional Water Authority (RWA) Regional Water Reliability Plan and the upcoming federal American River Basin Study. Mr. Swartz provided a time line for needed actions from the responsible agencies until the completed grant application is submitted. Because RWA is not an eligible applicant, the El Dorado County Water Agency will serve as the lead applicant.

6. FUNDING CalPERS PENSION LIABILITY

At the February 22, 2017 EC meeting, the EC directed staff to explore alternative funding scenarios. Staff and Ms. Krotoski provided an overview of the history of the unfunded pension liability. Ms. Krotoski provided an unfunded liability range of amount owed by RWA, ranging from its June 30, 2016 estimated balance as reported by CalPERS’ June 30, 2015 valuation of $174,000 up to $548,000. The differences in the two valuations results from using different discounts rates. The lower unfunded liability used the 7.5% discount rate whereas the higher balance used 6.5%. Recall that CalPERS will begin a three year implementation beginning with the June 30, 2016 valuation of reducing its discount rate to value liabilities, which increases employer obligations.

There was discussion on how to address the possibility of a member leaving RWA with a liability owed. The JPA Agreement is clear that when a member leaves RWA they are responsible for any liability remaining. It was suggested that options be considered for a board policy that would clarify what a termination liability means if a member leaves including funding the unfunded and ongoing liability. Staff will bring back options with recommendations to consider for a policy for members leaving as well as some options on how to address ongoing unfunded liabilities, including a funding policy.

Additional information

The following information was not explicitly discussed during the meeting, but serves as informational context for the discussion and was included in the staff report as part of the EC March 22, 2017 Board packet.

After paying RWA’s side fund in FY2012, RWA began setting aside additional funds to help pay down the unfunded CalPERS pension liability in anticipation of GASB 68. While GASB 68 did not require funding of the pension liability, the RWA Board wanted to proactively pay down the unfunded liability. The eventual plan was to pay a large $225,000 lump sum payment in fiscal year 2016, and then pay additional amounts of $25,000 to $42,000 over approximately four additional years. The plan was to pay down the unfunded liability based upon the June 30,
2013 unfunded balance of approximately $337,700\(^1\). While a new unfunded liability can be generated every year due to investment returns not meeting the discount rate or changes to assumptions, RWA's desire was to pay the lump sum amount known at that time.

In FY 2016, RWA did pay $225,000 to CalPERS, with $87,600 of the funds coming from SGA, sharing 39% of this liability. Additionally, the FY17 budget anticipates paying an additional $42,000 from RWA and $26,900 from SGA towards the liability.

In December 2016, CalPERS announced that the discount rate used to calculate liabilities will be reduced from 7.5% to 7.0% over a three year period. Effectively, CalPERS will recast prior obligations, assuming a lower discount rate, which then creates additional unfunded historical liabilities. While CalPERS will phase in this change in discount rate over three years, there likely may be more changes in the future to the liability, either as a result of discount rate changes or changes to other assumptions. CalPERS' initial goal was to reduce the discount rate to 6.5%, but over a longer time horizon. There will likely be more downward pressure on the discount rate in the future.

The decrease in discount rate will affect both components of RWA's CalPERS payment, increasing cash requirements of each component. The normal cost (the annual required payment of pension benefits to pay for employer current obligations for current employees generated by that year's work) and the unfunded liability amortization payment (catch up payments amortized over time from liabilities that were incurred from the time prior to the current period) will both increase. RWA and SGA will always be required to pay the normal costs, even if they have overpaid the unfunded liability.

The adopted FY18 budget anticipates additional lump sum contributions of $42,000 in FY17 & FY18, while forecasting $45,000 in FY19, $50,000 in FY20, $55,000 in FY21, and $60,000 in FY22 to continue paying down the estimated new unfunded liability. Adopting the FY18 budget did not approve or adopt future payments beyond FY18.

Range of future unfunded liabilities

"Traditional" Unfunded Liability

The most recent valuation report from CalPERS is June 30, 2015 which was received in the fall of 2016. This report does not factor in any anticipated changes to the discount rate as adopted by CalPERS. Additionally, it does not factor in the splitting of the assets and liabilities between RWA and SGA\(^2\). However, CalPERS

\(^1\) Based upon CalPERS June 30, 2013 annual valuation.

\(^2\) Since SGA's contract with CalPERS begins in FY17, separately calculated liabilities between both organizations will not be actuarially available from CalPERS until sometime in FY19. RWA and SGA can estimate this split based upon CalPERS New Agency Contract Analysis – Valuation Basis: June 30, 2014 memo dated February 17, 2016 for SGA, page 2 of 5. The split of the projected unfunded amortized liability per this memo was approximately 39% to SGA and 61% to RWA.
did provide a memo in January 2017 outlining the anticipated increased annual required contributions, expressed as percentage increases to the normal costs and funding of the unfunded amortized liability (UAL). CalPERS did not indicate what the potential unfunded liability could be as that information is different for each agency, depending upon its historical funding activity.

However, the June 30, 2015 valuation report can give a glimpse of how high this liability could be if RWA/SGA used a discount rate of 6.5% versus the adopted CalPERS rate of 7.0%. At June 30, 2015, prior to any additional lump sum contribution of $225,000, the unfunded liability at 6.5% is estimated to be $725,722 versus the liability at 7.5%, which is estimated to be $385,194, or an approximate $340,500 additional liability as result of a 1% change in discount rate. RWA/SGA could "estimate" the June 30, 2016 liability as follows using 6.5% as a benchmark rate:

<table>
<thead>
<tr>
<th></th>
<th>Unfunded Accrued Liability @ 6.5%</th>
<th>Unfunded Accrued Liability @ 7.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>As of June 30, 2015</td>
<td>$725,722</td>
<td>(a) $385,194</td>
</tr>
<tr>
<td>Lump Sum Payment</td>
<td>(225,000)</td>
<td>(c) (231,778)</td>
</tr>
<tr>
<td>Additional Interest</td>
<td>47,172</td>
<td>(e) 20,355</td>
</tr>
<tr>
<td>As of June 30, 2016 estimated</td>
<td>$547,894</td>
<td>(g) $173,771</td>
</tr>
<tr>
<td>Rounded</td>
<td>$548,000</td>
<td>(g) $174,000</td>
</tr>
</tbody>
</table>

(a) Per CalPERS June 30, 2015 Valuation report, discount rate sensitivity, page 14
(b) 7.5% discount rate used for valuation. Discount rate set to decrease from 7.5% to 7.0% over a three year period.
(c) Actual RWA cash payment of additional lump sum. RWA also made the required lump sum payment, but is not included here for estimation purposes.
(d) Per the CalPERS June 30, 2015 valuation report, page 8
(e) Assumes a 6.5% rate on the beginning balance, prior to lump sum payment. Lump sum payment was made towards the end of FY16.
(f) Amount is deduced based upon CalPERS providing information data points (b) and (d).
(g) The estimated June 30, 2016 liability is based upon a 6.5% discount rate and has not been actuarially calculated. The discount rate is currently set to decrease to 7.0%, so the estimated liability calculated in the table is likely higher than the actuarially determined liability will be at 7.0%.

Based upon the above analysis, RWA’s & SGA’s unfunded liability is likely estimated to be less than $548,000 if CalPERS maintains a 7.0% discount rate at June 30, 2016. RWA’s portion is estimated at 61% while SGA’s portion is estimated at 39%. However, it is important to realize that in any investment year that does not achieve a 7.0% discount rate (or 6.5% rate), a new unfunded liability is created for

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3 CalPERS June 30, 2015 Valuation report, page 14, discount rate sensitivity
that particular year to make up the short fall. For example, investment earnings in FY2016 achieved less than 1% earnings and therefore there is additional unfunded liability that is currently not reflected in the above estimates.

**Hypothetical Termination Liability**

The previously estimated liability makes several assumptions, but most notably assumes that RWA will continue to make ongoing future payments into the CalPERS plan for its employees as an ongoing entity. CalPERS also calculates a hypothetical termination liability, which is discounted at lower rates than the regular unfunded liabilities. The termination liability assumes that all risk of the plan will be paid for by the plan and future shortfalls cannot be collected from the employer. The June 30, 2015 valuation report lists the termination liability as follows, based upon two different discount rates:

- Unfunded Liability @ 2.0% $2,790,433
- Unfunded Liability @ 3.25% $1,917,250

This termination liability may be a more accurate basis in estimating and allocating pension plan obligations for members who no longer wish to continue participation in the organization. Certainly this termination liability would be the basis of funding if RWA chooses to no longer exist as an organization.

**Ongoing Normal Cost obligations**

The ongoing normal annual PERS payments will also increase due to the change in discount rate. The normal cost represents the estimated pension obligations of current employees at the current discount rate. Even if RWA overfunds its pension obligation, resulting in a pension “asset”, RWA is still required to annually fund the normal costs. These increased estimated costs are currently factored into the FY18 adopted budget based upon the January 2017 CalPERS memo.

**Cons to funding more than the required amortization of unfunded liabilities**

As RWA/SGA becomes more fully funded in its pension plan obligations, it will also share a larger allocation of both investment pools earnings and losses. It is also important for all members to understand that even while paying a targeted unfunded liability, the liability changes both positively and negatively from year to year. RWA/SGA will likely never have a zero unfunded pension liability.

Mr. Greenwood exited the meeting.

### 7. LEGISLATIVE AND REGULATORY UPDATE

Adam Robin, Legislative and Regulatory Affairs Program Manager updated the Executive Committee on legislative and regulatory issues including Long-Term Water

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4 The new unfunded liability would be amortized over a 30 year time horizon with a 5 year ramp up phase in.
Use Efficiency Legislation, Proposition 218 - SCA 4 (Hertzberg) and the SWRCB Lead Sampling of Drinking Water in California Schools Initiative. Mr. Robin provided an update on Lobbyist Subscription Program activities, membership, and recommended positions/priorities on legislation.

RWA is sponsoring two bills related to Long-Term Water Use Efficiency and Urban Water Management Planning. AB 1654 will ultimately include the Urban Water Management Plan provisions while AB 968 will include the Long-Term Water Use Efficiency target setting provisions. Language for these bills is available that reflects the coalition comment letter that was originally submitted by a group of state water agencies. A communication will be going out to the coalition of water agencies that signed on to the letter asking for their support with these pieces of legislation. Staff is attempting to engage others outside of the water community who might be supportive.

Senator Hertzberg is sponsoring a Constitutional Amendment that would change the California Constitution to address issues associated with Proposition 218 by giving water agencies the ability to provide low income rate assistance to certain sets of their customers and it would also allow them to adopt new types of rate structures. Senator Hertzberg agreed to a list of conditions developed by the ACWA Board of Directors and State Legislative Committee that would allow ACWA to sponsor the bill.

Mr. Dugan exited the meeting.

Under the Lead Sampling of Drinking Water in California Schools Initiative every water system in California received a permit amendment in January requiring them to provide lead sampling services to K through 12 schools upon request. Local agencies have a variety of concerns related to the permit amendment, including communication responsibilities in the event of an exceedance, the cost of sampling, and the precedent of creating a statewide program through permit amendments. A couple of water agencies around the state have filed petitions for reconsideration of the Board’s action issuing the permit amendments.

Mr. Robin reviewed the bill packet that was enclosed in the board packet, identifying each bill with RWAs recommended bill position. There was discussion on the recommendations and if they represent where RWA’s interests are. All bills included in the packet will be monitored for any language change that would affect RWA’s recommendations. After discussion on SB 427 it was decided that the recommended position be changed from oppose unless amended to oppose.

M/S/C Mr. Yasutake moved, with a second by Ms. Schmitz, to adopt bill positions as presented with the exception of the recommended position on SB 427 changed to oppose. The motion carried by the unanimous voice vote of all directors present.
8. SUBCOMMITTEE UPDATES

At the January meeting of the Executive Committee, Chair Peifer appointed three subcommittees to work on specific issues. Kerry Schmitz was appointed Chair of a Conference/Education Subcommittee that also included Rob Roscoe, Pam Tobin and Kelye McKinney. Pam Tobin, Ron Greenwood, Marcus Yasutake and John Woodling were appointed to an Office Space/Lease Subcommittee to evaluate office space options for RWA when its lease on 5620 Birdcage expires in 2018. Robert Dugan was appointed Chair of a Membership Subcommittee to evaluate and help recruit potential new members.

The subcommittees gave an update at the February Executive Committee meeting. The Conference/Education Subcommittee planned to reach out to other agencies to partner with them in facilitating an event. Mr. Dugan with the Membership Subcommittee requested John Woodling, Rob Roscoe and Jim Peifer join his membership subcommittee effort. The Office Space/Lease Subcommittee received information on the office space requirements.

Chair Peifer said that the membership committee will be meeting with the City of Davis soon.

Ms. Tobin reported for the Office Space/Lease Subcommittee giving three options to consider before the current office lease expires August of 2018. The current lease agreement can be extended at the current rate or a new rate determined by the landlord, RWA can enter into a new lease agreement at a new location at an amount to be determined or the current office building can be purchased.

There was discussion about the current office space accommodations and if they would be sufficient for future growth of RWA. The committee will report back at the next Executive Committee meeting on the vacancy rate in the current building and why the building is half vacant, the vacancy rate of similar buildings in the area, renting versus owning costs and possible lease terms from the leasing company.

Ms. Schmitz reported that the Conference/Education Subcommittee has returned from a short hiatus and plans to move forward reaching out to potential partners to facilitate an event. Since an event would be a big undertaking it was suggested that the committee partner with someone for consulting assistance in the planning process.

9. MAY BOARD MEETING AGENDA

With the passage of the FY18 budget at the March Board meeting, there is the opportunity to take time for a number of possible updates and presentations at the May Board Meeting. Staff requested input from the Executive Committee on alternatives to pursue.

There were suggestions for the May 18th RWA Board meeting agenda including a presentation by the Nevada Irrigation District on progress of the Centennial
Reservoir Project, a presentation update by Ken Payne, Interim General Manager for El Dorado County Water Agency on their activities, an update on the American River basin and an update on the Sites Reservoir.

A draft agenda for the May 18th RWA Board meeting will be presented to the Executive Committee for approval at the April meeting.

10. EXECUTIVE DIRECTOR’S REPORT

SGMA Update – Five Groundwater Sustainability Agencies are expected to form to fully cover the North American Subbasin. Representatives of the entities are meeting monthly to scope the development of a single Groundwater Sustainability Plan for the subbasin. The Department of Water Resources is planning to release draft guidelines for Proposition 1 funded grants to support Sustainable Groundwater Management within the next several weeks.

Ms. Schmitz said that in the South American Subbasin there are overlapping GSAs between Sacramento Central Groundwater Authority and other agencies. On April 11th the County will be having a public hearing to accept responsibility for any and all white space in the county as of June 30th.

Strategic Communications Effort – RWA staff and consultants are coordinating closely with a small group of RWA members that have engaged a consultant to support outreach and coalition building regarding long-term water efficiency legislation and regulatory action.

Water Efficiency Update – In January 2017, the region saved 9.6% compared to January 2013. For reference, the region saved 11.5% in 2016, 2.6% in 2015, and had an increase of 18.9% in 2014, all compared to January 2013. The format of the monthly savings summary report has been updated to align with the start of a new calendar year and the modified State Water Board timeline of June 2016 through current month to represent the implementation of the “stress test” methodology.

RWA Outreach – Mr. Woodling was a panelist at the ACWA Legislative Symposium on March 8, 2017. Mr. Woodling has been conducting one-on-one meetings with RWA members, with the goal of meeting with each member at least once annually. RWA held a Board Member Orientation session after the regular board meeting on March 9, 2017. Mr. Woodling served on a drafting group to support ACWA’s development of a Board-approved Policy Statement on Bay-Delta Flow Requirements. Staff participated in the Metro Chamber State Legislative Summit on May 9, 2017.

11. DIRECTORS’ COMMENTS

Mr. Roscoe asked if RWA will be adopting a resolution in support of the ACWA policy statement on Bay-Delta Flow Requirements. It was suggested that a resolution be added to the April Executive Committee meeting agenda for recommendation to the full Board in May.
Ms. McKinney exited the meeting.

Chair Peifer said that Felicia Marcus will be speaking at a Water for People Group Water Day event at Natomas Track 7 Brewing scheduled for 5:30 p.m.

ADJOURNMENT

With no further business to come before the Executive Committee, Chair Peifer adjourned the meeting at 11:18 a.m.

By:

______________________________
Chairperson

Attest:

______________________________
Nancy Marrier, Board Secretary / Treasurer
AGENDA ITEM 3b: CONSENT CALENDAR

Draft minutes from the March 9, 2017 RWA Regular Board Meeting

EXECUTIVE COMMITTEE RECOMMENDATION:

Action: Approve the Consent Calendar Item
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
- Al Dains, Citrus Heights Water District
- Hilary Straus, Citrus Heights Water District
- Marcus Yasutake, City of Folsom
- Matthew Wheeler, City of Lincoln
- Kelye McKinney, City of Roseville
- Jim Peifer, City of Sacramento
- Denix Anbiah, City of West Sacramento
- Brendan Leonard, City of West Sacramento
- Diana Langley, City of Yuba City
- Ryan Saunders, Del Paso Manor Water District
- Deb Sedwick, Del Paso Manor Water District
- Michael Raffety, El Dorado Irrigation District
- Mark Madison, Elk Grove 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
- Ralph Felix, Rio Linda/Elverta Community Water District
- Mary Henrici, Rio Linda/Elverta Community Water District
- Kerry Schmitz, Sacramento County Water Agency
- Neil Schild, Sacramento Suburban Water District
- Rob Roscoe, Sacramento Suburban Water District
- Pam Tobin, San Juan Water District
- Paul Helliker, San Juan Water District

**RWA Associates**
- Ken Payne, El Dorado County Water Agency and Brett Storey, Placer County
RWA Affiliate Members
Jim Graydon and Paul Selsky, Brown & Caldwell; Vanessa Nishikawa, Stantec; Charles Duncan and Abigail Madrone, West Yost Associates

Staff Members
John Woodling, Rob Swartz, Nancy Marrier, Amy Talbot, Cecilia Partridge, Monica Garcia and Ryan Bezerra, Legal Counsel

Others in Attendance:
Gray Allen, Linda Yager, Todd Kotey, Shawn Jobes, Pauline Roccucci, Shauna Lorance, Annie Mager, Ellen Cross, David Gordon, Joe Duran, Brian Hensley, Dave Jones and Nicole Krotoski.

2. PUBLIC COMMENT
John Woodling, Executive Director, introduced new RWA Board Members Denix Anbiah and Brendan Leonard with the City of West Sacramento. He recognized Gray Allen, board member with Placer County Water Agency.

3. CONSENT CALENDAR
   a. Minutes of the January 12, 2017 RWA regular board meeting
   b. Approve amended RWA pay schedule for the period January 2, 2017 to comply with CalPERS citation CCR 570.5 requiring that a date of revision be present on the schedule

   Motion/Second/Carried (M/S/C) Ms. McKinney moved, with a second by Mr. Nugent to approve the consent calendar items. The motion carried by the unanimous voice vote of all directors present.

3. STRATEGIC PLAN PROGRESS DISCUSSION
John Woodling gave a presentation with an overview of what the Strategic Plan has accomplished and future goals and priorities. The Executive Committee has discussed updating the strategic plan to address current realities at its January and February 2017 meetings. He updated the full board on progress in implementing the strategic plan and outlined a proposed process for seeking input on a plan update.

RWA adopted its Strategic Plan 2013-2018+ in late 2013. In the interim, a number of external factors have changed, including the drought emergency, the passage of the Sustainable Groundwater Management Act, and a new Administration proposal for permanent water conservation target setting authority. Future planning includes ongoing development of the Integrated Regional Management Plan and development of a Regional Water Reliability Plan.
Implementation of the Strategic Plan has included the IRWM Plan with more than $50 million in IRWM grant funding to date, public outreach and school education under the Regional Water Efficiency Program, coordinated compliance with emergency water conservation reporting and a regional chemical purchase program. There has been media outreach on water management accomplishments and water conditions; expanded involvement in Metro Chamber, ACWA and SACOG; a Water Financing workshop, Board presentation of relevant issues, and briefings with local elected officials to inform and educate. Prior to 2014, there was a coordinated member-led advocacy effort with a lobbyist under contract to RWA in 2015, with a full time program manager in 2017. Staff is involved in a leadership role in statewide efforts including SGMA regulations and long term water efficiency legislation and in the ACWA State Legislative Committee and CMUA.

Staff is requesting feedback from Board members on Strategic Plan status and priorities. The Executive Committee will assess modifications to the Strategic Plan and priorities. The modifications will then be presented to the RWA Board of Directors for adoption.

4. FISCAL YEAR 2017 – 2018 BUDGET

Each year the RWA Executive Committee (EC) reviews and makes a recommendation for adoption of the budget by the full board. The EC discussed some strategic drivers of the proposed Fiscal Year 2017-2018 budget (“FY18 Budget”) at the January 25, 2017 and February 22, 2017 EC meetings. The EC was presented with a list of the significant decisions that impacted the development of the budget objectives and outcomes which drive fees and expenses.

John Woodling, Executive Director gave a presentation with an overview of the benefits of RWA membership, cost drivers for FY18 and what to anticipate for FY2019. The RWA Fiscal Years 2002-2017 Grant Awards table showed the grant reimbursements and awards that have been received.

The following topics were discussed:

1) The proposed overall fee increase is 10%, with some medium sized agencies paying more or less, depending upon their changes in connections. This increase was anticipated in the previous year.
2) The fee increases continues to pay for the implementation of the advocacy element of the strategic plan, including a full year of staffing costs. The Strategic Plan Fund that began in FY16 is helping to pay for this implementation in FY17 and FY18. This Strategic Plan Fund was funded by capping the operating fund at four months. Any available resources over four months were then directed towards this fund. The intent of the designation was to support future activities while limiting
large single-year fee increases. It is expected that the strategic plan fund will no longer be needed by FY19 as rates will then support the new staff position. The four month cap on the operating fund will also be lifted.

3) The WEP Program Manager continues to assist with RWA core functions. Some of these activities have included State Water Resources Control Board emergency regulations, water supply data collection, the water-energy study, and the development of an RWA annual report. During the FY17 budget cycle, approximately 10% of the staffing costs associated with this position were shifted to RWA core dues to reflect the support provided to the core program by this position. Since this position supports multiple core programs, the FY18 budget will reflect an increase to 20% of staffing and related office costs to be funded by core dues. The subsequent years will also assume an increasing 10% per year (FY22 projected at 60% paid for by core dues). This shift in costs from WEP to RWA allows WEP to use more of its funds for direct public outreach costs. Over time, the shift in costs to RWA dues results in the EC having final authority and oversight of WEP.

4) In keeping with RWA’s direction in reducing the pension plan unfunded liability, the FY18 budget will reflect an additional payment above the required annual payment. The FY19 through FY22 budget also reflects a best guess at increased required costs and additional payments toward the unfunded liability that are now resulting from CalPERS reducing the discount rate from 7.5% to 7.0% as announced in December 2016. More changes in the future will likely be made as well. Staff will review the funding/payment approach with the Executive Committee to determine funding strategy.

5) RWA’s lease will be coming up for renewal at the beginning of fiscal year 2019 (August 2018). RWA will set aside costs for a potential move at the end of FY18. Chair Peifer appointed a building lease subcommittee to review options for RWA. RWA likely will face increased leasing costs after the lease expiration.

6) RWA will continue to fund the OPEB plan, including the expected increases as a result of the decreased discount rate and changes to the valuation as a result of implicit versus explicit.

7) RWA will conduct a compensation survey in FY18. Any changes due to this survey have not been factored into the FY18 proposed budget.

8) The IRWMP program is being fully funded by the core program, beginning in FY18. Costs include consulting support.
9) RWA increased its support for public relations as well as costs associated with implementing GASB 75 related to OPEB accounting.

10) For FY19, RWA can currently anticipate a 10% increase to fund the anticipated increase in leasing costs, anticipated additional payments to pay the unfunded liability, increasing the WEP staffing support to the core program from 20% to 30% and to fully pay for the government relations position.

Based upon the discussions above as well as historical financial information the FY18 proposed budget was included for review. The following information was not explicitly discussed during the meeting, but was included as part of a staff report.

Summary Budget Overview

Revenues

1) A total 10% increase on general and associate membership fees is proposed. This 10% increase was forecast in the previous year. The increase is needed to fully implement the strategic plan, plus continuing to pay sums towards the unfunded pension liability. Some agencies may experience greater than 10% increase if connections increased from the previous year. Additionally, core revenues are now projected to cover 20% of the WEP manager costs and related office expenses.

2) No increases to affiliate membership fees are planned.

3) SGA service fees represent 50% sharable costs according to the Administrative Services Agreement and exclude the Water Efficiency Program staffing, the legislative program manager, and the retired annuitants for RWA and SGA. SGA does pay for 20% of the project assistant position.

4) Subscription program revenues provide 15% of needed RWA Core revenues and reflect income earned from providing staffing and office support to subscription based programs, including the WEP.

5) Powerhouse Science Center reflects five year allocated funding with FY19 as the final year.

6) Other revenues represent interest income and holiday social revenues.

Expenses

1) The core program budgets for all staffing positions including the WEP position and new legislative program manager position. RWA Core dues are projected to pay for 20% of WEP program manager position and related office costs.

2) Shared staffing costs are allocated 50/50 to SGA and RWA which excludes the WEP program manager, legislative Program Manager, the
project assistant position. The project assistant is allocated 20% to SGA. These allocations result in 4.8 FTEs for RWA and 2.2 FTEs for SGA for a total of 7 fulltime positions.

3) Staff salaries are within ranges assigned by a 2012 total compensation survey and reflect a possible 5% increase for merit (including COLA), plus 2% to compensate for the employees paying 2% of their PERS retirement contribution. In FY18, staff will pay 6% of their PERS portion. Beginning in FY19, staff will pay the full 7% employee share.

4) The FY18 budget now includes a legislative program manager staff position for a full year.

5) Benefit costs also include projected increases for CalPERS pension unfunded liability payments, OPEB and health care, and a reduction of a 2% employer pick up of the employee portion of PERS retirement benefits, so that RWA is only paying 1% of the employee portion in FY18.

6) Office cost increases are based upon estimated increases in FY18. For FY19 and beyond, these costs are estimated at 3% annual increases unless specific increases have been identified, such as the office lease renewal which is budgeted for an expected increase.

7) Professional fees now include IRWM consulting costs. It also includes higher audit, accounting and actuarial analysis fees due to the new reporting requirement for GASB 68 and implementation of GASB 75, increased public relations, stable legal costs, a compensation survey, and $21,000 for unexpected items.

8) Other includes office equipment purchases and potential office move costs of $20,000.

9) Core project expenses include costs associated with the Powerhouse Science Center partnership.

Revenues net of Expenses

1) Core revenues in excess of core expenses project a net cash inflow of approximately $53,300 for the core program. The subscription based programs pay for use of staff time as well as some allocated office costs to run these programs.

2) Subscription expenses are projected to exceed revenues by approximately $572,100, largely due to the Water Energy Grant. Many subscription program expenses will be funded from previously collected funds which have been set aside for this purpose.

3) Combined core and subscription expenses versus revenues net a projected decrease in cash flow of approximately $518,800 essentially caused by the subscription program timing of cash collections versus expenses.

Designations
1) The operating fund is targeted at four months for FYE 17-18, which falls within the policy guideline of four to six months. The operating fund designation will be capped at four months, with any remaining resources funding the Strategic Plan Fund and/or undesignated.

2) The Strategic Plan Fund represents resources being set aside to fully implement the strategic plan. The FY18 budget anticipates using a portion of this fund to pay for the new legislative program manager until it is depleted in FY19.

3) The Powerhouse Science Center (“PSC”) designation represents the difference in collection of fees for this project versus the payments made per the contract with PSC.

4) The designations are detailed by type. The total change in cash from Projected FY17 to Proposed FY18 by subtotal for the core program reflects the overall net cash inflow of approximately $53,300 and the effect on each type of designation.

5) The designations for the subscription program reflect a decrease of approximately $572,100 over subscription based expenses, largely due to the water energy grant expected costs in FY18. These programs typically collect revenues in advance of expenses. These expenses will be funded from the corresponding program designations.

SUBSCRIPTION PROGRAMS

These subscription based programs are subject to approval by the individual participants. The revenues are included for total estimate purposes and to reflect the expected contribution towards the Core program for staffing and office costs which is budgeted at 15% for FY18. Adopting the fiscal year 2017-2018 budget does not approve the subscription based programs.

1) Subscription program revenues are projected for the Water Efficiency Program (WEP Category 1 and 2), Prop 84 grant management and grant revenue, the regional reliability plan management fees, the government relations contract lobbyist, the 2014 drought grant management and grant revenue, the 2014 Water Energy grant management and grant revenues, and the 2015 IRWM grant. The revenues include fees from participants and grant reimbursements from existing grants.

2) Subscription program expenses represent the direct consulting and third-party costs for these subscription programs. It also includes the cost of using RWA staff and allocated office costs to determine the cash flow effect on these programs. In a combined budget, the RWA staff and allocated office costs are netted out to avoid double counting of the costs since these costs are also included in the Core budget. A Summary Table – Split Program for a reconciliation of the individual budgets to the overall RWA budget per the combined Executive Summary Table was enclosed.
3) The subscription based programs collect fees in advance of expenses and often straddle several years prior to completion. The funds are held in an advance restriction until the expenses are incurred. With the exception of WEP, these additional program advances are only recognized as income as the related expenses are incurred. These advances are tracked for budgeting purposes and also included on the detail program budget sheet. While WEP fees are set aside for WEP services, these fees are recognized as incurred.

4) The subscription restrictions reflect the available funds for these programs. The use of these designations projected in FY18 is reflected in the changes in the individual restrictions.

**Outlook for FY 2019**

In looking out to the future, RWA can anticipate another potential 10% increase in dues in FY19 in order to meet increased expenses related to new staffing, increased leasing costs, continue paying the unfunded pension plan liability, increased costs related to the change in discount rate, and continue paying for the shift of the WEP manager costs to be funded 30% by core dues. The unfunded pension plan liability cost is expected to increase due to the change in discount rate. FY19 and beyond does reflect increased budgeted 6% salary costs but does not incorporate increases that may arise due to revision of job classifications or compensation benchmark comparisons. Future projections assume RWA and SGA share staffing and administrative costs and subscription based programs will contribute 12% of revenues to pay for Core staffing and office costs.

No changes to membership are anticipated, including any decline due to agency consolidations or nonparticipation. These changes would have a significant impact on rate increases in the future.

M/S/C Ms. Sedwick moved, with a second by Ms. Tobin to approve Fiscal Year 2017 – 2018 Budget. The motion carried by the unanimous voice vote of all directors present. Mr. Gray abstained.

6. **LEGISLATIVE AND REGULATORY UPDATE**


Looking ahead what do we do for long term water efficiency standards and how do we improve drought planning under the Urban Water Management
Plan. The state appointed an advisory group to discuss how to implement the Executive Order. Prior to a draft report developed by the advisory group RWA assisted in coordinating two letters with a broad coalition of water providers proposing alternatives with improvements in drought planning and water efficiency. There are weekly meetings on the long term water efficiency standard setting process.

RWA staff provided an update on Lobbyist Subscription Program activities, membership, and recommended positions/priorities on legislation. Citrus Heights Water District has recently signed up to participate in the Lobbyist Subscription Program.

Amy Talbot, Senior Program Manager gave an update on California Urban Water Conservation Council (CUWCC) developments and changes. The CUWCC is transitioning to a new organization called the California Water Efficiency Partnership (CWEP). CWEP will be a membership focused partnership dedicated to providing value and assistance to California water providers to reach their state mandated and provider developed water conservation and efficiency goals. This transition represents a huge shift from the existing CUWCC in several ways. There will no longer be separate membership groups. All water providers, environmental organizations and supporting private entities will receive equal representation and voting privileges on the CWEP Board. The CWEP Board will be one cohesive governing body. Currently RWA, city of Sacramento and Sacramento Suburban Water District all have representatives on the CWEP Board. Additionally water agency reporting on conservation and efficiency activities (including BMP 1.4) will no longer be a focus for the organization, but will still be available for those water agencies that have reporting obligations to external organizations such as the Water Forum or the Bureau of Reclamation. RWA is working with the Water Forum to revisit conservation reporting requirements for this region.

Senator Hertzberg, Chair of Senate Natural Resources and Water Committee has two bills on Proposition 218 reform, one of which is a regular Senate Bill that provides the opportunity to charge for stormwater programs. A bill has also been introduced that is more closely tied to water rates, SCA 4, which is a Constitutional Amendment. This bill provides the ability to do life line water rates and to have more flexibility to set conservation based rates.

AB 401 states that the State Water Board has to look at the process of water affordability. State Water Board staff is working on a report on the topic and is expected to make recommendations for legislative fixes, including funding.

Agencies should have received water supply permit modifications requiring them to provide lead sampling services to K through 12 schools upon request. Local agencies have a variety of concerns related to the permit
amendment, including communication responsibilities in the event of an exceedance, the cost of sampling, and the precedent of creating a statewide program through permit amendments.

7. **EXECUTIVE DIRECTOR’S REPORT**

**Water Efficiency Update** – We are still in the process of reporting water agency monthly savings to the State Board. In January 2017 the region saved just under 10% with the state’s water savings just under 20%. The format of the monthly savings summary report has been updated to align with the start of a new calendar year and the modified State Water Board timeline of June 2016 through current month to represent the implementation of the “stress test” methodology.

**Grants Update** – Staff is currently managing four grants totaling $30 million. RWA has received confirmation from DWR that the $25 million 2006 DWR Prop 50 Implementation Grant terms have been completed. DWR is in the process of releasing the final retention on the project. In February, RWA received a commitment letter from DWR for the $250K 2016 Prop 1 Integrated Regional Water Management Planning Grant award. The grant will be used to update the American River Basin IRWM Plan to meet updated standards released in 2016.

**ACWA Update** – Mr. Woodling attended the ACWA DC Conference and participated with RWA member agency staff in visits to legislators and staff. Conference attendees heard from panels of legislators, staff, and media on a number of issues. Notable was a recent executive order from the Trump Administration on the Waters of the United States (WOTUS) under the Clean Water Act. The order reverses Obama Administration Actions that would have greatly expanded the applicability of the Clean Water Act. The Trump Administration to Infrastructure funding is very uncertain at this time. Several legislators expressed the opinion that a work on infrastructure funding would not come until next year, after other priorities such as the Affordable Care Act and tax cuts are resolved. Additionally, it is unclear what form infrastructure funding will take, and to what degree water will be in the mix.

On March 10, 2017, The ACWA Board of Directors will consider a policy statement regarding the State Water Resources Control Board’s approach to flow setting for the Bay-Delta Water Quality Control Plan Update. If that policy is approved, staff will bring a resolution of support to the RWA Board for consideration in May.

**Financial Documents** – The financial reports for the period ending January 31, 2017 were attached.
Mr. Woodling mentioned the RWA Board Member Orientation meeting that will immediately follow the board meeting today. There will be additional Orientation meetings after the May 18, 2017 and July 13, 2017 RWA Board meetings.

9. DIRECTORS’ COMMENTS

Ms. Tobin reported that she attended the ACWA Legislative Conference in Washington D.C. last week. One of the things that took place was a meeting with Senator Feinstein’s office staffer. To create working relationships with legislative staffers it is necessary to make as many trips to Washington D.C. as possible on water issues.

Ms. Yager said that Placer County Water Agency is expanding their small AMI Pilot project and have awarded a bid for construction in their zone 3 service area. The project is expected to be completed August 2017.

Mr. Gray said that there is a vacancy on the Fair Oaks Water District Board of Directors for Division 3. Their board endorses the water bank and possible regional water transfer efforts.

Mr. Schild said that at the February Sacramento Suburban Water District Board of Directors’ meeting they authorized cooperative investment with Fulton El Camino Park District to enter into a water garden area. Dave Jones was elected as a new Board member for Sacramento Suburban Water District at the November 2016 board meeting.

Adjournment

With no further business to come before the Board, Chair Peifer adjourned the meeting at 10:35 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer
AGENDA ITEM 4: RESOLUTION NO 2017-03 IN SUPPORT OF ACWA POLICY STATEMENT ON BAY-DELTA FLOW REQUIREMENTS

BACKGROUND:

On March 10, 2017, The ACWA Board of Directors considered a policy statement regarding the State Water Resources Control Board’s approach to flow setting for the Bay-Delta Water Quality Control Plan Update. Staff brought Resolution 2017-03 to the Executive Committee to recommend approval by the RWA Full Board at the May meeting.

Presentation: John Woodling, Executive Director

EXECUTIVE COMMITTEE RECOMMENDATION:

Action: Approve Resolution No. 2017-03 Supporting the ACWA Policy Statement on Bay-Delta Flow Requirements
RESOLUTION 2017-03

A Resolution of the Regional Water Authority
In Support of ACWA Policy Statement On Bay-Delta Flow Requirements
Dated March 2017

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

WHEREAS, the Authority is a signatory to the Sacramento Area Water Forum Agreement, which commits to the coequal objectives of reliable water supplies and a healthy environment on the Lower American River; and

WHEREAS, California is facing a defining moment in water policy that will be substantially impacted by the State Water Resources Control Board’s approach to water quality objectives under the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta; and

WHEREAS, the State Water Board has the responsibility for updating the Bay-Delta Plan in a manner that establishes water quality objectives that ensure the reasonable protection of all beneficial uses of water in a way that is consistent with the coequal goals of improving water supply reliability and protecting, restoring and enhancing the Delta ecosystem; and

WHEREAS, the State Water Board’s current staff proposal, which focuses singularly on an “unimpaired flow” approach, is irreconcilable with a policy of coequal goals; and

WHEREAS, the ACWA Board of Directors has unanimously adopted a strong policy statement that calls for a better approach that can more effectively achieve ecological objectives while maintaining water supply reliability; and

WHEREAS, the ACWA statement notes that to be successful, the state’s flow policy must be consistent with the principles of collaboration, comprehensive solutions, science, functional flows, economic considerations, consistency with state policy, and leadership;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Regional Water Authority hereby supports ACWA’s Policy Statement on Bay-Delta Flows and encourages the State Water Resources Control Board to embrace the approach articulated in ACWA’s policy statement.

PASSED AND ADOPTED at a meeting of the RWA Board held on May 18, 2017.

By: ________________________________
Chair, Regional Water Authority

Attest: ________________________________
Clerk, Regional Water Authority
COLLABORATIVE APPROACH IS KEY TO CALIFORNIA’S FUTURE

California is facing a defining moment in water policy. A staff proposal under consideration by the State Water Resources Control Board presents a decision point about the future we want for California and its communities, farms, businesses and ecosystems. The State Water Board’s staff proposal to base new water quality objectives on a “percentage of unimpaired flow” would have impacts that ripple far beyond water for fish.

The proposal could lead to widespread fallowing of agricultural land, undercut the state’s groundwater sustainability goals, cripple implementation of the Brown Administration’s California Water Action Plan, negatively affect water reliability for much of the state’s population and impact access to surface water for some disadvantaged communities that do not have safe drinking water. These effects are not in the public’s interest.

Local water managers overwhelmingly believe the proposal’s singular focus on “unimpaired flow” is the wrong choice for the state’s future. California’s urban and agricultural water managers are united in their vision for a future that includes a healthy economy as well as healthy ecosystems and fish populations. That vision is best achieved through comprehensive, collaborative approaches that include “functional” flows as well as non-flow solutions that contribute real benefits to ecosystem recovery.

On behalf of its more than 430 member public agencies serving urban and agricultural customers throughout the state, the Association of California Water Agencies (ACWA) adopts the following policy statement regarding the State Water Board’s proposed approach to updating the Water Quality Control Plan for the San Francisco Bay/Sacramento-San Joaquin Delta.
CHOOSING OUR VISION FOR CALIFORNIA’S WATER FUTURE

Since 2009, state law has required water resources to be managed in a way that achieves the coequal goals of improving water supply reliability for California and protecting, restoring and enhancing the Delta ecosystem. ACWA and its public water agency members believe that policy requires a commitment from state agencies and stakeholders to advance both water supply and environmental goals together. ACWA and its members further believe that effective implementation of the coequal goals requires transparent, collaborative processes and comprehensive solutions.

In 2014, the Brown Administration released its California Water Action Plan outlining priority actions addressing water-use efficiency, groundwater sustainability, ecological restoration, Delta conveyance solutions, water storage, safe drinking water and more. Embedded in the plan is the Brown Administration’s commitment that planned actions “will move California toward more sustainable water management by providing a more reliable water supply for our farms and communities, restoring important wildlife habitat and species, and helping the state’s water systems and environment become more resilient.”

ACWA believes the policy of coequal goals and the commitment embedded in the California Water Action Plan have the potential to put California on a path that includes a vibrant agricultural and urban economy and a healthy ecosystem.

ACWA and its members believe the unimpaired flow approach proposed by State Water Board staff undercuts and threatens that potential and cannot lead us to the future we want for California. Simply put, any strategy that would result in vast amounts of agricultural land going out of production and ultimately reduce water supply reliability for the majority of Californians is irreconcilable with a policy of coequal goals and blatantly inconsistent with the water policy objectives of the Brown Administration.

ACWA strongly supports the collaborative approach called for by Governor Jerry Brown to move these important decisions out of adversarial processes and into negotiated, comprehensive agreements. The following principles can assure success in that endeavor.

LOCAL SUCCESS STORIES

Collaborative efforts have been successful on many rivers in the Bay-Delta watershed.

Lower Yuba River: A voluntary, collaborative settlement among Yuba County Water Agency, California Department of Fish and Wildlife, National Marine Fisheries Service, PG&E and conservation groups resolved 20 years of controversy and resulted in a continuing program to improve 24 miles of salmon and steelhead habitat while protecting water rights and the needs of local communities. State Water Board members have specifically recognized the value of the agreement, which was formally implemented in 2008.

Lower American River: A broad representation of water suppliers, environmental groups, local governments and others negotiated an historic agreement that led to a flow management standard that was successfully incorporated into a 2009 biological opinion issued by the National Marine Fisheries Service.

Feather River: Six years of negotiations among water users, fisheries agencies and environmental groups yielded a comprehensive agreement that includes a habitat improvement program with specific flow and temperature requirements to accommodate spawning salmon and steelhead. The State Water Board adopted the agreement, with some modification, in 2010 as a water quality certification under the federal Clean Water Act.
**A BETTER PATH TO THE FUTURE**

The State Water Board is responsible for updating the Bay-Delta Plan in a manner that establishes water quality objectives that ensure the reasonable protection of all beneficial uses of water (including domestic, municipal, agricultural and industrial supply; power generation; recreation; aesthetic enjoyment; navigation; and preservation and enhancement of fish, wildlife, and other aquatic resources) while considering past, present and probable future beneficial uses, environmental characteristics, water quality conditions and economic considerations, among other things. (See California Water Code Section 13241.) It also has a responsibility to update the plan in a way that is consistent with the coequal goals and respects and implements the commitments made in the California Water Action Plan.

ACWA and its members urge the State Water Board to set aside the unimpaired flow approach and heed Governor Brown’s call for negotiated agreements. ACWA believes that a successful flows policy must be consistent with the following principles:

- **Collaboration:** The governor has called for work on a comprehensive agreement on environmental flows in both the San Joaquin and Sacramento River basins. He has asked that State Water Board members and staff prioritize analysis and implementation of voluntary agreements. Further, the Brown Administration committed in the California Water Action Plan that the State Water Board and the California Natural Resources Agency will work with stakeholders to encourage negotiated implementation of protective Delta standards. ACWA strongly supports the collaborative approach called for by the governor because it is the least contentious, most effective way to achieve the coequal goals. Negotiated agreements have been demonstrably successful at achieving outcomes and widespread support for appropriate environmental flows; forced regulations have not yielded the same track record. The State Water Board should wholly embrace this approach and allow enough time for it to work.

- **Comprehensive Solutions:** A successful collaborative approach will require comprehensive solutions for both water supply and ecosystem management. Water users will need to continue and build on their commitment to integrated resources management in order to maintain reliability without undue impacts on the ecosystem. Similarly, ecosystem managers will need to focus on the entire life cycle of affected species and multiple variables, such as predation, food, and habitat availability to develop integrated management portfolios that accomplish ecosystem goals without undue impacts on water supply. Utilizing the single variable proposed in the “percentage of unimpaired flow” approach will not achieve the desired ecological outcomes and is, by far, the most destructive policy approach from the perspective of protecting and improving water supply. ACWA firmly believes the ecological outcomes can be achieved with even better results through a comprehensive approach that considers multiple solutions and benefits.

- **Science:** The State Water Board needs to incorporate the best available science to inform its work and assist with the development of voluntary settlement agreements. The unimpaired flow approach, in which flow objectives are not tied to any specific ecological outcome, fails to incorporate the best available science. As noted above, the updated plan needs to focus on the entire life cycle of affected species and multiple variables, such as predation, food, and habitat availability, and incorporate relevant current scientific information. Science alone cannot identify the best policy choice, but it can inform us about the policy tradeoffs we confront and help structure integrated solutions that provide ecosystem benefits with far less impact on water supply, the California economy and the public interest.
FUNCTIONAL FLOWS: A BETTER APPROACH

Sacramento Valley: Sacramento Valley water users and conservation partners are working together to advance a new generation of innovative projects to promote salmon recovery.

Over the past two and a half years, 12 projects have been completed through the Sacramento Valley Salmon Recovery Program to address fish passage, improve the timing of flows and increase habitat for salmon and other species. Priority projects have included removal of structural barriers to fish passage, modifying riffles, eliminating predator habitat, restoring floodplains and creating side channel spawning and rearing areas.

In addition, program partners are exploring creative ways to reconnect water with the land in floodplains and agricultural areas to enhance habitat and food production and create rearing habitat in rice fields.

While each of these collaborative projects provides independent value, implementation of the entire comprehensive suite is generating unique benefits that can significantly improve ecological outcomes for salmon in the Sacramento Valley.

Merced River: Merced Irrigation District has spent millions of dollars and decades undertaking intense and in-depth scientific research on the Merced River. This research has included analysis of flows, temperatures, biological resources and habitat. MID is poised to put this research into action through its Merced S.A.F.E. Plan (Salmon, Agriculture, Flows, and Environment) to provide certainty for both the environment and local water supply in Eastern Merced County.

The plan would provide increased flows using science to dictate the amounts and timing, restore critical sections of habitat for spawning and rearing juvenile salmon, protect local drinking water quality, upgrade an existing salmon hatchery with state-of-the-art facilities and reduce predation.

Based on in-depth science and technologically advanced computer modeling, MID seeks to take immediate action and dramatically benefit salmon on the Merced River.

- **Functional Flows:** Science shows that functional flows have very promising benefits for fish as well as agricultural and urban water users. Timed and tailored for specific purposes, functional flows can benefit species in ways that unimpaired flow requirements cannot. Examples abound of collaborative, innovative projects currently underway by local water agencies and stakeholders that include functional flows and non-flow solutions that reconnect land and water to restore habitat and address the full life cycle of species needs. These efforts contribute real benefits to ecosystem recovery while maintaining water supply reliability.

- **Economic Considerations:** The State Water Board has a statutory obligation to consider economic impacts when establishing water quality objectives that reasonably protect all beneficial uses of water. Having a robust economic analysis is critical. The board also has a policy obligation under the coequal goals to ensure its actions related to a revised Bay-Delta Plan increase water supply reliability and thereby allow for a healthy, growing agricultural and urban economy in California.

- **Consistency with State Policy:** ACWA urges the State Water Board to heed the governor’s direction and recognize that achieving the coequal goals will lead to a more reliable water supply and healthy ecosystem. Pursuing the coequal goals should be a guiding principle for the board’s decisions related to adopting a revised Bay-Delta Plan. The State Water Board also should ensure that its decisions on the Bay-Delta Plan enable, rather than obstruct, the implementation of the California Water Action Plan.

- **Leadership:** The best policy choice will come through the give and take of the negotiating process and the enlightened leadership of the State Water Board members. Ultimately, the board must establish water quality objectives that ensure the reasonable protection of all beneficial uses of water as it implements negotiated solutions. The State Water Board should actively engage in this work and lead in a manner that is grounded in an awareness of how its actions can affect the implementation of the California Water Action Plan and the achievement of the coequal goals.

ACWA and its members have taken a strong policy position in support of comprehensive solutions such as those outlined in the California Water Action Plan. We stand ready to work with the Brown Administration to pursue the collaborative and comprehensive approaches needed to ensure a future for California that includes a vibrant agricultural and urban economy and a healthy ecosystem.
AGENDA ITEM 5: EL DORADO COUNTY WATER AGENCY

BACKGROUND:

El Dorado County Water Agency (EDCWA) continues to work on water resources projects on behalf of El Dorado County. Encompassing the areas between Lake Tahoe and the boundary between El Dorado and Sacramento counties, EDCWA is responsible for planning on water-resource issues, and representing the long-term interest of the communities, the water purveyors and residents. Under Chapter 96, the El Dorado Water Agency Act, the EDCWA is authorized to develop a countywide water plan and to participate in statewide water planning. The agency is empowered to negotiate contracts with the Department of Water Resources, the U.S. Bureau of Reclamation and other local, state and federal agencies for water management and facility construction. EDCWA will provide an information presentation regarding the overview of the agency and some of the key projects or programs of the agency.

Information Presentation: Kenneth V. Payne, P.E., EDCWA Interim General Manager
AGENDA ITEM 6: CALIFORNIA URBAN WATER CONSERVATION COUNCIL
BECOMING CALIFORNIA WATER EFFICIENCY PARTNERSHIP

BACKGROUND:

The California Urban Water Conservation Council (CUWCC) is now the California Water Efficiency Partnership (CalWEP). The Partnership carries forward the leadership, expertise and collaboration that was a CUWCC hallmark, but with a new name and new, more nimble framework. The Partnership is focused on providing leadership and expertise within a collaborative framework on California water issues, challenges and opportunities. The Partnership works to achieve efficiency gains by helping its members meet legislative and regulatory requirements, as well as municipal or utility-adopted water use goals; fostering research and evaluation; serving as an information clearinghouse; providing tools, training and professional networking opportunities; advancing modern data analytics; serving as a technical expert to members and local, state and federal agencies; transforming markets for water use efficiency-related products and services; sharing successes and building partnerships to improve water efficiency and produce additional benefits for water system and ecosystem resilience.

Sarah Foley, Interim Executive Director, will present information regarding the transition from CUWCC to CalWEP, including discussion on the new Board structure, the memorialization of the CUWCC’s best management practices (BMPs) Memorandum of Understanding (MOU), and future reporting options for those water agencies that use the CUWCC reporting format for Water Forum, Urban Water Management Plan, and Bureau of Reclamation conservation reporting among other topics.

Information Presentation: Sarah Foley, Interim Executive Director
Overview

The California Water Efficiency Partnership (formerly the California Urban Water Conservation Council) is an innovative leader, voice and expert on water efficiency in California that fosters collaboration among a wide variety of stakeholders.

The Partnership carries forward the collaboration that was a Council hallmark but with a new name and nimble and productive framework.

The new framework reflects the Council's evolution from implementing a 25-year-old Memorandum of Understanding on Water Conservation (and by extension Best Management Practices), as well as adjusts the previous voting structure to speed decision making and progress toward organizational goals. This evolution allows the organization to serve members and quickly adapt to California's changing regulatory, political, social, economic and environmental climate.

Advancing Water Efficiency in California

The Partnership works to achieve efficiency gains by:

- Helping members meet legislative and regulatory requirements, as well as municipal or utility-adopted water use goals
- Fostering research and evaluation
- Serving as an information clearinghouse
- Providing tools, training and professional networking opportunities
- Advancing modern data analytics
- Serving as a technical expert to members and local, state and federal agencies
- Transforming markets for water use efficiency-related products and services
- Sharing successes and building partnerships to improve water efficiency and produce additional benefits for water system and ecosystem resilience
What is the California Water Efficiency Partnership?
The California Water Efficiency Partnership (Partnership) is the successor organization to the California Urban Water Conservation Council (Council), which is undergoing an organizational transformation. Members voted in December 2016 to allow the Council to sunset so that a refocused and restructured organization could emerge on January 1, 2017. That organization—the California Water Efficiency Partnership—carries forward the leadership, expertise and collaboration that was a Council hallmark but with a new name and new nimble framework.

What are the Partnership’s key membership benefits?
The Partnership is focused on providing leadership and expertise within a collaborative framework on California water issues, challenges and opportunities. Key membership benefits include:

- Dedication to addressing California’s unique issues, challenges and opportunities.
- Innovation, leadership and expertise on water efficiency.
- Collaboration with a wide variety of stakeholders.
- Information and tools to help members meet regulatory requirements and challenges.
- Information sharing, resources and networking.
- Research and data collection to advance water efficiency and spur market transformation.

How does the Partnership differ from other organizations that promote water conservation and water use efficiency?
The Partnership is dedicated to addressing California’s unique issues and providing value to California water providers, while pursuing beneficial collaborations with other organizations focused on water conservation and water efficiency in the United States.

Who are the Partnership’s members?
Members include a wide variety of stakeholders working together to advance water efficiency in California such as:

- Urban water suppliers, including cities that deliver or supply water for urban use at the wholesale or retail level.
- Non-profit public advocacy organizations whose prime mission is to protect the environment.
- Landscape industry organizations and businesses interested in advancing market transformation to sustainable, water-efficient landscaping in California.
- Water industry leaders and organizations.
- Universities and research organizations.

Who is staffing and governing the Partnership during the transition period?
The organizational changes allow staff to remain working seamlessly on programs, projects and committee activities. In addition, 11 current Board members are remaining in office, five former non-voting advisors became voting Transition Board members and five vacant seats were filled by the Transition Board.
AGENDA ITEM 7: LEGISLATIVE AND REGULATORY UPDATE

BACKGROUND:

RWA staff will update the Board on developments related to **Long-Term Urban Water Efficiency and Conservation Legislation**, including RWA’s co-sponsored bills AB 968 (Rubio) & AB 1654 (Rubio).

Other legislative and regulatory updates for the Board include:

a. **Proposition 218 - SCA 4 and SB 231**
   
   Senator Bob Hertzberg has introduced two measures related to Proposition 218: SCA 4 and SB 231. SCA 4 is a proposed constitutional amendment that would provide voluntary authorities to local agencies to provide lifeline rates to low-income ratepayers, as well as implement “demand-based” rate structures. ACWA is sponsoring SCA 4. As a constitutional amendment, SCA 4 will require a two-thirds vote in the legislature and majority voter approval to be enacted. SB 231 is a companion policy bill which is intended to address funding issues for stormwater projects.

   In March, RWA took a “watch” position on SCA 4. RWA staff are actively engaged in an ACWA workgroup coordinating the continued development of the substantive language of SCA 4.

b. **Public Goods Charge Legislation and SWRCB Statewide Low-Income Water Rate Assistance Program**
   
   AB 401 (Dodd, 2015) directs the State Water Board to report to the Legislature by February 1, 2018 on the feasibility, financial stability, and desired structure of a statewide low-income ratepayer assistance program, that includes recommendations for legislative action. The SWRCB held a workshop in February where they announced that their report would also identify needs and recommendations for funding operations & maintenance expenses for disadvantaged communities that lack access to safe drinking water. A draft of the report is expected to be released later this year.

   The issue of securing a funding source for these purposes has not yet been addressed, but a public goods charge on water system ratepayer bills has been identified as a potential source of funding. SB 623 (Monning) has been amended to address related issues and flagged as a potential legislative vehicle that could create a public goods charge. RWA staff will be closely monitoring SB 623 and the SWRCB’s Statewide Low-Income Water Rate Assistance Program.

c. **Lead in Drinking Water Legislation**

   In January 2017, the SWRCB issued permit amendments to all water systems that require them to provide lead sampling services to K-12 schools in their service area on request. Several water agencies from around the State have filed petitions for reconsideration with the SWRCB challenging the permit amendments.
A number of bills related to this issue have been introduced in the Legislature. RWA supports lead sampling and testing of drinking water in schools, but opposes ongoing mandates for public water systems to provide sampling on school property, as well as proposals that would require water systems to plan or implement any required corrective actions for schools’ plumbing systems.

RWA staff will also provide an update on **Lobbyist Subscription Program** activities, membership, and RWA’s positions/priorities on legislation.

**EXECUTIVE COMMITTEE RECOMMENDATION:**

Information Presentation: Adam W. Robin, Legislative & Regulatory Affairs Program Manager
**AB 975**  (Friedman D)  **Natural resources: wild and scenic rivers.**

**Current Text:**  Amended: 5/4/2017  [Text](#)

**Introduced:** 2/16/2017

**Last Amended:** 5/4/2017

**Status:** 5/4/2017-Read third time and amended. Ordered to third reading.

**Location:** 5/4/2017-A. THIRD READING

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**Calendar:**
5/11/2017  #18  ASSEMBLY THIRD READING FILE - ASSEMBLY BILLS

**Summary:**
Current law establishes that it is the policy of the state that certain rivers that possess extraordinary scenic, recreational, fishery, or wildlife values shall be preserved in their free-flowing state, together with their immediate environments, for the benefit and enjoyment of the people of the state. This bill would revise that policy to specify that certain rivers that possess scenic, recreational, fishery, wildlife, historical, cultural, geological, or other similar values shall be preserved in their free-flowing state, together with their immediate environments, for the benefit and enjoyment of the people of the state, and would revise the definition of "immediate environments," and define the term "extraordinary value" for purposes of that policy.

**Position:**  OPPOSE

**Priority:**  Medium

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**AB 1668**  (Friedman D)  **Water management planning.**

**Current Text:**  Amended: 4/18/2017  [Text](#)

**Introduced:** 2/17/2017

**Last Amended:** 4/18/2017

**Status:** 5/10/2017-Action From APPR.: To APPR. SUSPENSE FILE.

**Location:** 5/10/2017-A. APPR. SUSPENSE FILE

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**Calendar:**
5/10/2017  9 a.m. - State Capitol, Room 4202  ASSEMBLY APPROPRIATIONS, GONZALEZ FLETCHER, Chair

**Summary:**
Current law, the Urban Water Management Planning Act, requires every public and private urban water supplier that directly or indirectly provides water for municipal purposes to prepare and adopt an urban water management plan and to update its plan once every 5 years on or before December 31 in years ending in 5 and zero, except as specified. This bill would require an urban water management plan to be updated on or before July 1, in years ending in 6 and one, incorporating updated and new information from the 5 years preceding the plan update.

**Position:**  OPPOSE

**Priority:**  Medium

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**AB 1669**  (Friedman D)  **Urban water conservation standards and use reporting.**

**Current Text:**  Amended: 4/18/2017  [Text](#)

**Introduced:** 2/17/2017

**Last Amended:** 4/18/2017

**Status:** 5/10/2017-Action From APPR.: To APPR. SUSPENSE FILE.

**Location:** 5/10/2017-A. APPR. SUSPENSE FILE

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**Calendar:**
5/10/2017  9 a.m. - State Capitol, Room 4202  ASSEMBLY APPROPRIATIONS, GONZALEZ FLETCHER, Chair

**Summary:**

Would require the State Water Resources Control Board, in consultation with the Department of Water Resources, to adopt long-term standards for urban water conservation and water use by May 20, 2021. The bill would authorize the board, in consultation with the department, to adopt interim standards for urban water conservation and water use by emergency regulation. The bill would require the board, before adopting an emergency regulation, to provide at least 60 days for the public to review and comment on the proposed regulation and would require the board to hold a public hearing.

**Position:** OPPOSE  
**Priority:** Medium

**SB 427**  
*Public water systems: lead user service lines.*  
**Current Text:** Amended: 3/22/2017  
**Introduced:** 2/15/2017  
**Last Amended:** 3/22/2017  
**Status:** 5/2/2017-Read second time.Ordered to third reading.  
**Location:** 5/2/2017-S. THIRD READING

**Summary:**
Would, by July 1, 2020, require a public water system to provide the timeline for replacement of known lead user service lines in use in its distribution system to the State Water Resources Control Board. The bill, by July 1, 2020, would require a public water system that has identified areas that may have lead user service lines in use in its distribution system to (a) provide to the state board its determination as to whether there are any lead user service lines in use in those areas of its distribution system and provide a timeline to the state board for replacement of those lead use service lines, and (b) provide findings as to whether there are any areas for which it cannot determine the content of the user service lines and a timeline for the replacement of those user service lines.

**Position:** OPPOSE  
**Priority:** Medium

**SUPPORT**

**AB 968**  
*Urban water use: water efficiency.*  
**Current Text:** Amended: 4/17/2017  
**Introduced:** 2/16/2017  
**Last Amended:** 4/17/2017  
**Status:** 5/10/2017-Action From APPR.: To APPR. SUSPENSE FILE.  
**Location:** 5/10/2017-A. APPR. SUSPENSE FILE

**Summary:**
Would require each urban retail water supplier to develop a water efficiency target, as defined, for 2025 in its 2020 urban water management plan required to be submitted by July 1, 2021, and to achieve that target. The bill would authorize an urban retail water supplier to adjust and update the water efficiency target, as appropriate, when the supplier reports its compliance in achieving the water efficiency targets and its implementation of the identified performance measures in its 2025 urban water management plan required to be submitted by July 1, 2026. The bill would require each urban retail water supplier to meet its adjusted 2025 water efficiency target by December 31, 2025, unless the supplier makes a certain report to the department.

**Position:** SUPPORT  
**Priority:** HIGH

**AB 1427**  
*Water: underground storage.*  
**Current Text:** Amended: 3/21/2017  
**Introduced:** 2/17/2017
**AB 1654** *(Rubio D)*  Water shortage: urban water management planning.

Current Text: Amended: 3/28/2017  [Text](#)

Introduced: 2/17/2017

Last Amended: 3/28/2017

Status: 5/10/2017-Action From APPR.: To APPR. SUSPENSE FILE.

Location: 5/10/2017-A. APPR. SUSPENSE FILE

Summary:
Would require each urban retail water supplier to report annually by June 15 to the Department of Water Resources the status of its water supplies for that year and whether the supplies will be adequate to meet projected customer demand, as prescribed. The bill would require the urban retail water supplier to implement the appropriate responses as described in its water shortage contingency analysis if the urban retail water supplier reports that all available water supplies for the applicable water year will not be adequate to meet projected customer demand.

Position: SUPPORT

Priority: HIGH

**SB 580** *(Pan D)*  Water development projects: Sacramento-San Joaquin watersheds.

Current Text: Introduced: 2/17/2017  [Text](#)

Introduced: 2/17/2017

Status: 4/17/2017-April 17 hearing: Placed on APPR. suspense file.

Location: 4/17/2017-S. APPR. SUSPENSE FILE

Summary:
Current law adopts and authorizes federally adopted and approved projects, including a project for flood control along the American and Sacramento Rivers. The projects are authorized at an estimated cost to the state of the sum that may be appropriated by the Legislature for state participation upon the recommendation and advice of the Department of Water Resources or the Central Valley Flood Protection Board. This bill would revise the authorization for the project for flood control along the American and Sacramento Rivers as further modified by a specified report adopted by Congress.

Position: SUPPORT

Priority: Medium

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**AB 18** *(Garcia, Eduardo D)*  California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.

Current Text: Amended: 2/23/2017  [Text](#)

Introduced: 12/5/2016

Last Amended: 2/23/2017

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Location: 3/20/2017-S. DESK

Summary:
Would enact the California Clean Water, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of $3,105,000,000 pursuant to the State General Obligation Bond Law to finance a clean water, climate, coastal protection, and outdoor access for all program. This bill contains other related provisions.

Position: SUPPORT/AMEND
Priority: Medium

**AB 746 (Gonzalez Fletcher D) Public health: potable water: lead testing: school sites and campuses.**

Current Text: Amended: 5/3/2017  
Introduced: 2/15/2017
Last Amended: 5/3/2017
Status: 5/4/2017-Re-referred to Com. on APPR.
Location: 5/3/2017-A. APPR.

Summary:
Would require a local educational agency, the Board of Governors of the California Community Colleges, and the Trustees of the California State University to test for lead in the potable water system at every school site or campus within their respective jurisdictions at least once a year or once every 3 years, depending on whether a building was constructed before or after January 1, 1993.

Position: SUPPORT/AMEND

**SB 5 (De León D) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.**

Current Text: Amended: 3/28/2017  
Introduced: 12/5/2016
Last Amended: 3/28/2017
Status: 4/20/2017-April 24 set for second hearing canceled at the request of author.
Location: 3/28/2017-S. APPR.

Calendar:
5/15/2017 9 a.m. - John L. Burton Hearing Room (4203) SENATE APPROPRIATIONS, LARA, Chair

Summary:
Would enact the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018, which, if approved by the voters, would authorize the issuance of bonds in an amount of $3,000,000,000 pursuant to the State General Obligation Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program.

Position: SUPPORT/AMEND
Priority: Medium

Total Measures: 11
Total Tracking Forms: 11
AGENDA ITEM 8: EXECUTIVE DIRECTOR’S REPORT
MAY 18, 2017

TO: REGIONAL WATER AUTHORITY BOARD OF DIRECTORS

FROM: JOHN WOODLING

RE: EXECUTIVE DIRECTOR’S REPORT

a. Strategic Plan Update Process – The RWA Strategic Plan adopted in 2013 has served the organization well, guiding both the direction of activities and budget development. Early in 2017, the Executive Committee began a process to update the Strategic Plan. RWA Board members were recently given an opportunity to provide input. The EC will use this input to develop proposed modifications to the Strategic Plan, with the goal of bringing recommendations to the full board in late 2017.

b. Regional Planning Update – Work on the Regional Water Reliability Plan (RWRP) continues. The identification of vulnerabilities phase of the RWRP is nearly complete, and the identification of mitigation actions phase is currently underway. The next phase of RWRP development will be to quantify the potential water supply yield generated by expanded conjunctive use operations in the region. These results are expected toward the end of 2017.

Work on the update to the American River Basin Integrated Regional Water Management Plan (ARB IRWMP) commenced with a stakeholder kickoff meeting on April 24, 2017. The meeting, which was attended by 31 stakeholders, sought input on the existing ARB IRWMP goals, objectives, and strategies, as well as the current governance structure. The plan update is necessary because of new IRWM standards released by the Department of Water Resources in 2016. The plan update is expected to be complete in July 2018.

c. Water Efficiency Update – In February and March 2017, the region saved 25% and 34% respectively with a cumulative savings from June 2016 of 23%. In February and March 2017, the state saved 25% and 22% respectively with a cumulative savings from June 2016 of 20%. April 2017 regional and state savings information is not available at this time.

In an effort to promote the region’s conservation saving and efficiency progress, RWA has created a “Making Water Efficiency a Way of Life” infographic for distribution to policy makers, partners and other interested parties. The infographic covers the following topics: per capita (GPCD) water usage, comparative regional and state drought savings (2014-2016), return flows, metering progress, and local land use and weather drivers. The infographic is included in the packet (Note: designed to be printed on 11 X 17 paper size).
The Regional Water Efficiency Program (RWEP) released the 2017 public outreach campaign focused on efficient landscape watering. The campaign ads feature an eye catching tagline followed by a water savings tip and link to the BeWaterSmart.info website. The key message for 2017 are most water use occurs outdoors, get to know how much water your landscape really needs, and upgrade irrigation to improve/maximize efficiency. These messages will be used for online and radio advertisements with Facebook, Google and Capital Public Radio. The Campaign will also be promoting a public service announcement video in partnership with the Sacramento River Cats. Paid advertising will run through September 2017.

d. Grants Update – Staff is currently managing four grants totaling $30 million. During the past quarter, more than $1.7 million in reimbursement were received from the grants (see enclosed table). Staff is working with DWR on a contract for the $250K 2016 Prop 1 Integrated Regional Water Management Planning Grant award. The grant will be used to update the American River Basin IRWM Plan to meet updated standards released in 2016.

e. Compensation Study – RWA Policy 400.2 states, “It is the intent of the Authority to provide employee compensation that is fair and equitable and that is comparable, based upon an employee’s experience, skills and performance consistent with established job descriptions, with that of similar water and public entities regionally. As a small, professional, management-focused organization, it is the intent of the Authority to provide employee compensation at or above the labor market mean for the industry.”

In support of this objective, the policy calls for a compensation survey on a five year schedule (at the discretion of the RWA Executive Committee). RWA’s last compensation study was completed in late 2012. The Executive Committee directed staff to move forward with a compensation study, and RWA has retained Bryce Consulting to conduct the work, with the goal of bringing the study to the RWA Board for approval in November 2017.
Making Water Efficiency a Way of Life in the Sacramento Region

Local water providers were on target to meet state mandates to reduce urban water use by 20 percent by 2020.

Sacramento region reduced water use by 25 percent in 2016 compared to 2013 and continues to be committed to long-term efficiency.

Water Use Since 2000

Water Use is Steady While Population Increases 25 Percent (2000–13)

Local water providers were first in California to ask customers to conserve and led the state in water use reductions.

Sacramento-area water providers were in California’s Top 5 for water conservation from June 2014 to December 2015.

Sacramento-Area Residents Are Continuing to Use Less (2016)

Progress on Water Meters

90 Percent of Water Accounts Are Now Metered

Most Sacramento-area water providers are 100 percent metered and have been for years. Others are continuing to upgrade their systems, including installing state-of-the-art wireless water meter reading systems at homes and businesses.

Return Flows

Water Used Here Flows Back Into California’s Water System

More than 40 percent of the water used in the Sacramento region is returned to our watershed and local waterways to benefit people and the environment downstream, decreasing the area’s net water use.

Water Use Reflects the Region’s Unique Characteristics

Hot Temperatures, Large Landscapes Drive Water Use

In winter, when sprinklers are turned off, the Sacramento region’s water use is comparable to other communities throughout California, as well as the statewide average for residential per-person water use.

In summer, the Sacramento region averages 74 days over 90 degrees. Hot days stress landscapes, which then require more water to survive.

Development patterns and affordable land values provide opportunities to own property. Larger landscapes generally result in higher water use.

Higher per-capita water use does not signify waste

Doing Our Part During Drought

Contributing to California’s Water Savings

Sacramento-area residents and businesses contributed 12 percent of the state’s total savings (with only 5 percent of the state’s population).

Water Saved (June 2014–December 2016)

2 million people in the Sacramento region vs 39 million people statewide

121 billion gallons saved in the Sacramento region vs 1 trillion gallons saved statewide

5% OF POPULATION

Sacramento

12% OF SAVINGS

California

192 billion

Meet the drinking water needs of 870,000 families for a year

870,000

Produce 192 billion craft beers

4.8 billion

Wash 4.8 billion loads of laundry

1.9 trillion

Fill 1.9 trillion glasses of water

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## Regional Water Authority Status of Grant Awards

April, 2017

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<th>Awarding Agency</th>
<th>Prop 84 2011 Implementation Grant</th>
<th>Prop 84 Drought Grant</th>
<th>DWR Water Energy Grant</th>
<th>Prop 84 2015 Implementation Grant</th>
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AGENDA ITEM 9: DIRECTORS' COMMENTS