

**REGIONAL WATER AUTHORITY
EXECUTIVE COMMITTEE AGENDA**

June 28, 2017; 8:30 a.m.
5620 Birdcage Street, Suite 110
Citrus Heights, CA 95610
(916) 967-7692

AGENDA

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

- 1. CALL TO ORDER AND ROLL CALL**
- 2. PUBLIC COMMENT:** Members of the public who wish to address the committee may do so at this time. Please keep your comments to less than three minutes.
- 3. CONSENT CALENDAR**
Minutes of the May 24, 2017 Executive Committee meeting
Action: Approve Consent Calendar item
- 4. LEGISLATIVE AND REGULATORY UPDATE**
Information Presentation: Adam W. Robin, Legislative and Regulatory Affairs Program Manager
Action: Adopt Bill Positions
- 5. SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE**
Information Update: John Woodling, Executive Director
- 6. STRATEGIC PLAN PROGRESS UPDATE**
Presentation and Discussion: John Woodling, Executive Director
Action: Recommend modifications to the Implementation Goal of the Strategic Plan to the RWA Board of Directors
- 7. SUBCOMMITTEE UPDATES**
Updates from Subcommittees on Conference, Membership and Office Space
- 8. JULY 13, 2017 RWA BOARD MEETING AGENDA**
Action: Approve July 13, 2017 proposed RWA Board Meeting Agenda

9. EXECUTIVE DIRECTOR'S REPORT

10. DIRECTOR'S COMMENTS

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

ADJOURNMENT

Upcoming meetings:

Upcoming Executive Committee Meetings – July 26, 2017 at 8:30 a.m. at the RWA office and August 16, 2017 at 11:30 a.m. at the RWA office

Next RWA Board of Directors' Meeting – Thursday, July 13, 2017, at 9:00 a.m. in the RWA conference room, 5620 Birdcage Street, Ste. 110, Citrus Heights, CA 95610

June 28, 2017

AGENDA ITEM 3: CONSENT CALENDAR

Minutes of the May 24, 2017 Executive Committee meeting

Action: Approve Consent Calendar Item

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

Nicole Krotoski, Mitch Dion and Debra Sedwick

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The minutes from the Executive Committee meeting held April 26, 2017.

Motion/Second/Carried (M/S/C) Mr. Greenwood moved, with a second by Ms. Schmitz, to approve the minutes from the April 26, 2017 Executive Committee meeting. The motion carried by the unanimous voice vote of all directors present.

4. CHAIR TO APPOINT 2017 EXECUTIVE DIRECTOR EVALUATION COMMITTEE

Each year the RWA Chair appoints an Executive Director Review Committee. Policy 400.4 states that "The RWA Chair will select an Evaluation Committee comprising four members, consisting of two members from the RWA Executive Committee and two Board Members from the SGA. Members of the Evaluation

Committee will not be from the same agency. Whenever feasible, the Chair of the RWA will chair the Evaluation Committee and the Chair of the SGA will serve on the Evaluation Committee.”

Chair Peifer appointed Marcus Yasutake, City of Folsom; Chair, Kerry Schmitz, Sacramento County Water Agency; Kelye McKinney, City of Roseville; and Robert Dugan, Placer County Water Agency to serve on the Ad Hoc 2017 Executive Director Review Committee

5. DEFINED BENEFIT PENSION PLAN FUNDING POLICY 500.15

Nicole Krotoski explained the changes made to draft Policy 500.15 since the April 26, 2017 Executive Committee meeting. Two separate policy concepts are now presented: 1) funding the historical pension plan liability (Policy 500.15) and 2) fiscal obligations of members who withdraw in regards to unfunded pension liabilities (Policy 500.16). See item 6 for discussions on Policy 500.16. Ms. Krotoski clarified that the suggested time frame to pay back the unfunded liability was over a four year period and that this time frame was a policy choice. Ms. Krotoski also suggested RWA should consider any potential risk that RWA may be assuming if RWA funds its historical pension obligations more quickly while other agencies may not, especially in light of the fact that RWA belongs to a pension plan risk pool.

Mr. Woodling handed out an article entitled “CalPERS may cut Trinity Water District Pensions” because the agency was so far behind in their CalPERS obligations. He emphasized it is important that RWA protect employees, retirees and member interests as part of the JPA, while having some control about CalPERS decisions.

Executive Committee members suggest the annual budget should incorporate a set aside reserve fund to help pay the unfunded liability. Mrs. Krotoski stated the current adopted budget does anticipate annual additional lump sum payments beyond FY18 to pay the unfunded liability.

Ms. Tobin entered the meeting.

After discussion it was suggested that an annual report be generated and presented to the Executive Committee with the current status of the unfunded pension liability based upon the latest available CalPERS Annual Valuation report for RWA. It was agreed that a sentence be added to the first paragraph in the policy stating that a current status report, with the latest available plan valuation, is to be produced by January 1st of each year prior to the budget process.

The information below was not specifically discussed during the meeting but are notes from the staff report to assist in understanding the background of the policy development.

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. The decrease in discount rate will affect both components of RWA's CalPERS payment, 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).

Since RWA membership is voluntary, the Executive Committee has focused on refining a funding strategy for RWA's unfunded accrued pension liability ("pension liability") as calculated by CalPERS. RWA has been paying additional sums over and above the required contributions to the pension plan in order to pay down the pension liability more quickly. The following additional amounts over and above the required contributions have been contributed or are expected to be contributed towards the pension liability as follows:

Fiscal Year Ending June	RWA	SGA ¹	Total
2013 (paid) ²	\$ 42,530	\$ 26,611	\$ 69,141
2016 (paid)	137,400	87,600	225,000
2017 (in process)	42,000	SGA pays directly	42,000
2018 (budgeted)	<u>42,000</u>	<u>SGA pays directly</u>	<u>42,000</u>
Total	<u>\$263,930</u>	<u>\$114,211</u>	<u>\$378,141</u>

Even though RWA has been paying the required pension funding contributions and increased additional contributions, RWA still has an unfunded liability. This liability is due to the fact that CalPERS amortizes unfunded liability costs into payments over long periods of time (typically 30 years) so as to smooth out the cash flow requirements from employers. Now with the change in discount rate to 7.0% with a potential decrease to 6.5% after the next few years, RWA's unfunded liabilities will grow again because past liabilities will now be revalued with a lower discount rate.

The Executive Committee requested staff to develop a more formalized approach to pay down these pension liabilities more quickly. Staff presented a draft of Policy 500.15 at the April 26, 2017 Executive Committee meeting. After much discussion about the nuances of this policy, staff was directed to separate the policy components and clarify some of the language of the policy. Policy 500.15 represents a funding strategy and Policy 500.16 addresses the allocation of the unfunded liability for members who choose not to renew membership. According to the Amended and Restated Joint Exercise of Powers Agreement dated October 8, 2013, a "withdrawing Member pays or agrees to pay its share of debts, liabilities and obligations of the RWA incurred by the Member under the Agreement prior to

¹ Starting on July 1, 2016 (FYE 2017), SGA has its own CalPERS contract and will pay its own share of normal costs, lump sum contributions and additional payments towards the unfunded liability.

² In fiscal year 2013, RWA and SGA paid the side fund payment which effectively was a component of the unfunded pension liability.

the effective date of such withdrawal.” As Members receive employee services in execution of RWA’s projects, mission and advocacy, these employee’s payroll and related current and future benefits need to be paid for by members who benefit from those services.

M/S/C Ms. McKinney moved, with a second by Ms. Tobin to recommend RWA Full Board Approval of Defined Benefit Pension Plan Funding Policy 500.15 amending footnote 3 in the policy with the sentence suggested above³. The motion carried by the unanimous voice vote of all directors present.

6. ALLOCATING UNFUNDED PENSION LIABILITIES TO WITHDRAWING MEMBER POLICY 500.16

Policy 500.16 addresses the allocation of unfunded pension liabilities to withdrawing members.

There were comments and suggested amendments to Policy 500.16. It was agreed that Paul Schubert, Rob Roscoe and Kelye McKinney will participate on a conference call to work on the comments and proposed amendments to Policy 500.16 and bring an edited version back to the Executive Committee for consideration.

No action was taken at this time. It was agreed that Policy 500.16 be revisited at a future Executive Committee meeting with an edited version of the policy.

7. LEGISLATIVE AND REGULATORY UPDATE

Adam W. Robin, Legislative and Regulatory Affairs Program Manager, updated the Executive Committee on legislative and regulatory issues including Long-Term Urban Water Use Efficiency Legislation, Proposition 218, SB 231 and SCA 4, Public Goods Charge Legislation, SWRCB AB 401 (2015) Statewide Low-Income Water Rate Assistance Program and Lead in Drinking Water Legislation. He summarized the path of the bills through the legislative process and the anticipated outcomes. Both AB 968 and AB 1864 currently have statewide coalition support behind them and are on the suspense file. Proposition 218 is focused on State Constitutional Amendment 4, a measure to amend the California Constitution to give local agencies voluntary authority to implement low income rate assistance and demand-based rate structures. The State Water Board began an effort focused on the Public Goods Charge Legislation and Statewide Low-Income Water Rate Assistance Program with a report designed for a statewide low income rate assistance program with a goal of influencing legislative activity this year. The report is now expected later this year. There is legislation aimed at the lead in school drinking water issue. RWA is supporting a bill that is expected to move forward, that would require schools to provide testing. There are additional bills dealing with the lead in drinking water issue including water systems that are required to give a time line for replacement of suspected or known lead service

³ The changes includes the requirement of presenting RWA’s unfunded pension liability by January 1 to the EC to be incorporated into the annual budget process.

lines. Mr. Robin reported that staff has been actively engaged with the legislature and the governor's office on water related bills.

8. STRATEGIC PLAN PROGRESS UPDATE

John Woodling, Executive Director, gave a presentation update on the RWA *Strategic Plan 2013-2018+* adopted in late 2013. Since that time, a number of internal and external factors have changed the planning landscape, including the passage of the Sustainable Groundwater Management Act, the drought emergency, and proposals for new permanent water conservation standards.

At the Executive Committee meetings since the January 25, 2017 meeting, the Executive Committee has 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 full RWA Board and discussed the feedback received as well as how to proceed. The Executive Committee can assess the issues with a recommendation to the full board for certain issues and take any issues that are uncertain to the full board for input.

Over the course of several months, the Executive Committee will discuss all of the goals and objectives of the Strategic Plan for potential modification. At the last Executive Committee meeting it was suggested that each portion of the Strategic Plan be presented for discussion separately.

The highest level goal on the Regional Planning Goal portion of the Strategic Plan is to continuously improve an integrated regional water management plan that is comprehensive in scope and guides effective water resources management in the region. There were no changes under the first priority goal, to develop a Regional Water Reliability Plan to identify most promising regional opportunities to improve water supply reliability. There are changes under the second priority goal, to evaluate climate as a regional vulnerability and consider climate adaptation strategies. To complete a comprehensive update to the American River Basin Integrated Regional Water Management Plan has been added as a third priority goal.

There was discussion on the Strategic Plan goals presented, what should remain and what should be modified for the most benefit for RWA member agencies. Any comments or feedback on today's discussion will be sent to the Executive Director for inclusion in the Strategic Plan for presentation to the June Executive Committee to recommend approval to the RWA full board. The second piece of the Strategic Plan (Implementation) will be presented to the June Executive Committee for discussion.

9. 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. Mr. Dugan requested that Rob Roscoe, Jim Peifer and John Woodling join his efforts on the Membership Subcommittee.

Mr. Dugan said that the Membership Subcommittee will wait until after RWA Policy 500.16 has been approved before recruiting new RWA members. Woodland and Davis will be the first agencies approached for RWA membership. It was suggested that a presentation be given jointly to Woodland-Davis, Yolo County Water Resources Association and Yolo County Flood Control presenting a history of RWA including the benefits of becoming a member with a focus on urban interests as well as agriculture.

Ms. Tobin reported that the Office Space/Lease Subcommittee is researching information on the vacancy rate in our area. The committee continues to work on lease renewal options and plans to bring options to the next Executive Committee meeting.

Ms. Schmitz said that the Conference/Education Subcommittee continues to work on obtaining information for the event planner at the Education Foundation to propose the idea of partnering with the RWA to plan an event. It has been determined that a consultant is essential in planning an event and it is imperative to clearly define the objective and subject of an event.

10. EXECUTIVE DIRECTOR'S REPORT

Mr. Woodling reported that he has a meeting scheduled with Susan Rohan, Roseville Mayor and three people from SACOG. The meeting is to coordinate efforts between RWA and SACOG.

Mr. Bezerra reported on the State Water Board's Water Fix hearing. The Modified Flow Management Standard was presented with terms and conditions.

11. DIRECTORS' COMMENTS

Mr. Roscoe said that he will be out of the office most of June. There is a general manager recruitment announcement at www.sswd.org for his replacement. It is anticipated that the new general manager will begin employment after the first of the year in 2018.

Ms. McKinney reported that West Placer Groundwater Sustainability Agency (GSA) participants have all signed a Memorandum of Agreement and required documents were submitted to DWR. A notice has been received from DWR identifying a couple of small parcels that have an overlap between the Western Placer GSA area and the South Sutter Water District GSA area. The overlaps need to be addressed prior to posting the Western Placer GSA for its 90-day public comment period. She also reported that the water rates package for the City of Roseville passed through council.

Ms. Tobin said that Paul Helliker is now officially general manager for San Juan Water District. Keith Durkin has retired. The District also passed their rate increase.

Mr. Greenwood said that it feels good to be back at the Executive Committee meeting. At the Carmichael Water District board meeting there was a reading of their proposed budget, which will be finalized next month. The District is working on possible agreements with neighbors to facilitate assistance with water transfers.

Ms. Schmitz thanked Rob Swartz for his presentation at the Cosumnes Basin meeting. There's an opportunity for that part of the county to participate in an overall modeling effort.

Chair Peifer said that he had previously announced that the City of Sacramento was planning to rescind their Stage 2 water shortage emergency on May 30th. The City has decided to rescind the emergency order in about 10 weeks at which time they will present a package of recommendations to the City Council for consideration.

Ms. Tobin, Ms. McKinney and Chair Peifer exited the meeting.

Chair Peifer handed the gavel to Vice Chair Marcus Yasutake for the remainder of the meeting.

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

There was nothing to report from closed session.

ADJOURNMENT

With no further business to come before the Executive Committee, Vice Chair Yasutake adjourned the meeting at 11:39 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer

June 28, 2017

AGENDA ITEM 4: LEGISLATIVE AND REGULATORY UPDATE

BACKGROUND:

RWA staff will update the Executive Committee on legislative and regulatory issues including:

- a. Long-Term Urban Water Use Efficiency Legislation
- b. Proposition 218 - SB 231 and SCA 4
- c. Public Goods Charge Legislation and SWRCB AB 401 (2015) Statewide Low-Income Water Rate Assistance Program
- d. Lead in Drinking Water Legislation

RWA staff will also provide an update on Lobbyist Subscription Program activities.

STAFF RECOMMENDATION:

Information Presentation: Adam W. Robin, Legislative & Regulatory Affairs Program Manager

Action: Adopt Bill Positions

June 28, 2017

AGENDA ITEM 5: SUSTAINABLE GROUNDWATER MANAGEMENT ACT (SGMA) UPDATE

BACKGROUND:

Efforts to ensure that the entire North American subbasin is represented by Groundwater Sustainability Agencies (GSA) before the July 1, 2017 deadline are nearing completion. All of the necessary agencies have filed their intent to be GSAs. The basin will be covered by five Groundwater Sustainability Agencies, including the Sacramento Groundwater Authority, Western Placer (Roseville, Lincoln, Placer County, Placer County Water Agency, Nevada Irrigation District and California-American Water); South Sutter Water District; Reclamation District 1001 (in coordination with Pleasant Grove-Verona Mutual Water Company; and Sutter County (in coordination with Natomas Central Mutual Water Company). The five GSAs have a consultant working on a scope for a single Groundwater Sustainability Plan (GSP) for the subbasin.

The Yolo Subbasin GSA held its inaugural meeting, at which it adopted its Joint Powers Agreement on June 19, 2017. The Sacramento Central Groundwater Authority submitted an alternative to a Groundwater Sustainability Plan and is awaiting review by the Department of Water Resources.

The California Department of Water Resources released a draft grant application for grants to support the development of a GSP. SGA provided comments by the deadline of June 19, 2017 (attached).

STAFF RECOMMENDATION:

Information Update: John Woodling, Executive Director



Sacramento Groundwater Authority
*Managing Groundwater Resources
 in Northern Sacramento County*

5620 Birdcage Street, Suite 180
 Citrus Heights, CA 95610

Tel: (916) 967-7692
 Fax: (916) 967-7322
 www.sgah2o.org

June 19, 2017

Heather Shannon
 Division of Integrated Regional Water Management
 California Department of Water Resources
 PO Box 942836
 Sacramento, CA 94326-0001

Transmitted via email to: SGWP@water.ca.gov

Dear Ms. Shannon:

We appreciate the opportunity to provide comments on the Proposal Solicitation Package for Groundwater Sustainability Plans and Projects - Draft, May 2017 (PSP). We believe the Draft PSP, with appropriate modifications outlined below, describes a sound process to promote the development of Groundwater Sustainability Plans (GSP) for medium and high priority groundwater basins in California.

To best facilitate the ongoing technical work and coordination that will be needed for successful implementation of the Sustainable Groundwater Management Act (SGMA), we strongly urge that the following elements be retained in the Final PSP.

- One grant per basin/subbasin (Category 2) will promote coordination among multiple Groundwater Sustainability Agencies (GSAs) and GSPs in a basin.
- GSAs as the eligible applicant for Category 2 projects will ensure that the grant outcomes contribute to a satisfactory GSP and that GSAs build their capacity to carry out their future responsibilities.

We have a number of recommendations for improving the PSP to better meet the needs of GSAs in developing their GSPs. These recommendations include the following,

- Agencies that submitted alternatives to a GSP should not be excluded from applying for funding. At the time of the filing deadline, agencies will not have certainty that the alternative will be approved, and even if approved there may be future technical work planned to accomplish long term sustainability. Expecting a GSA to either forego the opportunity for funding or abandon their alternative filing does not contribute to the outcome of sustainable groundwater management. While eligibility should not be restricted, the Department of Water Resources (DWR) may want to consider a lower maximum grant amount, additional requirements, and/or phased implementation depending on the outcome of the alternative plan.

California American
 Water

Carmichael
 Water District

Citrus Heights
 Water District

City of Folsom

City of Sacramento

County of Sacramento

Del Paso Manor
 Water District

Fair Oaks Water District

Golden State
 Water Company

Natomas Central Mutual
 Water Company

Orange Vale
 Water Company

San Joaquin / Elverta
 Community Water
 District

Sacramento Suburban
 Water District

San Juan
 Water District

Agricultural and
 Self-Supplied
 Representative

Letter to Heather Shannon
California Department of Water Resources
Subject: Comments on Proposal Solicitation Package
for Groundwater Sustainability Plans and Projects
Page two of three

- The maximum grant amount should be constrained for a non-adjudicated area of a Bulletin 118 basin that is largely occupied by one of the adjudicated basins identified under SGMA. Funding should be prioritized for basins that are fully required to prepare a GSP.
- In some cases, the PSP unnecessarily goes beyond the requirements of SGMA statute and regulations as well as Proposition 1. For example, there is no justification for requiring a demonstration of “financial need” as called for in Attachment 3 or for identifying how the applicant would complete proposed work, “absent SGWP funding.” Proposition 1 did not identify any consideration for financial need as a qualifying criterion for this funding. Specific funding for severely disadvantaged communities and waiver of cost share for disadvantaged communities are intended to address the question of financial need. Any further criteria related to financial need should be removed from the PSP.
- Similarly the PSP calls for a “basinwide governance structure.” This seems to go beyond the SGMA requirement for coordination agreements among multiple GSAs within a basin, and at a minimum is premature at the time of filing of a grant application. This reference should be removed from the PSP. Instead DWR should ensure that the proposal provides evidence that GSAs have agreed to work collaboratively on one or more GSPs that will cover the entire basin.

Finally, there are a number of places where DWR must provide greater clarity in the Draft PSP, for example

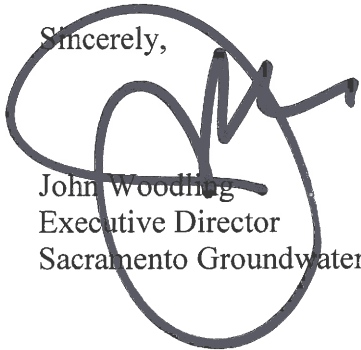
- The meaning of “project” vs. “proposal” for Category 2 is not well defined. In some cases, the language of the PSP implies that a completed GSP is a “project,” whereas in others it implies that individual work elements like monitoring wells, a groundwater model, etc. are separate “projects.” Staff indicated at a public meeting on June 12, 2017 that the intent was for development of a GSP to be the “project.” The PSP should be redrafted to clearly represent this intent. Ultimately, DWR should be primarily concerned with three things: 1) does the applicant demonstrate that it has a comprehensive plan and the capacity to prepare a GSP that meets statutory and regulatory requirements, 2) does the applicant identify how the work proposed for funding contributes to the completion of the GSP, and 3) will the work proposed for funding or cost share be adequately documented to support reimbursement.
- Consistent with this interpretation of “project,” the PSP states that the, “*Final product for Category 2 Projects shall be complete GSP(s) approved by DWR that complies with all GSP regulations...*” Approval of a GSP by DWR cannot reasonably be the standard for completion of a grant, in light of the fact that DWR has two years to review a submitted GSP.

Letter to Heather Shannon
California Department of Water Resources
Subject: Comments on Proposal Solicitation Package
for Groundwater Sustainability Plans and Projects
Page three of three

- The PSP is unclear why the May 18, 2016 date was selected for the purpose of identifying cost share activities. We recommend that January 1, 2015, the date the SGMA law went into effect, be used for the eligibility of cost share.

Thank you for the opportunity to comment. If you have any questions, please contact me at (916) 967-7692 or jwoodling@rwah2o.org.

Sincerely,

A handwritten signature in black ink, appearing to read "John Woodling", is written over the typed name. The signature is stylized and somewhat circular.

John Woodling
Executive Director
Sacramento Groundwater Authority

June 28, 2017

AGENDA ITEM 6: STRATEGIC PLAN PROGRESS UPDATE

BACKGROUND:

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 Executive Committee meetings since January 2017, the Executive Committee has discussed the progress of strategic plan implementation as well as the approach to updating, modifying, and reprioritizing elements of the plan. Staff solicited input from the full RWA Board and discussed the feedback received as well as how to proceed. In May, the Executive Committee recommended changes to the Regional Planning goal of the Strategic Plan for consideration by the full Board. Proposed modifications to the Implementation goal are attached for consideration by the Executive Committee.

STAFF RECOMMENDATION:

Presentation and Discussion: John Woodling, Executive Director

Action: Recommend modifications to the Implementation Goal of the Strategic Plan to the RWA Board of Directors

IMPLEMENTATION GOAL - ASSIST MEMBERS WITH IMPLEMENTING SUCCESSFUL WATER RESOURCES MANAGEMENT STRATEGIES AND RELATED PROGRAMS. THIS INCLUDES IDENTIFYING, ACQUIRING AND ADMINISTERING EXTERNAL SOURCES OF FUNDING				
Objective				
A. Promote implementation of the American River Basin Integrated Regional Water Management Plan				
1. Seek funding for projects included in the IRWM Plan and support efforts of individual entities to leverage the IRWM Plan for funding				
2. Assist with acquiring and managing grant funding for regional projects, including infrastructure, water conservation, and water reliability				
3. Maintain the IRWM web database and make appropriate updates to the IRWM Plan on a quarterly basis				
B. Promote Improvements in water use efficiency in the region to meet future water needs and assure compliance with applicable requirements				
1. Continue to cost effectively implement a clearly defined water efficiency program that allows members to satisfy public outreach and school education requirements for a number of purposes including the Water Forum , Central Valley Project Improvement Act (CVPIA), and Urban Water Management Plans (UWMPs)				
2. Continue to track and report progress in attaining compliance with metering requirements				
3. Track individual member agency water use and develop a strategy for the regional compliance option for SB X7-7 requirements prior to the interim 2015 deadline with State standards				
4. Evaluate and redefine scope and governance of regional water efficiency program				
4. Lead the Water Forum water caucus in development of modifications to the Water Conservation element, and report annually on water use and water efficiency programs to the Water Forum.				
C. Support a lower American River Flow Management Standard that is consistent with the Water Forum co-equal goals				
D. Support implementation of water transfers among agencies (intra- and inter-regional) that are beneficial for the region				
E. Support programs to benefit from economies of scale in purchasing				
F. Fully implement the regional mutual aid program template (for equipment, manpower, and water supply)				

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June 28, 2017

AGENDA ITEM 7: SUBCOMMITTEE UPDATES

BACKGROUND:

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. Mr. Dugan requested that Rob Roscoe, Jim Peifer and John Woodling join his efforts on the Membership Subcommittee.

The subcommittees gave updates at the April and May Executive Committee meetings. The Conference/Education Subcommittee will be looking into hiring a consultant to assist in planning an event or partnering with another agency. Ms. Tobin is reaching out to the Education Foundation who may be interested in partnering with RWA to plan an event. Ms. Tobin reported that the Office Space/Lease Subcommittee has calls out to commercial agencies inquiring about the vacancy rate in our area. The subcommittee continues to work on lease renewal options. Chair Peifer reported that he and Mr. Woodling have met with City of Davis and plan to schedule a meeting with the City of Woodland.

STAFF RECOMMENDATION:

Updates from Subcommittees on Conference, Membership and Office Space

June 28, 2017

AGENDA ITEM 8: JULY 13, 2017 RWA BOARD MEETING AGENDA

STAFF RECOMMENDATION:

Discussion: John Woodling, Executive Director

Action: Approve July 13, 2017 proposed RWA Board Meeting Agenda

**REGIONAL WATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS**

Thursday, July 13, 2017, 9:00 a.m.

5620 Birdcage Street, Suite 110

Citrus Heights, CA 95610

(916) 967-7692

AGENDA

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

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

3. CONSENT CALENDAR

- a. Information: Final minutes of the April 26, 2017 and of the May 24, 2017 Executive Committee meetings
- b. Draft minutes from the May 18, 2017 RWA regular board meeting
- c. Approve Defined Benefit Pension Plan Funding Policy 500.15
Action: Approve the Consent Calendar Items

4. DELTA UPDATE

5. LEGISLATIVE AND REGULATORY UPDATE

Discussion: Adam W. Robin, Legislative and Regulatory Affairs Project Manager

6. EXECUTIVE DIRECTOR'S REPORT

7. DIRECTORS' COMMENTS

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

ADJOURNMENT

Upcoming meetings:

Next Executive Committee Meetings – Wednesday, July 26, 2017, 8:30 a.m. at the RWA office and Wednesday, August 16, 2017, 11:30 a.m. at the RWA office.

Next RWA Board of Directors' Meeting – Thursday, September 14, 2017, 9:00 a.m., at the RWA Office.

June 28, 2017

AGENDA ITEM 9: EXECUTIVE DIRECTOR'S REPORT

JUNE 28, 2017

TO: REGIONAL WATER AUTHORITY EXECUTIVE COMMITTEE

FROM: JOHN WOODLING

RE: EXECUTIVE DIRECTOR'S REPORT

- a. 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. A part of this effort is to increase RWA's social media presence on Facebook and Twitter.
- b. Grants Update** – Staff is currently managing four grants totaling \$30 million. Staff is expecting a final DWR 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. Mr. Woodling attended a meeting at DWR on May 30th where DWR introduced concepts of how it might roll out the first round of Prop 1 Integrated Regional Water Management Grants in 2018.
- c. Regional Water Reliability Planning Update** – Work on the Regional Water Reliability Plan (RWRP) continues. The identification of vulnerabilities phase of the RWRP is complete, and the identification of mitigation actions phase is nearly complete. 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.
- d. Water Efficiency Update** – The Water Efficiency Program Manager will provide a verbal report.
- e. RWA Outreach** – Mr. Woodling attended the Orange County Water Summit on June 16, 2017. Mr. Woodling gave a presentation on legislative and regulatory issues to the Yolo County Water Resources Association on June 19, 2017, and attended the inaugural meeting of the Yolo Subbasin Groundwater Sustainability Agency immediately following the WRA.
- f. Compensation Survey** – The Compensation Survey directed to be undertaken by the Executive Committee is underway. Shellie Anderson of Bryce Consulting is contracted to complete the study. Staff and the consultant reviewed current job descriptions and made some minor changes to serve the needs of the survey. Currently, requests to agencies for salary and benefit information have gone out. The tentative schedule will be for staff and the consultant to discuss the data with the Executive Committee at its July meeting. The ultimate goal will be to finalize a report and adopt salary schedules by the end of 2017.

June 28, 2017

AGENDA ITEM 10: DIRECTORS' COMMENTS

June 28, 2017

AGENDA ITEM 11: CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(C) AND 54956.9(D) – UPDATE ON CALPERS CONTINUED OBLIGATION TO PROVIDE PENSION BENEFITS TO RWA EMPLOYEES