

**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**

S. Audie Foster, California American Water  
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  
Stan Nader, City of Lincoln  
Jim Mulligan, City of Roseville  
Jim Peifer, City of Sacramento  
Mike Paulucci, City of Yuba City  
Ryan Saunders, Del Paso Manor Water District  
Deb Sedwick, Del Paso Manor Water District  
Michael Raffety, El Dorado Irrigation District  
Tom Nelson, Elk Grove Water District  
Mark Madison, Elk Grove Water District  
Dave Underwood, Fair Oaks Water District  
Tom Gray, Fair Oaks Water District  
Paul Schubert, Golden State Water Company  
Michael Schaefer, Orange Vale Water Company  
Robert Dugan, Placer County Water Agency  
Brent Smith, Placer County Water Agency  
Darlene Thiel, Rancho Murieta Community Services District  
Ralph Felix, Rio Linda/Elverta Community Water District  
Neil Schild, Sacramento Suburban Water District  
Rob Roscoe, Sacramento Suburban Water District  
Paul Helliker, San Juan Water District

**RWA Associates**

Ken Payne, El Dorado County Water Agency; Brett Storey, Placer County;  
Arthur Starkovich, Sacramento Municipal Utility District; Terri Mitchell,  
Sacramento Regional County Sanitation District

**RWA Affiliate Members**

Jim Graydon, Brown & Caldwell; Jafar Faghieh, HDR, Inc.; Paul Marshall, Stantec.; Abigail Madrone, West Yost Associates

**Staff Members**

John Woodling, Rob Swartz, Adam W. Robin, Nancy Marrier, Amy Talbot, Cecilia Partridge and Katrina Nelson, Legal Counsel

**Others in Attendance:**

Shauna Lorance, Mitch Dion, Brian Henley, and Sarah Foley. Nicole Krotoski participated via conference phone.

**2. PUBLIC COMMENT**

Chair Peifer welcomed Mr. Greenwood back after recuperating from surgery.

**3. CONSENT CALENDAR**

- a. Final minutes of the February 22, 2017 and March 22, 2017 Executive Committee meetings
- b. Approve minutes from the March 9, 2017 RWA regular board meeting

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

Agenda item number 7 was moved ahead of item number 4 but will be reported in the order listed on the agenda.

**4. RESOLUTION NO 2017-03 IN SUPPORT OF ACWA POLICY STATEMENT ON BY-DELTA FLOW REQUIREMENTS**

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.

M/S/C Mr. Roscoe moved, with a second by Mr. Nugent, to approve Resolution No. 2017-03 supporting the ACWA Policy Statement on Bay-Delta Flow Requirements. The motion carried by the unanimous voice vote of all directors present.

**5. EL DORADO COUNTY WATER AGENCY**

Kenneth V. Payne, P.E., El Dorado County Water Agency Interim General Manager, said that 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 provided an information presentation regarding the overview of the agency and some of the key projects and programs of the agency.

Mr. Payne said that key factors for EDCWA water management are improvements to local water supply reliability, climate change adaption strategy, identifying mutual and regional benefits and new funding mechanisms. Major water resources projects include an American River Basin Study, a surface water reliability project, Fazio long-term water supply contract, Alder Reservoir, RiverArc and agriculture water supply reliability. EDCWA is engaged in a surface water reliability project with El Dorado Water & Power Authority, Folsom and Rio Linda Elverta Community Water District.

## **6. CALIFORNIA URBAN WATER CONSERVATION COUNCIL BECOMING CALIFORNIA WATER EFFICIENCY PARTNERSHIP**

Sarah Foley, California Water Efficiency Partnership Interim Executive Director, gave background information on how the California Urban Water Conservation Council (CUWCC) was formed and the primary purpose. The CUWCC is now the California Water Efficiency Partnership (CalWEP). She presented 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 used the CUWCC reporting format for Water Forum, Urban Water Management Plan, and Bureau of Reclamation conservation reporting.

Ms. Foley said that the Partnership carries forward the leadership, expertise and collaboration from CUWCC, but with a new name and framework. Some key benefits and activities of the Partnership are to help meet legislative and regulatory requirements, address California's unique issues, challenges and opportunities, collaboration with a wide variety of stakeholders, leadership and technical expert, information sharing, transforming markets, reviewing and commenting on statewide codes, standards and research, data collection and evaluation. Ongoing, expanded and new programs are an interactive information exchange for water conservation and efficiency professionals, exploring on-the-job challenges and learning solutions that work and specialized training by water conservation experts. Continuing and new board members and staff will continue the transition into 2017 further adjusting focus, direction and key activities and member services, reviewing, adjusting and revising bylaws as needed and hiring a new Executive Director. Dues will remain the same as for 2017 until the dues structure is revisited. One of the

goals is partnership by bringing together and sharing knowledge for the benefit of all agencies.

## **7. LEGISLATIVE AND REGULATORY UPDATE**

Adam W. Robin, Legislative & Regulatory Affairs Program Manager updated the Board on developments related to Long-Term Urban Water Efficiency and Conservation Legislation. A written report was included in the board packet with updates on three issues that staff is tracking.

RWA is co-sponsoring bills AB 968 (Rubio) & AB 1654 (Rubio). Both bills address urban water use, management and planning and water efficiency. Staff is working with a statewide coalition of water agencies and other groups with an interest in the issues the bills present.

The RWA Board of Directors adopted policy principles that guide the work that staff engages in at the capitol. RWA has policy principles that relate to promoting water efficiency, realizing that water efficiency is different than conservation. There are policy principles dedicated to insuring diverse and resilient sources of water supplies for our region. One of our primary policy principles is the protection of our regions water rights and entitlements. RWA is assisting to lead a state wide coalition to ensure that the bills that come out of the process are something that benefits our region and the water industry as a whole. Staff is working to assure that these bills continue to move forward. Concurrent with the release of the ground administration final framework in April, a budget trailer bill was released. A budget trailer bill runs through the state budget with limited oversight and limited opportunities for public participation. On the policy bill side there's a working group of assembly members that are considering the issues.

Other legislative and regulatory updates for the Board included:

### **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.

Mr. Dugan commented that with Mr. Robin's focus on legislative efforts we are realizing influence that we should have over policy.

Mr. Woodling said that first comments were developed on the administrative framework on this legislation and then ACWA, who actively supports the legislation, was engaged.

Mr. Helliker said that RWA has taken the lead on this and is the driver statewide on the legislation and making certain that it meets our needs.

**8. EXECUTIVE DIRECTOR'S REPORT**

**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. The EC will use the input received from RWA Board members to develop proposed modifications to the Strategic Plan. Through the remainder of the calendar year the EC will bring strategic plan recommendations to the board.

**Regional Planning Update** – Work on the Regional Water Reliability Plan (RWRP) continues. The identification of the 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 completed in July 2018.

**Water Efficiency Update** – We continue to keep water use down from the 2013 numbers. In an effort to promote the region’s conservation savings 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 information in the Progress on Water Meters section will be updated annually.

**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, a grant table indicating grant awards as of April 2017 was enclosed in the packet. 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.

**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.

## **9. DIRECTORS' COMMENTS**

Mr. Raffety said that he attended water conservation forums at the ACWA Spring Conference. The water conservation topic is extremely popular.

Ms. Thiel announced her retirement from Rancho Murieta Community Service District effective July 7, 2017. Ed Crouse will serve as Interim General Manager during the search for a permanent general manager.

Mr. Schild said Sacramento Suburban Water District is currently searching for a general manager to replace Rob Roscoe who is retiring at the end of the year.

Mr. Dugan reported that the West Placer GSA has been formed. He said that through regional collaboration regional policy has been very successful. There was major progress on water related issues at the Cap-to-Cap conference in Washington, DC.

Mr. Foster reported that on April 27, 2017 California American Water entered into an agreement to purchase the water assets and company of Fruitridge Water Company. The next step is to obtain permission from the California Public Utilities Commission which begins a process that will take several years. It is anticipated that operations will begin at the facility in 2019.

Mr. Felix reported on the Chromium 6 litigation issue regarding the MCL. Rio Linda/Elverta Community Water District has decided to postpone all projects related to those litigation measures until they hear otherwise from the state. In the interim updates are available on the state website.

Mr. Underwood said that Fair Oaks Water District now has a full Board of Directors with the addition of Director Gary Page. The District will be increasing their use of groundwater to analyze how the aquifer reacts.

Mr. Gray said that Fair Oaks Water District went back to Stage 1 watering or normal operations. The normal operations were modified to voluntary 20% reduction from 2013.

Mr. Helliker said that San Juan Water District has been working on the Modified Flow Management Standard. Keith Durkin retired from the District effective May 12, 2017.

Mr. Roscoe said that information on recruitment for the general manager position with Sacramento Suburban Water District is on their website. At the Region 4 meeting at the ACWA Spring Conference it appears that two or three current members of the ACWA Region 4 Board will not be continuing on the board. Anyone interested in these positions are asked to consider submitting their name to the nominating committee. Mr. Yasutake commented that to be nominated for a position on the ACWA Region 4 Board you must have a board or council resolution in support of the nomination.

Mr. Madison complimented Mr. Woodling on his leadership of the Groundwater Committee at ACWA.

Mr. Schild requested a verbal update from Rob Swartz on where Sutter County is with regards to their GSA. Mr. Swartz said that the state has accepted Sutter County's GSA filing and there is no overlap. It is anticipated that the filing will be approved.

Chair Peifer said that the City of Sacramento will be rescinding their Stage 2 Water Shortage Emergency at the May 30<sup>th</sup> council meeting. This fall the City plans to propose a transition from a Water Shortage Emergency to Long-Term Water Use Efficiency. Earlier today the City approved the ACWA Policy Principles on Bay-Delta Flows.

## **Adjournment**

With no further business to come before the Board, Chair Peifer adjourned the meeting at 10:45 a.m.

By:

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Chairperson

Attest:

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Nancy Marrier, Board Secretary / Treasurer