

1. CALL TO ORDER

Chair Peifer called the meeting of the Executive Committee to order at 11:30 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
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 and Ryan Bezerra, legal counsel.

Others in Attendance

Mitch Dion and Nicole Krotoski

2. PUBLIC COMMENT

NONE

3. CONSENT CALENDAR

The minutes from the Executive Committee meeting held June 28, 2017.

Motion/Second/Carried (M/S/C) Ms. Tobin moved, with a second by Mr. Yasutake, to approve the minutes from the June 28, 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 reported in the order listed on the agenda.

4. 2017 COMPENSATION STUDY

The Compensation Survey directed to be undertaken by the Executive Committee is complete. Shellie Anderson of Bryce Consulting was 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. Staff and the consultant discussed the data and recommendations with the Executive Committee. The ultimate goal is to finalize a report and adopt salary schedules by the end of 2017.

Shellie Anderson, Bryce Consulting, Inc. gave a review of the compensation study process, what the data elements were in terms of what was collected and compared, the survey agencies and the overall results. In addition to preparing the compensation study, Bryce Consulting reviewed all of the authority's job descriptions. With input from employee questionnaires, the job descriptions were updated to make certain they reflected the current duties and level of work being performed. Salary and benefit data was collected for all of the classifications for a total compensation study.

Ms. Schmitz entered the meeting.

Ms. Anderson said that the unique RWA job descriptions were broken out for survey purposes to see what would produce the best data. She explained how the compensation data and information was obtained and calculated. She said that overall the objective is to try and create a system that will retain staff and provide additional flexibility for succession planning. She reviewed the job classifications and salary recommendations reminding the Executive Committee that the steps in Exhibit A were compiled during the last compensation study at the request of the Executive Committee.

M/S/C Mr. Schubert moved with a second by Mr. Roscoe for the Executive Committee to direct the Executive Director to propose a policy to reward exceptional performance with an assessment of how it impacts compensation with respect to CalPERS retirement calculations. The motion carried by the unanimous voice vote of all directors present.

M/S/C Mr. Roscoe moved, with a second by Ms. Tobin, to recommend to the RWA Board to amend Exhibit A to Policy 400.2 to state new salary ranges consistent with the 2017 Compensation Study page 17, table 7, "the column beginning "Recommended Range with Minimum....." deleting the "maximum" in classes where it exists in the draft report. The motion carried by the unanimous voice vote of all directors present.

5. LEGISLATIVE AND REGULATORY UPDATE

Adam Robin, Legislative and Regulatory Affairs Program Manager, updated the Executive Committee on legislative and regulatory issues including Long-Term Urban Water Use Efficiency Legislation and SB 623, a vehicle for a Public Goods Charge/Tax proposal. We are at the end of the first year of a two year legislative session with all of the legislative business to be wrapped up by September 15th. We are entering a period of intense and focused deliberation over the legislative proposals that have been discussed so far this year. The last action that the legislature took was gutting and amending three bills in both the Assembly and the Senate down to just intent language with the goal of having their staff use the

summer recess period to develop a proposal that would bridge the gaps between some of the water efficiency proposals. A nine page document that included various bullet points of what the compromised proposal looks like was released. A lot of progress has been made in getting to a proposal that's better than the administration's proposal. However, there are still some very real concerns with the language. A top priority is to ensure that a state agency doesn't have the authority to set standards for local water agencies. There are also concerns from others around the state about how recycled water fits into the framework and making sure that the enforcement authorities are appropriately accounting for the relationships that water agencies have to maintain with their customers. We need to make sure that concerns regarding water rights are dealt with as part of the proposal. We expect to see the actual language released early next week that will be amended into three bills. We continue to work with our coalition partners around the state including water suppliers, the industrial sector, and other local governments.

Mr. Wooding said that relative to the RWA process, when we see what language gets incorporated into what bills, consistent with policy and concurrence from general counsel, staff will likely take an oppose unless amended position on what we disagree with in the bills. At the September Executive Committee meeting staff will report on the bills and the Executive Committee will have to concur on that. Potentially the bill that RWA sponsored may end up with language that we don't agree with.

SB 623 (Monning) creates a fund that the State Water Board can use to finance operations, maintenance and other financial needs for both small water systems serving disadvantaged communities and individual domestic well owners who are having trouble meeting drinking water standards. The financing mechanisms are going to be a nitrogen tax and a Public Goods charge/water tax/rate payers assessment to finance other needs.

With regard to the Lobbyist Subscription Program, there are currently no bills that the Executive Committee needs to take a position on at this time. Staff is tracking a number of State Water Board regulatory proceedings including potential amendments to a Waters of the State Rule.

6. STRATEGIC PLAN PROGRESS UPDATE

RWA adopted its *Strategic Plan 2013-2018+* in late 2013. Since then, a number of events, including the passage of the Sustainable Groundwater Management Act, the drought emergency, and proposals for new permanent water conservation standards, have occurred that require us to review the plan to ensure that staff is focused on priority issues of the RWA.

The RWA Board adopted modifications to the Regional Planning and Implementation elements of the Strategic Plan on July 13, 2017. Proposed modifications to the Advocacy goal were attached for consideration and discussed by the Executive Committee. Also attached for discussion was a survey of RWA Members, Associate Members and Affiliates. The survey informed consideration

of changes to the Education/Information element of the Strategic Plan. Results of the survey were presented with the suggestion that the Conference/Education subcommittee meet to discuss the survey results.

M/S/C Ms. McKinney moved, with a second by Mr. Roscoe, to recommend modification to the Advocacy Goal of the Strategic Plan, with the acronyms spelled out, to the RWA Board of Directors. The motion carried by the unanimous voice vote of all directors present.

7. AMERICAN RIVER BASIN INTEGRATED REGIONAL WATER MANAGEMENT PLAN WEB-BASED INTERFACE CONSULTING SUPPORT

In May 2011, the RWA Executive Committee approved the selection of RMC Water and Environment (now also doing business as Woodard & Curran) following a Request for Qualifications process completed by RWA staff to develop a web-based stakeholder interface for the American River Basin (ARB) Integrated Regional Water Management (IRWM) Plan. Since the approval of the consultant, the Executive Director has authorized a total of \$146,830 to develop, maintain and update the stakeholder interface.

In August 2016, the California Department of Water Resources released updated guidelines for IRWM Plans along with a grant funding opportunity to assist with the updates. Based on the new DWR guidelines, RWA successfully pursued a \$250,000 planning grant to update the ARB IRWM Plan. One of the tasks for the ARB IRWM Plan update is to update the stakeholder interface to reflect changes to the updated guidelines, including project ranking criteria. The estimated budget for the stakeholder interface update is \$19,884, which will be reimbursed through the DWR grant. This amount will cause the total authorized work to RMC for work on the site to exceed the threshold of \$150,000. Staff proposes to bring authorization of this work to the full RWA Board in September 2017. If approved by the Board, work is expected to commence in October 2017. Staff sought input from the Executive Committee on how to best agendaize the item for the RWA Board.

Rob Swartz, Manager of Technical Services, explained that it is timely to update the OPTI (on-line RWM interface) that stakeholders have been using since 2013. When the new guidelines came out it triggered a need to update OPTI. The stakeholders will be meeting in October and staff would like to talk with them about these updates. Staff wants to be in a position to make these updates in a timely fashion. When the additional work is authorized that would trigger the total amount awarded to the consultant over the lifetime of the work to over \$150,000, which is subject to full RWA Board approval. This amount will be reimbursed through a Prop 1 planning grant that has been received.

M/S/C Mr. Schubert moved, with a second by Mr. Greenwood, to direct staff to place the item on the consent calendar for the September 14, 2017 RWA Board meeting to request continued use of consulting support with the current contractor for ARB IRWMP Web-based interface. The motion carried by the unanimous voice vote of all directors present.

M/S/C Mr. Schubert amended his original motion, with a second by Mr. Greenwood, to recommend full Board approval to increase the total authorization for all work to date in an amount not to exceed \$175 thousand. The motion carried by the unanimous voice vote of all directors present.

8. SUBCOMMITTEE UPDATES

The Office Space/Lease Subcommittee updated the Executive Committee on their continued efforts for lease renewal options at the Birdcage location. The subcommittee also evaluated the possibility of purchasing the building

Ms. Tobin gave a subcommittee update reporting that she has talked with some of the bankers involved and it would take more than a year to evaluate whether we should or should not be purchasing the building. The vacancy rates are high in our current area and if we entertained a future purchase of the building we would have the same vacancy rates. We would also need to consider different types of financing and identify the liabilities of building ownership, including hiring a property manager.

The subcommittee recommended that staff attempt to secure a long term lease of at least 5 years, with an option to extend the lease for an additional 5 years. It was suggested that the lease also include a first right of refusal if offices on the first floor become available for rent/lease and renovations become possible to fit the needs of RWA growth.

9. SEPTEMBER 14, 2017 RWA BOARD MEETING AGENDA

After discussion, it was decided to add consent calendar items for a Request to Continue Use of Consulting Support with the Contractor for ARB IRWMP Web-based Interface and Approval of a Defined Benefit Pension Plan Funding Policy 500.15.

M/S/C Ms. McKinney moved, with a second by Ms. Tobin, to approve the July 13, 2017 proposed RWA Board Meeting Agenda with the modifications stated above. The motion and amendment carried by the unanimous voice vote of all directors present.

10. EXECUTIVE DIRECTOR'S REPORT

The Executive Director's Report was not given orally. The following updates were included in the electronic board packet.

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.

Regional Water Reliability Planning Update – Work on the Regional Water Reliability Plan (RWRP) continues. The identification of the 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.

One component of the RWRP is the Regional Drought Contingency Plan (RDCP). A draft of the RDCP is currently being reviewed by participants and Reclamation. Comments are due by August 16th.

Water Efficiency Update – In June 2017, the region saved 18.6% compared to 2013 or approximately 3.6 billion gallons. The 2017 year to date savings (January through June) is 25.9% or 18.9 billion gallons. In June 2017, the state saved 17.4% compared to 2013 or 37 billion gallons. Year to date 2017 statewide savings was not provided. The region's June residential gallons per capita (R-GPCD) was 168 compared to the state's average of 110. The region experienced above average temperatures and precipitation in June 2017 compared to 2013.

11. DIRECTORS' COMMENTS

Mr. Roscoe reported that there have been numerous applications for the General Manager position at Sacramento Suburban Water District with an August 30th deadline for submission.

Paul Schubert announced that the American River Pipeline project was recognized as the recipient of the 2017 Outstanding Integrated Water Resources Management Award from the American Water Resources Association.

Ms. Tobin said the San Juan Water District Board met and decided that they will appoint a director for the seat that was vacated with the passing of Bob Walters.

Chair Peifer reported that at the last City of Sacramento Council meeting, they approved joining the Sites JPA. A Conservation Ordinance mandating 2 day per week watering was also approved.

12. CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(E) AND 54957 – PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Title: Executive Director

13. CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(F) AND 54957.6 – CONFERENCE WITH LABOR NEGOTIATORS

Designated Representative: Jim Peifer

Unrepresented Employee: Executive Director

Agenda item number 15 was moved ahead of agenda item number 14.

14. 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 the Closed Session agenda item 14.

15. REPORT FROM CLOSED SESSION – EXECUTIVE DIRECTOR CONTRACT AMENDMENTS

Chair Peifer reported from closed session that Executive Director John Woodling was offered a 5½% salary increase in addition to the January 2018 COLA, pending board approval.

M/S/C Ms. Tobin moved, with a second by Mr. Greenwood, to recommend RWA Board approval of proposed Executive Director's compensation and associated contract modifications. The motion carried by the unanimous voice vote of all directors present.

ADJOURNMENT

With no further business to come before the Executive Committee, Vice Chair Yasutake adjourned the meeting at 4:08 p.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer