

1. CALL TO ORDER

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

RWA Board Members

Ron Greenwood, Carmichael Water District
Al Dains, Citrus Heights Water District
Hilary Straus, Citrus Heights Water District
Marcus Yasutake, City of Folsom
Sean Bigley, City of Roseville
Jeff Harris, City of Sacramento
Jim Peifer, City of Sacramento
Denix Anbiah, 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
Paul Schubert, Golden State Water Company
Michael Schaefer, Orange Vale Water Company
Joe Duran, Orange Vale Water Company
Robert Dugan, Placer County Water Agency
Brent Smith, Placer County Water Agency
Mark Martin, Rancho Murieta Community SD
Mary Henrici, Rio Linda/Elverta Community WD
Tim Shaw, Rio Linda/Elverta Community WD
Kerry Schmitz, Sacramento County Water Agency
Dan York, Sacramento Suburban Water District
Pam Tobin, San Juan Water District
Paul Helliker, San Juan Water District

RWA Associate Members

Ansel Lundberg, SMUD
Art Starkovich, SMUD

RWA Affiliate Members

Dave Zuber, Brown & Caldwell, Rebecca Guo, Stantec and Kelye McKinney, 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:

James Lemley, Rob Roscoe, Dave Beauchamp, Bill George, Rex Meurer and David Gordon

2. PUBLIC COMMENT

Mr. Woodling welcomed Mark Martin, General Manager of Rancho Murieta Community Services District. Mr. Woodling also noted that Michael Schaffer will be stepping down as representative for Orange Vale Water Company.

3. CONSENT CALENDAR

- a. Information: Final minutes of the February 21, 2018 and March 21, 2018 Executive Committee meetings and draft minutes from the April 25, 2018 Executive Committee meeting
- b. Draft minutes from the March 8, 2018 RWA regular board meeting

Chair Yasutake noted that the March 8, 2018 minutes should be changed to indicate Chair Yasutake called the meeting to order.

Motion/Second/Carried (M/S/C) Mr. Schubert moved, with a second by Mr. Peifer, to approve the March 8, 2018 RWA Board meeting minutes with the noted change. The motion carried by the unanimous voice vote of all directors present.

4. METER REPLACEMENT CONSORTIUM MOU

Citrus Heights Water District (CHWD) is proposing to undertake a regionally-coordinated effort to explore alternatives for the replacement of customer water meters. While this is not an RWA-led or sponsored subscription program, staff is proposing being involved in the process by entering into an agreement with CHWD and the other participants. This provides an alternative mechanism for RWA to be formally involved in a regional program without committing the staff time to be the lead. The draft memorandum of understanding (MOU) and staff report from CHWD's April 18th Board meeting were included in the packet.

Mr. Woodling said that the action is for the RWA to sign on to the MOU with several RWA members. The involvement for RWA will include an opportunity for RWA staff to gain knowledge from the study and RWA can assist if the parties seek grant funding.

Hilary Straus, General Manager of CHWD, gave a presentation on the proposed consortium for the regional water meter replacement program and the development

of the draft MOU to outline cooperation on the program. The goals of the MOU include providing a flexible framework for parties to participate in the program at various levels, establishing procedures for sharing costs of the meter replacement program planning study and establishing procedures for coordinating potential future program activities. Two working groups have been formed to implement this program, an administrative group and a technical group. Mr. Straus explained the levels of participation and how existing parties may increase or decrease their level of participation. Decisions will be made by consensus with CHWD paying invoices and being reimbursed. The MOU provides the framework for future program activities. Each party will indicate whether they will participate in future potential projects and at what level.

Once the MOU is approved by each party, the parties will move forward with a request for proposals to secure consulting support for a planning study. The planning study is to be approved by all parties and each party will determine whether to collaborate on future program components.

M/S/C Mr. Dugan moved, with a second by Ms. Tobin, to approve the Meter Replacement Consortium MOU. The motion carried by the unanimous voice vote of all directors present.

5. WATER EFFICIENCY UPDATE

Mr. Woodling said that the California Urban Water Conservation Council that was formed in the early 90s has recently transformed to the California Water Efficiency Partnership (California WEP) and has appointed Amy Talbot as chair. The California WEP will be focused on research, program regulations and BMPs.

Amy Talbot, Senior Project Manager, gave an overview of activities including the landscape imagery project, monthly data summary, SB 555 Water Loss Audit Validation Training, the 2018 Public Outreach Campaign and the Water Efficiency Program FY19 Budget.

Ms. Talbot said that RWA has partnered with the Sacramento Area Council of Governments (SACOG) to collect, process, and deliver 3-inch, 4 band (red, green, blue, and near infrared) aerial imagery for the purpose of conducting local and regional water supply planning and evaluating current and future legislative and regulatory proposals related to water efficiency. Imagery provides data on landscape material type, irrigation, and impervious/pervious designation to help estimate landscape irrigation budgets like those associated with the proposed legislation (AB 1668 and SB 606). The associated data has passed final quality control and is still on track for delivery to RWA in September 2018, as planned. RWA will then redistribute the imagery data to each agency. Staff will be reaching out to each agency to discuss this project in more detail. The final delivery will be a high resolution, consistent and timely imagery file covering approximately 900 square miles of the region, which will provide a solid base to perform a wide range of analysis for both local and regional purposes.

Ms. Talbot also reported that there is a new format for the RWA monthly data summary that will include production, residential gallons per capita and weather/temperature. The data will be requested the 1st of each month with a deadline of the 15th to relay the data.

Water Loss Audit Validation Training will be held on June 5th and 6th in West Sacramento for a cost of \$2,000 per person. Persons attending the training and certification testing should have prior knowledge of AWWA Water Loss Audit method and software as well as the associated grading matrix. Every retail urban water supplier is required by SB 555 to perform an annual Level 1-Validation on their agency's AWWA Water Loss Audit and submit a finalized validated audit to the state by October 1st of each year beginning in 2017. To meet the SB 555 requirement for validating an audit, a water agency can choose to hire a qualified consultant to validate their audit or designate a staff member to register, attend, and pass the AWWA CA-NV Section Water Loss Validator Certification Training/Testing and perform the validation internally.

The Water Efficiency Program (WEP) launched the 2018 campaign in early April. The 2018 theme is "Check the Soil and Save" with the goal of reducing water waste and overwatering by checking the soil to see if you need to water. The public outreach committee selected campaign images and messaging based on the resulting preferences from the Program's February residential focus groups. These images and messaging will be the main focus of the campaign and will be supported through ads on Facebook, Google, Instagram, Capital Radio, Total Traffic and Weather, radio public service announcements (PSA), a "how to" video series, and through partnerships with the River Cats and local nurseries. The Program will also host several events throughout the year including Mulch Mayhem in partnership with the Sacramento Tree Foundation and Harvest Day in partnership with University of California Extension.

Over the last 3 years, the RWA Board has decided to progressively transition a portion of WEP overhead costs from the Water Efficiency Program (WEP) budget to the general RWA budget to acknowledge staff and office expenses that were occurring outside of the historical WEP budget scope. These activities include statewide drought and water loss related policy review and technical committee participation, RWA data collection and analysis, and water energy research and partnerships. The annual percentages and dues amounts that have transitioned from the WEP budget to the RWA budget over the last 3 years are FY17 - \$13,600 (10%), FY18 - \$31,500 (20%) and FY19 - \$50,200 (30%).

Staff is requesting feedback from the Executive Committee and Board on whether these additional costs to the RWA budget should be balanced with equal reductions in the WEP budget or if staff should continue to repurpose this funding in the current WEP budget to increase program activities and scope. Staff proposes that the FY19 WEP budget maintain the same funding level as FY18, which would include repurposing funds previously used for WEP overhead costs toward increasing program activities in 2018 and 2019. The proposed FY19 WEP budget will be reviewed by WEP participants at the upcoming May 8th regular

meeting. Mr. Woodling suggested that each agency consider this and direct their water efficiency committee people to decide whether the priority is to lower fees or to put the money on direct costs.

Two focus groups were held February 8, 2018 with goals to fully understand what people perceive to be water waste, current landscape watering practices, problems with landscape watering and care, if people are willing to check before they water and feedback on potential creative concepts. Focus group research results include the belief that most water use occurs indoors, efficiency is preferred over conservation, landscapes that are healthy is the preferred goal, to become familiar with tree species, overspray and runoff. Future activities are to conduct research, continue outreach and partnerships and provide tools for water providers.

There are a variety of tools available to water providers including information on the website with Watering Guidelines for the Sacramento Region. The website has links with customer tools to help save water outdoors. Moisture meters are being distributed that tell you when your soil needs water. SMUD provides information on saving water and lowering the monthly water bill.

Currently there are five grant programs running with additional funding application in the IRWMP and a CALFED grant application for meters.

6. REGIONAL WATER PLANNING UPDATE

Mr. Woodling said that one of the key objectives of the 2013 Strategic Plan was to develop a regional water reliability plan. Rob Swartz, Manager of Technical Services, provided an update on two regional water planning efforts. The first is the 2018 update to the American River Basin Integrated Regional Water Management Plan (ARB IRWM Plan). This plan is an update to the 2013 ARB IRWM Plan and is necessary to comply with new IRWM standards released by the California Department of Water Resources (DWR) in August 2016. The update is partially supported by a \$250,000 DWR IRWM Planning Grant. During the update process, four stakeholder meetings were held to get broad input on revisions to the ARB IRWM Plan. The second regional planning effort is development of the Regional Water Reliability Plan (RWRP) which commenced in 2016. Good progress has been made on the RWRP and staff is wrapping up an analysis of the current and near-term conjunctive use potential of the region.

Mr. Swartz gave an update on conjunctive use, an overview of the Regional Reliability Plan (RWRP) and conjunctive use analysis, regional summary of recharge and recovery potential and the next steps with an explanation on how we recharge the basin. On April 23, 2018, RWA released a Public Draft of the 2018 ARB IRWM Plan for public comment (available at <http://rwah2o.org/programs/integrated-regional-water-management/american-river-basin-irwmp-2018-update/>). Comments are due by May 25, 2018. Staff expects to bring the updated plan to the RWA Board for approval on July 12, 2018. This update will enable the region to pursue Proposition 1 IRWM implementation grant opportunities in mid-2018.

The RWRP is working towards improving water supply reliability by assessing the vulnerabilities of each agency and mitigation measures to help overcome any vulnerabilities. The intent is to have basic levels of service as defined by each water agency under varying conditions.

Rebecca Guo with Stantec gave a presentation on the technical aspects of what was performed for the conjunctive use analysis, which is separated into either recharge or recovery. The recharge results include storing surface water in groundwater basins in wet years increasing surface water use. The recovery results are to withdraw stored water in dry years, increasing groundwater use. During the analysis, physical, operational and water rights/contract constraints were considered, as well as current and near-term opportunities. The objective is to determine how we can maximize the beneficial use of wet years when water is available and in dry years when you use the groundwater to meet any deficiency in available surface water. All recharge and recovery assumptions were based on historical conditions. She showed the current baseline, current recharge potential and current recharge opportunities. The recovery assumptions include recovery capacity, baseline conditions and constraints considered such as conveyance capacity and groundwater production.

The next steps for the RWRP are to determine vulnerabilities, mitigation measures, current and expanded conjunctive use from near and long-term improvements and explore interest in groundwater banking. The regional model development will include technical analysis to further define yield created by expanded conjunctive use and evaluate impacts. There will be evaluation of the potential market, establishing governance and completing environmental analysis for regional groundwater banking. In order to bank regional groundwater we will need to increase water supply yield by using storage capacity of the basin, reduce impacts of future droughts and climate by establishing a local reservoir in the groundwater basin and promote investing in facilities and operations needed for local reliability.

Mr. Swartz said that it is important to coordinate with the groundwater sustainability agencies in the region as we move forward with a program, because an expanded conjunctive use program like this is a key to groundwater basin sustainability. Another important driver for this program is the associated benefits to the preservation of water rights for agencies in the region by maximizing their using during wet periods.

7. EXECUTIVE DIRECTOR'S REPORT

Grants Update – RWA staff is currently managing five grant awards totaling \$30.3 million. Over the past quarter, nearly \$2.3 million in grant reimbursements have been received. This brings the total reimbursement to date from these five grants to \$19.3 million.

Legislative and Regulatory Update – Mr. Woodling updated the RWA Full Board on legislative and regulatory issues and presented the most recent Lobbyist Subscription Program bill packet and position recommendations.

RWA staff and contract lobbyists remain actively engaged on newly introduced legislation and priority two-year bills. RWA has actively engaged on the development of AB 1668 and SB 606 and other related bills over the past two years, including through sponsorship of legislation in 2017. RWA has an “Oppose Unless Amended” position on AB 1668 and SB 606 which deal with Long-Term Urban Water Use Efficiency

In early April, AB 1668 and SB 606 were amended to address a number of long-standing issues, including the addition of requirements that state agencies adopt variances to account for unique local conditions. RWA continues to advocate for additional amendments to ensure that these bills protect the region’s investments in reliable water supplies, have requirements that are technically and economically feasible for RWA member agencies to implement, and define state agency oversight and enforcement roles in a manner that respects local control.

SB 623 and a separate but related budget trailer bill would impose a per-connection tax on every public water system customer ranging from 95 cents to \$10 per month based on connection size. Consistent with the RWA Board of Director’s adopted policy principles in opposition to a water tax, RWA has an “Oppose Unless Amended” position on both of these measures.

RWA and other water suppliers have actively opposed the proposed water tax, including in recent Assembly and Senate Budget Subcommittee hearings where the proposed “Safe and Affordable Drinking Water Fund” budget trailer bills were heard. Both subcommittees held the bills, meaning they will be taken up for potential advancement later in the legislative session. RWA will remain opposed to these measures unless the proposed water tax is removed.

RWA Advocacy Program staff have monitored and recently engaged on the draft permanent prohibitions on waste and unreasonable uses of water. The SWRCB released revisions to the proposed Permanent Prohibitions on Waste and Unreasonable Use of Water regulations on January 31. RWA staff prepared and submitted comments in response to the revised regulations on February 12 that emphasized the effectiveness of locally-driven approaches to advancing water use efficiency and provided specific comments on the revised prohibitions.

The SWRCB was scheduled to consider adoption of the revised regulations on February 20. On the day of the adoption hearing, however, Chair Felicia Marcus indicated that additional changes related to certain recycled water provisions would require an additional comment period and the Board delayed their action. Since the delay of the adoption hearing, SWRCB staff have also been reported to be expanding the regulatory package resolution’s discussion of if and how the SWRCB’s use of their waste and unreasonable use authorities to prohibit these categories of use impacts water rights. As of April 16, the SWRCB has not

circulated an updated draft of the regulations for public comment or announced a rescheduled adoption hearing.

AB 401 (2015) requires the SWRCB to develop recommendations for a Statewide Low-Income Water Rate Assistance Program for submittal to the Legislature. On April 4, SWRCB staff held an all-day symposium that featured speakers on affordability programs outside of California, existing food and energy rate affordability programs within California, and a panel discussion titled, “AB 401 and the Path Forward.” SWRCB Member Joaquin Esquivel announced that the AB 401 recommendations would be finalized and submitted to the Legislature by the end of 2018. Additional stakeholder workshops on the development of the recommendations are expected to be announced in the coming months.

Mr. Helliker said that there was a webinar in March that explained the new State Water Board requirements for reporting water quality information with a proposal for a standing report. Various water agencies responded to the State Water Board stating that the new reporting requirements create additional work. A draft letter is being circulated to be sent to the State Water Board requesting the reporting requirements be put on hold pending further discussion.

RWA Outreach – RWA staff convened a meeting of water agencies, stormwater managers, flood control agencies, academics, NGOs, Water Forum staff and others on April 24, 2018 to discuss opportunities for groundwater recharge in the South American and Cosumnes groundwater subbasins. Mr. Woodling will chair the meeting of the ACWA Groundwater Committee on May 8th and moderate a panel on the future of IRWM on May 9th at conference. Mr. Woodling has agreed to represent ACWA Region 4 on the selection panel for ACWA’s next executive director. Mr. Woodling will be a speaker at the Groundwater Resources Association’s GSA Summit on June 6, 2018 and at *An Uncommon Dialogue* on managing groundwater quality under SGMA hosted by Stanford University’s Water in the West Program on June 11, 2018.

RWA Update – Staff and RWA’s public relations consultant have produced the second of what will be an ongoing quarterly update of activities (available at www.rwah2o.org/). The document is designed to be suitable for distribution to member agency boards of directors.

Powerhouse Science Center Update – The Powerhouse Science Center will hold its groundbreaking ceremony on May 31, 2018 from 10:00 a.m. to noon at 400 Jibboom Street in Sacramento.

8. DIRECTORS’ COMMENTS

Ms. Tobin, San Juan Water District, made an announcement about May 3rd being the 4th annual National Big Day of Giving. Her dog rescue is part of the 600 charities participating.

Ms. Henrici said that Rio Linda/Elverta Community Water District has received funding for two of their projects. California Rural Water is asking for letters of support for an apprenticeship program they have started. For further information please contact Ms. Henrici.

Mr. Starkovich mentioned a new SMUD site www.SMUDEnergyStore.com that was started last year. The site offers products and information on water efficiency, energy efficiency projects and home improvement projects.

Mr. Raffety, El Dorado Irrigation District, said that there is a big water bond due for the November ballot that is being qualified by the Secretary of State. This bond will provide money for small distressed water districts.

Mr. Schaefer, Orange Vale Water Company, thanked everyone for their support over the past 15 years. He introduced a new board member, James Lemley who will be representing Orange Vale Water Company for RWA. He also announced that Joe Duran is the new General Manager.

Mr. Straus, Citrus Heights Water District, thanked everyone for their support of the meter replacement program.

Mr. Dugan, Placer County Water Agency, reported that the membership subcommittee has scheduled a meeting. The subcommittee will begin reaching out and inviting members to join the subcommittee. If anyone has an idea of who should be contacted for potential membership in the RWA please email Chair Yasutake, Mr. Dugan or Mr. Woodling.

Mr. Duran thanked Michael Schaeffer for his service to the Orange Vale Water Company.

Mr. York, Sacramento Suburban Water District, thanked Chair Yasutake for opening the RWA Board meeting in the memory of Mr. Schild. Mr. Roscoe's retirement party is scheduled for May 4th.

Mr. Martin, Rancho Murieta Community Services District, thanked everyone for the welcome.

Ms. Sedwick, Del Paso Manor Water District, said that she sits on the California Rural Water Board along with Ms. Henrici. She is asking for letters of support for the new apprenticeship program for operators. This program has been developed in conjunction with National Rural Water and is recognized on a state and a national level. Mr. Woodling suggested the information be posted on the RWA website.

Chair Marcus reported that the City Manager for City of Folsom will be retiring July 15th.

Adjournment

With no further business to come before the Board, Chair Yasutake adjourned the meeting at 11:32 a.m. in memory of Neil Schild.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer