

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. 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
Matthew Wheeler, City of Lincoln
Sean Bigley, City of Roseville
Jeff Harris, City of Sacramento
Jim Peifer, City of Sacramento
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
Jim Lemley, Orange Vale Water Company
Joe Duran, Orange Vale Water Company
Brent Smith, Placer County Water Agency
Mark Martin, Rancho Murieta Community Services District
Mary Henrici, Rio Linda/Elverta Community Water District
Tim Shaw, Rio Linda/Elverta Community Water District
Kerry Schmitz, Sacramento County Water Agency
Dan York, Sacramento Suburban Water District
Kevin Thomas, Sacramento Suburban Water District

RWA Associate Members

Ansel Lundberg, Sacramento Municipal Utilities District, Terrie Mitchell,
Sacramento Regional County Sanitation District

RWA Affiliate Members

Alan Driscoll, Forsgren Associates, Charles Duncan, West Yost Associates and
Jim Graydon, Woodard & Curran

Staff Members

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

Others in Attendance:

Channing Vang, Karl Brustad, Ashley Smith, David Gordon, Doug Carlson, Christina Hanson, Chelsea Spier, Jim Mulligan, Kelye McKinney, Mary Ann Dickinson and Ted Costa

2. PUBLIC COMMENT

Doug Carlson, Media Impact Training, thanked RWA for the opportunity to conduct media training sessions and for RWA member support.

Channing Vang, California Rural Water Association, announced two apprenticeship programs starting fall of 2018. This new venture is in response to the growing demand for skilled operators as more and more operators are reaching retirement age. Both the water and wastewater operations specialist are two year programs. Applicants will be accepted year-round, therefore, an apprentice can enter the program at any time. There will be a total of 288 formal training hours for each program. Once enrolled, the apprentice has a pathway to complete the 2,000 hours of on the job training per year working with a certified operator

3. CONSENT CALENDAR

a. Minutes from the July 12, 2018 RWA Board Meeting

Motion/Second/Carried (M/S/C) Mr. Schubert moved, with a second by Mr. Greenwood, to approve the July 12, 2018 RWA Board minutes. The motion carried by the unanimous voice vote of all directors present.

4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS

- a. Information: Final minutes of the June 27, 2018 and July 25, 2018 Executive Committee meetings and draft minutes from the August 22, 2018 Executive Committee meeting
- b. Information: Executive Committee report on the Executive Director's performance review

Chair Yasutake reported that this year's evaluation process did not include contract negotiations, because a two year contract was negotiated with the Executive Director last year. In an effort to get a better response, the request for input for the evaluation process was distributed using survey monkey. A subcommittee will be appointed before the next Executive Director evaluation to outline a process intended to receive more responses. He noted that Mr. Woodling is doing a great job. John and staff are involved with other agencies throughout the state as well our member agencies. RWA has become involved regionally and on a statewide level, as is reflected in our accomplishments as an organization.

Some of the things that came up during the evaluation process and were recommended for Mr. Woodling to implement in the next year included the budgeting and expenditure processes and recognizing agencies' challenges working on different time lines for their budgets; identifying up front what potential costs may be for projects RWA is working on; identifying when projects are in the planning stage and when they may begin notification to boards so that agencies will be better informed of what to expect and plan for in their budgets. Another recommendation is to keep member agencies informed of the link between what we are asking for and what that means in terms of RWA's overall Strategic Plan and our direction going forward. Agencies can then convey the information on projects and plans to their boards, so that supervisors or council members can align that with what agencies are asking for at their level. Going forward there will be a stronger linkage between the groundwater and surface water. It would be beneficial to share the same information with the SGA Board as is presented to the RWA Board.

Mr. Woodling commented that there were only eight responses to the Executive Director Evaluation questionnaire. Ms. Sedwick said that she has served on the Executive Director Evaluation committee several times. Comments from the responses indicate that there has been an improvement over last year and Mr. Woodling is valuable to the organization and the organization's success. The Executive Director evaluation questionnaire is an opportunity for members to have a voice in goal setting and direction for RWA.

The Executive Director Evaluation subcommittee looked at items for the RWA board to consider. Chair Yasutake encouraged members to propose ideas or concerns to the Executive Director or the Executive Committee any time during the year. Items to consider this next year include retiree health benefits for new hires, preparing for long term succession planning for RWA and planning for future staff retirements.

Mr. York participated on the evaluation committee and said he was surprised at the small number of responses received. He encouraged members to provide feedback in the future, whether positive or negative. The survey monkey made the process very easy and the questionnaire could be completed in a few minutes.

- c. Designate \$14,000 from FY2018 from office move funds for future improvements in FY2019

Mr. Woodling said that last fiscal year the budget included funds to potentially move the office. A new lease was negotiated for the current office space and some improvements have been made to make the space more useful. It is proposed to use the remainder of the office move funds for additional improvements.

It was suggested that a speaker system for the conference room be considered to improve the quality of hearing what is said in the meetings.

M/S/C Mr. Schubert moved, with a second by Ms. Schmitz, to designate \$14,000 from FY2018 from office move funds for future improvements in FY2019. The motion carried by the unanimous voice vote of all directors present.

5. PROPOSITION 1 STORAGE UPDATE

Proposition 1, the water bond passed by the voters in 2014, provided \$2.7 billion to support storage projects having significant public benefits. The California Water Commission was charged with allocating the funding. In July, the Water Commission announced provisional funding levels for eight of the 12 projects considered. Among those identified for funding are two projects in which RWA members are participating, Regional San's South County Ag Recycled Water project is slated to receive \$280 million, and Sites Reservoir is identified for \$816 million. The City of Sacramento and Sacramento County share a seat on the Sites JPA Board, as do the City of Roseville and Placer County Water Agency.

Terrie Mitchell, Sacramento Regional County Sanitation District, gave updates on Regional San programs and background on Prop 1 and the Water Storage Investment Program (WSIP). WSIP can fund only the public benefits of a water storage project and the project must also benefit the Delta ecosystem or its tributaries. She gave an overview of the WSIP regulations and application process including the multiple partners who supported the project, the project scope and the public benefits. The groundwater restoration benefits provide multiple public benefits through conjunctive use restoring groundwater levels, improving stream flows in the Cosumnes River, increasing groundwater storage and providing 30,000 AFY for conjunctive use during droughts. There are ecosystem benefits in the Delta by improving groundwater conditions and strategic water delivery improving up to 5,000 acres of wetlands and riparian forests by 2030. Other non-monetized public benefits include improving climate change resiliency, improvements to habitat connectivity, preserving working farmlands, improvement to groundwater dependent ecosystem science, aids in emergency fire response, increases in recreation and helping to accomplish objectives of Prop 1 and SGMA. The total for planning, design and capital costs for the projected design is \$283,192,630 with total WSIP funding of \$280,500,000.

Jim Peifer, City of Sacramento Department of Utilities, gave an update on the status of Sites Reservoir. He identified the geographical features of the project. There are four agencies within the region that are on the Sites JPA, Placer County Water Agency, City of Roseville, City of Sacramento and Sacramento County Water Agency. If the operation of Sites Reservoir could be directed it would provide benefits to Folsom Reservoir, specifically environmental benefits including adding water to Folsom Reservoir while offering a higher carry over storage that would be valuable to the entire region.

Through the grant making process in Prop 1, Sites Reservoir is eligible for \$816 million that would be for public benefits such as Delta fishery protection, flood control benefits and recreation benefits. A funding agreement is being developed to

utilize some of the funding for primary design. In fiscal year 2019 the cost will be nearly \$4 million to complete the permitting process. Currently a feasibility study is being completed with an estimate to have the project online before 2030.

Council member Harris commented that this is a tremendous project for California that will have benefits for the entire state. More surface water storage is needed and the location is right to do this.

Mr. Bigley mentioned that the City of Roseville has invested at a low level to get a seat at the table rather than investing in a block of water. The objective was to try to influence the operation and integration between Sites Reservoir and Folsom. It was an easy project to get engaged in as the region needs to have a seat at the table. This project can benefit Folsom Reservoir and the lower American River.

Ms. Schmitz said that from a Water Agency perspective this project is not only about having a voice in the operation but also an opportunity for future storage.

6. REGIONAL RELIABILITY UPDATE

Rob Swartz, Manager of Technical Services, provided an overview of the next phase of proposed work on the RWRP and an overview of a 2018 regionally-coordinated groundwater substitution transfer which would be a component of operating a future water bank in the region. The evaluation of regional interest in developing a water bank to improve water supply reliability is a key component of the overall RWRP project. Stantec is the consultant for the Regional Water Reliability Plan (RWRP) providing an analysis of the region's ability to increase conjunctive use operations as a means of improving water supply reliability.

Mr. Swartz expanded on groundwater banking and the next phase of the program. The water reliability plan is about improving the reliability of this region by addressing what the vulnerabilities of each agency are and the mitigation measures to address those vulnerabilities. The next step in the water reliability plan is to look at establishing a groundwater bank in the region. Our region has improved in its ability to practice conjunctive use using more surface water in wet conditions and groundwater in dry conditions. A benefit to the region will be to establish a groundwater bank that would help us account for and fund these activities. There are objectives that need to be completed if we want to get to a water bank by the end of 2021. One objective is to complete technical tools so that analysis can be conducted of the pros and cons of operating a water bank with the data being fed into an environmental analysis for a regional water bank.

Due to fluoridation in some areas, the region is divided into four analysis areas. In analyzing conjunctive use potential, fluoridation, existing water rights, existing capacities, the size of the interties and the demands that exist all had to be honored. Staff ran all these factors through a number of years to understand how much additional surface water we could use in wet years and how much groundwater we have available in dry years. The results showed that we use 69% surface water and 31% groundwater. It was determined that under the same

conditions using the existing facilities if we opened up the interties and started using surface water we could have been using 86% surface water in wet conditions, reducing groundwater down to 14%. Creating a groundwater bank would reduce impacts of future droughts by establishing a local “reservoir” in the groundwater basin, create additional supply yield by operating the basin as a storage reservoir, require water to be stored before it can be recovered and would include a “loss factor” to ensure a net benefit to the basin. Some of the supply yield could be available outside the region to promote investing in facilities and operations needed for local reliability.

There was an analysis conducted of the contiguous agencies and it was found that there is a broad interest in participating in the groundwater bank. There is broad support for working with partners from various water use sectors and regions with RWA member agency needs a priority. There is a need for additional details on potential partner interests and requirements for participation and for additional details on the groundwater bank operating mechanisms.

A groundwater substitution transfer occurs when an agency uses groundwater in place of an existing surface water right. A transferring agency demonstrates that groundwater is being extracted in excess of a baseline amount of use. Transfers include a “conveyance loss” to account for potential depletion of surface water resulting from groundwater pumping. The conveyance window for transfers is July 1 through September 30. Agencies participating in 2018 Regional Pilot Groundwater Substitution Transfers include City of Sacramento, Sacramento Suburban Water District, Carmichael Water District, San Juan Water District, Fair Oaks Water District and Citrus Heights Water District.

The next phase for the next year include developing a modeling tool to complete technical analysis, engage with state and federal agencies and partners and commence public outreach. In the second year environmental will commence, the feasibility determination will be complete and public outreach will continue. The third year the environmental will be completed and final approval agreements will be secured.

7. CALWEP UPDATE

Mary Ann Dickinson, President and CEO of Alliance for Water Efficiency and Executive Director of the California Water Efficiency Partnership gave a presentation that provided an overview of the current status of CalWEP as an organization and how CalWEP will provide regulation implementation support in the near future. The California Water Efficiency Partnership (CalWEP) (formerly the California Urban Water Conservation Council) is a statewide organization focused on promoting water efficiency in collaboration with a diverse set of stakeholders. CalWEP is currently working towards becoming the first state chapter of the national water efficiency organization, the Alliance for Water Efficiency (AWE). CalWEP is interested in providing water suppliers throughout the state with technical, research, partnership, and public outreach support to meet the new state regulations included in Senate Bill 606 and Assembly Bill 1668.

Although the dynamics of CalWEP have changed the goal remains to get every water agency the help they need to cope with the upcoming legislative requirements and complete support for legal requirements. The council wants to take what was positive and worked and take it into a new organization that will service water agencies in California. The technical assistance, the research and the support to water agencies that was a critical factor of what the CUWCC did is what CalWEP wants to be the heart of the new organization supporting the needs of agencies for conservation in our communities and assisting with compliance in the least painful way possible.

The CalWEP Board of Directors, including a diverse group from across the state, will be developing statewide collaboration tools and resources. New articles of incorporation have been filed with the Secretary of State, revised bylaws have been adopted, a permanent board member selection is complete with quarterly partner plenary meetings held as before. A new strategic plan was adopted by the board on February 7, 2018. The main focus is value to members in services, research, and technical support.

All members of CalWEP will automatically be members of the Alliance for Water Efficiency (AWE) and vice versa. The 2018 membership invoices for CalWEP dues included membership in AWE. Ms. Dickinson gave background information on AWE shared programs including water conservation tracking tool, financing sustainable water, commercial kitchens water efficiency guide, outdoor water savings studies, net blue water-neutral development ordinance and offset methodology and graywater cost effectiveness study.

8. EXECUTIVE DIRECTOR'S REPORT

Mr. Woodling reported that the water tax for this session of the legislature has died. It is possible the water tax will come back again and we should be prepared by firming up some of the alternative ideas that we have for how funding drinking water in disadvantaged communities could be generated.

The SGA Twentieth Anniversary luncheon will be held October 18th at the North Ridge Country Club.

A Delta Update workshop will follow the next RWA Board meeting scheduled for November 8th.

Mr. Schubert suggested at a previous RWA meeting that alternative water efficient turf be researched. Amy Talbot, through the Water Efficiency program, compiled available information on more efficient turf grasses available as an alternative to regular turf. The information is available on the website. The Water Efficiency Program annual report is also available on the website.

9. DIRECTORS' COMMENTS

Mr. York gave an update on the long term water contract between Sacramento Suburban Water District and Placer County Water Agency for water to be taken from Folsom when needed. After 18 years and six hundred thousand dollars the Warren Act contract was approved by the District's Board and is now waiting to be signed by Reclamation.

Chair Yasutake thanked Mr. Schubert for chairing the July 12th RWA Board meeting for him. The 2018 RWA Awards Committee includes Paul Selsky as chair, Kerry Schmitz and Rob Roscoe. The memorandum requesting award nominations for Water Statesperson of the Year and Distinguished Service will be sent out September 21st.

Adjournment

With no further business to come before the Board, Chair Yasutake adjourned the meeting at 11:13 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer