

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

Audie Foster, California American Water
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
Scott Alvord, City of Roseville
Sean Bigley, City of Roseville
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
Tom Nelson, Elk Grove Water 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
Robert Dugan, Placer County Water Agency
Brent Smith, Placer County Water Agency
Tim Shaw, Rio Linda/Elverta Community Water District
Kerry Schmitz, Sacramento County Water Agency
Kevin Thomas, Sacramento Suburban Water District
Dan York, Sacramento Suburban Water District
Pam Tobin, San Juan Water District
Paul Helliker, San Juan Water District

RWA Associate Members

Christoph Dobson, Sacramento Regional County Sanitation District

RWA Affiliate Members

Paul Selsky, Brown & Caldwell and Alan Driscoll, Forsgren Associates

Staff Members

John Woodling, Ryan Ojakian, Nancy Marrier, Cecilia Partridge and Ryan Bezerra, Legal Counsel

Others in Attendance:

Dave Jones, Kathleen McPherson, Melanie Holton, Dan Kelly and Einar Maisch. Nicole Krotoski and Art Starkovich participated via conference phone.

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

- a. Approve minutes from the September 13, 2018 RWA Board Meeting
- b. Approve RWA Affiliate application from Fracta, Inc.

Motion/Second/Carried (M/S/C) Ms. Tobin moved, with a second by Mr. Nugent, to approve the Consent Calendar items. The motion carried by the unanimous voice vote of all directors present.

4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS

Information: Final minutes of the August 22, 2018 and September 27, 2018 Executive Committee meetings and draft minutes from the October 24, 2018 Executive Committee meeting

5. RETIREE HEALTH BENEFITS

John Woodling, RWA Executive Director, said that the Executive Committee directed staff to evaluate alternatives that would lower the long term costs of providing health benefits to retirees. Participating in the CalPERS health program limits options and adds complexity due to the requirements of the Public Employees Medical and Health Care Act (PEMHCA). Staff briefed the Executive Committee in September and October on the issue and the Executive Committee voted to recommend that the Board direct staff to move forward with a CalPERS resolution and associated actions.

Mr. Woodling reviewed a PowerPoint presentation that was given to the Executive Committee in October. It included an overview of the PEMHCA requirements, a history of RWA retiree health benefits, the current status and alternatives under PEMHCA. As a CalPERS health member under PEMHCA, RWA is required to allow retirees to continue under the health care program and contributions RWA makes for retirees must be equal to the contributions made for active staff.

RWA has adopted three retiree health benefit resolutions since 1991. Under the 2007 Resolution, to be eligible for retiree health benefits from RWA under CalPERS an employee must have a minimum of five years at RWA and between 10 and 20

years of combined CalPERS service. There are currently six active employees under Resolution 2007, with four vested active employees at CalPERS retirement age. The combined monthly premium for current retirees is \$2,100. There is a CERBT trust established for future retiree health benefit payments.

Proposed goals include maintaining our retirement commitment to current active employees, reducing long term retiree costs for future employees and maintaining competitive benefits that allow RWA to recruit and retain employees. By adopting a CalPERS minimum payment resolution and establishing a cafeteria flexible benefit plan, a health reimbursement arrangement can be established and retiree health benefits for new employees can be determined. The challenge is to determine what we want to provide for newly hired employees for their retiree health benefits. A minimum payment for all employees and retirees is currently \$136/month.

Adopting a resolution would maintain our commitment to existing staff and retirees reinforcing our ability to meet our financial commitments reduce long term liability for OPEB and improve flexibility to modify benefits over time.

Future questions to consider include what is the benefit we provide for future hires for their retiree health benefits, how long should the vesting period be, what should the benefit amount be, is a health saving account an option and do we make any payment for foregoing coverage for actives and retirees. Industry practice needs to be included in the discussion.

Staff was looking for direction from the board to work with special counsel to prepare a resolution to comply with the minimum payment option under PEMHCA and to set up a process to pursue what we provide as the changed benefit going forward.

It was discussed that employee health benefits should be kept competitive to recruit and retain staff.

M/S/C Mr. Schubert moved, with a second by Mr. Nugent, to direct staff to work with counsel to prepare a resolution to comply with the “minimum payment” option under PEMHCA. The motion carried by the unanimous voice vote of all directors present.

6. EXECUTIVE DIRECTOR’S REPORT

Legislative and Regulatory Update – Mr. Woodling welcomed RWA’s newest staff member Ryan Ojakian to the role of Legislative and Regulatory Affairs Manager. Mr. Ojakian comes to us from the State Legislature, where he served as Senior Consultant to the Assembly Water, Parks, and Wildlife Committee, and also as staff to Assemblymember Marc Levine and Senator Joseph Simitian.

Mr. Ojakian said that he looks forward to being a resource for RWA agencies. The biggest issue in the legislature this year is the water tax that is expected to get resolved in the upcoming session. Other issues will be discussed as they come up.

Over the next few months his intention is to meet with general managers and attend agencies board meetings.

The Lobbyist Subscription Program is currently funded through a subscription program. In March the board voted to move the program to the RWA core. Effective January 1, 2019 the lobbyist will work for RWA exclusively not for a subset of members. Staff will be reaching out to agency general managers to identify a contact person to receive legislative information and who will attend meetings to discuss the issues.

A useful summary of the 2018 Legislative Session was attached for information. SB 998 (Dodd) delaying water shut-offs was signed into law by the Governor and will take effect January 1, 2019. The ACWA State Legislative Committee voted on October 26, 2018 to sponsor two bills in 2019, one as a funding proposal for safe drinking water for disadvantaged communities, and the other to establish a grace period for compliance with new water quality standards. The 2018 elections have occurred and will likely have significant implications for water policy. In addition, the SWRCB is scheduled to consider Phase I of the Bay-Delta Water Quality Control Plan on November 7, 2018. After the latest elections we now have a new governor and numerous changes in the legislature.

Landscape Imagery Project Update – The Sacramento region collectively purchased high resolution aerial imagery in early 2018 to assist with local and regional planning efforts, including those associated with the recently passed SB 606 and AB 1668 legislation. Part of these new laws will require the calculation of water use targets that are based, in part, on the amount of irrigable landscape in a water supplier's service area and local climate. These landscape budgets based on irrigable land will be rolled up at the water agency level as one component of an agency's overall water use objective or target. Water use targets are enforceable at the water agency level by the state beginning in 2023.

To better understand the development of landscape budgets and the impacts for water agencies, the region has shown interest in conducting further analysis of the aerial imagery to estimate the area of relevant irrigable and irrigated land. The resulting irrigable and irrigated land for each water agency can then be used to determine landscape water budgets prior to the state's 2022 required deadline to adopt a similar landscape water budget methodology. This additional information will assist in helping to guide the state's methodology. RWA staff will conduct a competitive process to select a firm to perform the analysis. Staff will release a Request for Proposals (RFP) or Request for Qualifications (RFQ) by the end of November, with selection of a firm expected in December or early January. There are several firms that have expressed interest in performing the analysis.

RWA Outreach – The Sacramento Groundwater Authority held a well-attended 20th Anniversary Event on October 18, 2018 at the North Ridge Country Club. Former Assemblymember Roger Dickinson, co-author of the Sustainable Groundwater Management Act, was the keynote speaker. Resolutions recognizing the work of SGA were presented by Assemblymember Ken Cooley and by Matthew Ceccato,

staff to Congressman Ami Bera. Mr. Woodling chaired a meeting of the ACWA Groundwater Committee on September 20th in Bakersfield. He will Chair the ACWA Groundwater Committee on November 28th in San Diego and speak on a panel at the ACWA Conference as well.

Grants Update – A Grant Award table was enclosed showing the five grant awards totaling just over \$28.5 million that staff is currently managing. There will be an opportunity for Prop 1 Integrated Regional Water Management funding in 2019.

Holiday Social – A flier was attached for the RWA/SGA Holiday Social scheduled for December 6, 2018 at 6:00 p.m. at the North Ridge Country Club.

7. DIRECTORS' COMMENTS

Mr. Straus thanked RWA staff for assisting Citrus Heights Water District in obtaining a grant for their projects. Mr. Swartz was helpful in initiating their regional water transfer. ACWA and DWR are forming work groups on AB 1668 and SB 606 issues related to the regulatory report and requirements.

Mr. Raffety reported that El Dorado Irrigation District had two board members voted out of office. Replacements are expected soon.

Mr. Dugan said that there are voluntary settlement meetings scheduled for representatives of the Sacramento River and its tributaries.

Mr. York said that the board of Sacramento Suburban Water District approved a contract and resolution to Reclamation for a long term contract that allows the district to purchase Middle Fork water from Placer County Water Agency delivered through Folsom Reservoir, treated by San Juan Water District and delivered into the District's north service area.

Mr. Nugent said that Jeff Nelson will replace retired John Wallace on the Carmichael Water District board.

Mr. Saunders said that there will be three new board members for Del Paso Manor Water District. This is the last meeting that Mr. Saunders will attend representing the District.

Mr. Woodling thanked Mr. Saunders for his service on the RWA Board of Directors.

Mr. Madison said that it was not necessary for Elk Grove Water District to hold an election. Tom Nelson will be an RWA representative for the District for another four years.

Chair Yasutake said that DWR reached out to City of Folsom regarding AB 1668 and aerial imagery. DWR would like to do a pilot study with the City of Folsom to include an algorithm to use to take aerial imagery to their vendor and provide the

data for the City with the focus on residential. The City of Folsom is continuing to discuss the possibilities.

Adjournment

With no further business to come before the Board, Chair Yasutake adjourned the meeting at 9:55 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer