

**REGIONAL WATER AUTHORITY
REGULAR MEETING OF THE BOARD OF DIRECTORS
Thursday, May 2, 2019**

9:00 a.m. Pacific Daylight Savings Time

5620 Birdcage Street, Suite 110
Citrus Heights, CA 95610
(916) 967-7692

Teleconference location: 1901 Pennsylvania Ave. NW, Suite 700, Washington, D.C., 20006
(Teleconference location will be open to the public during the teleconference)

AGENDA

The public shall have the opportunity to directly address the Board on any item of interest before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker. Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above. In compliance with the Americans with Disabilities Act, if you have a disability and need a disability-related modification or accommodation to participate in this meeting, please contact the Executive Director of the Authority at (916) 967-7692. Requests must be made as early as possible, and at least one full business day before the start of the meeting.

1. CALL TO ORDER AND ROLL CALL

2. PUBLIC COMMENT

3. CONSENT CALENDAR

- a. Minutes from the March 14, 2019 RWA regular board meeting
Action: Approve March 14, 2019 RWA Board meeting minutes

4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS

- a. Information: Final minutes of the February 27, 2019 and March 27, 2019 Executive Committee meetings.

5. ADMINISTRATIVE AND MANAGEMENT SERVICES AGREEMENT WITH SACRAMENTO GROUNDWATER AUTHORITY UPDATE

Action: Approve amended RWA Policy 100.2

6. RWA BOARD MEETING SCHEDULE

Action: Approve amended RWA Policy 200.1

Action: Approve Resolution 2019-08 setting the time and place of regular meetings of the Board of Directors for the remainder of 2019

7. UPDATE ON PROPOSED VOLUNTARY AGREEMENT TO THE BAY-DELTA WATER QUALITY CONTROL PLAN

Information Update: Andy Fecko, Director of Strategic Affairs, Placer County Water Agency

8. RWA STRATEGIC PLAN UPDATE

Information and Discussion: Rob Swartz, Interim Executive Director

9. SACRAMENTO REGIONAL WATER BANK, PHASE 1 – MODEL DEVELOPMENT
Action: Authorize the Interim Executive Director to execute Task Orders with Woodard & Curran to begin work on model development to support analysis of the proposed Sacramento Regional Water Bank

10. EXECUTIVE DIRECTOR’S REPORT

11. DIRECTORS' COMMENTS

12. CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(e) AND 54957(b)(1). PUBLIC EMPLOYEE APPOINTMENT
Title: Executive Director

ADJOURNMENT

Upcoming meetings:

Next Executive Committee Meetings – Wednesday, May 22, 2019, 8:30 a.m. at the RWA office and June 26, 2019, 8:30 a.m. at the RWA office

Next RWA Board of Directors’ Meetings – Thursday, June 13, 2019 10:30 a.m. at the RWA office and July 11, 2019, 9:00 a.m., at the RWA office

The RWA Board Meeting electronic packet is available on the RWA website at <https://rwah2o.org/meetings/board-meetings/> to access and print the RWA Board electronic packet.

AGENDA ITEM 3a: CONSENT CALENDAR

Minutes from the March 14, 2019 RWA regular board meeting

Action: Approve March 14, 2019 RWA Board meeting minutes



Regional Water Authority
BUILDING ALLIANCES IN NORTHERN CALIFORNIA

RWA Board Meeting
Draft Minutes
March 14, 2019

1. CALL TO ORDER

Chair Schubert 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
Raymond Riehle, Citrus Heights Water District
Hilary Straus, Citrus Heights Water District
Marcus Yasutake, City of Folsom
Dan Karleskint, City of Lincoln
Bruce Houdesheldt, City of Roseville
Sean Bigley, City of Roseville
Jeff S. Harris, City of Sacramento
Michelle Carrey, City of Sacramento
Martha Guerrero, City of West Sacramento
Denix Anbiah, City of West Sacramento
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
Randy Marx, Fair Oaks Water District
Tom Gray, Fair Oaks Water District
Paul Schubert, Golden State Water Agency
Robert Dugan, Placer County Water Agency
Brent Smith, Placer County Water Agency
Mark Martin, Rancho Murieta Community Services District
Brent Dills, 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
Pam Tobin, San Juan Water District
Paul Helliker, San Juan Water District

RWA Associate Members

Brett Storey, Placer County, Arthur Starkovich and Ansel Lundberg, SMUD

RWA Affiliate Members

Alan Driscoll, Forsgren Associates, Inc., Charles Duncan, West Yost Associates and Vanessa Nishikawa, Stantec

Staff Members

Rob Swartz, Ryan Ojakian, Nancy Marrier, Cecilia Partridge, Monica Garcia and Ryan Bezerra, Legal Counsel

Others in Attendance:

David Gordon, David Wheaton, Craig Locke, Kathleen McPherson, Terry Erlewine, Jim Peifer, Kevin Gustoff and Nicole Krotoski

2. PUBLIC COMMENT

Mr. Starkovich, Sacramento Municipal Utility District, said that under recent legislation with SB 901 all electric utilities are required to have a wildfire mitigation plan in place. SMUD has those plans in place and will be seeking public comment between April 15 and May 20, 2019. Notification will be emailed when the comment period is posted.

3. CONSENT CALENDAR

- a. Approve Minutes of the January 10, 2019 regular board meeting
- b. Approve Resolution 2019-02 concurring in the nomination of Paul Green to the California Water Insurance Fund Board of the ACWA/JPIA, Approve Resolution 2019-03 concurring in the nomination of Jerry Gladbach to the Executive Committee of the ACWA/JPIA and Approving Resolution 2019-04 concurring in the nomination of Brent Hastey to the Executive Committee of the ACWA/JPIA.

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

4. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATIONS

- a. Information: Final minutes of the January 23, 2019 Executive Committee meeting and the January 29, 2019 Special Executive Committee meeting and draft minutes from the February 27, 2019 Executive Committee meeting

5. FILL VACANCY ON THE EXECUTIVE COMMITTEE

The RWA Executive Committee of the Board of Directors was seeking to fill a post-election vacancy. When a committee member is unable to fulfill their term, RWA Policy 200.3 provides for the filling of a vacancy. A copy of the policy was included in the packet.

The City of Sacramento, which previously held the position, recommended Michelle Carrey as a replacement on the Executive Committee to the Board Chair on February 7, 2019, and Ms. Carrey participated as a member of the Executive Committee at its regular meeting on February 27, 2019. Consistent with Policy 200.3, the RWA Board of Directors considered a permanent appointment for the remainder of the current term for Ms. Carrey. A bio for Ms. Carrey was enclosed in the packet.

Consistent with Policy 200.3 the Board was asked to vote on the appointment of Ms. Carrey to the Executive Committee. Mr. Bezerra, RWA Legal Counsel, gave a brief overview of the process. Each agency was instructed to mark their ballot either for or against Ms. Carrey's appointment to the Executive Committee. Chair Schubert appointed Ryan Bezerra and Nancy Marrier to act as the Elections Committee. Ms. Carrey was allowed two minutes to make a statement.

Ms. Carrey received a majority of the votes, with 17 for and 1 against, and will, therefore, fill the vacancy on the Executive Committee. Hard copies of all final ballots will be kept in the RWA office for anyone who wishes to review them.

Mr. Greenwood entered the meeting.

6. PROPOSED FISCAL YEAR 2019 – 2020 BUDGET

Each year the RWA Executive Committee (EC) reviews and makes a recommendation for adoption of the budget by the full board. The EC discussed some strategic drivers of the proposed FY20 Budget at the January 23 and February 27, 2019 EC meetings. The EC was presented with a list of the significant decisions that impacted the development of the budget objectives and outcomes which drive fees and expenses. Those significant decisions were incorporated into the proposed FY20 budget that was included in the packet for the Board's review. Additionally, the staff report in the board packet outlined a summary budget overview that listed additional fee and expense assumptions.

Rob Swartz, Interim Executive Director, gave a presentation on the proposed fiscal year 2019–2020 budget (FY20 budget). He highlighted the benefits of RWA membership, including collaboration among agencies, regional planning and implementation, coordinated voice on water issues, and successful grant funding and savings opportunities.

Proposed Member Dues

A total 5% increase on general membership was proposed for FY20. A 15% increase was previously forecasted during the FY19 budget process. The lower fee increase reflects that RWA FY18 available cash balance results were better than previously expected by approximately \$107,500 due to a partially vacant advocacy position and lower legal and public relation expenses than previously anticipated.

The FY21, FY22, and F23 projected increases are expected to be higher at 18%, 17% and 15% respectively as delayed increases can result in higher increases in out years. **However, the budget and projected results may not be achieved and can affect the increases in future periods.**

The FY20 5% fee increase is needed to continue the implementation of the strategic plan including consulting services, plus to pay sums towards the unfunded pension liability. Additionally, core revenues are now projected to cover 40% of the WEP manager costs and related office expenses.

Since associate members have no voting rights, the EC discussed capping any dues increase for this class of membership to the lesser of the actual RWA annual increase or 3%, whichever is lower. This budget reflects a proposed 3% increase to annual dues. At the meeting, a couple of the associate members mentioned that they receive a great value from RWA and the grants and would not be opposed to the same increase as regular members. Additionally, they mentioned that the new Executive Director should attempt to bring in more associate members to make the organization even stronger. RWA will consider revisiting this issue next budget cycle.

Significant Assumptions

Mr. Swartz outlined several historical assumptions included in the budget framework.

SGA shares 50% in common office and administrative costs. SGA pays its own share of PERS. Administrative fees are based on 4.8 FTEs (2.2 FTEs for SGA) for RWA with salaries within the ranges of the salary survey plus potential for COLA and merit. Approving the RWA budget does not approve subscription-based programs. Subscription based programs are expected to contribute 10% to RWA in FY20. Lastly, the budget does not assume any change or loss in membership, which could affect current or future results.

Strategic Plan Implementation and Funding

The strategic plan outlined staffing a legislative and regulatory manager to implement RWA's regional water voice on important water legislation and regulations that impact members and the region. The program has proved to be successful and is now staffed by a full-time person to fully implement the strategic plan goals supported by core dues. In 2018, the Board voted to fund the water advocacy consultant using core dues instead of subscription dues. This shift in funding is occurring over a three year period from FY19 to FY21. Under this proposal, subscription fees were not collected in FY19 for this consulting support. Moving this consulting support to core dues will impact core dues in FY20 and FY21, especially in FY21 when the full cost of this program will need to be funded by the core dues. It is a net cost savings to the members who have been paying for

this service as a subscription program for the last several years on behalf of themselves and other members.

Defined Benefit Pension Plan Funding

The FY20 budget incorporates RWA's Policy 500.15 Defined Benefit Pension Plan Funding policy, reflecting an additional payment above the required annual payment for the pension plan unfunded liability. The EC was provided a lower than anticipated estimated unfunded liability balance of approximately \$58,000¹ due to improvements in the investment market performance. Because RWA budgets a four year payment allocation for this unfunded liability, the amount to pay can reflect significant volatility from year to year, both increases and decreases to payments. For FY20, RWA's budgeted payment is \$15,000 versus the \$63,000 expected payment based upon the prior estimated unfunded liability balance. The amount to pay in FY21 will be recalculated based upon updated balance data and could be higher or lower than \$15,000. A couple of board members asked if there was a way to smooth out the volatility of these payments. Lengthening the time payment horizon helps stabilize the volatility but would require modification to the policy. RWA EC will look at this issue again for the FY21 budget preparation.

Water Efficiency Program

When the Water Efficiency Program (WEP) began, the program manager position was a full time dedicated position for WEP. For the last several years, that position has also assisted with RWA core functions. Because of this program shift from WEP to RWA activities, RWA has been shifting 10% per year of the staffing and related administrative costs to RWA core dues to reflect the support provided to the core program by this position, so that in FY19, 30% of the costs are supported by RWA core dues. The proposed budget reflects 40% of these costs supported by RWA in FY20. The subsequent year also assumes an increase of 10% capping at 50% in FY21. This offsets costs to the WEP Program, allowing WEP additional funds to support either direct public outreach costs or to reduce fees, subject to decisions by the WEP committee during its annual budgeting process. This shift in costs also recognizes that a portion of water efficiency is a core function of RWA.

Powerhouse Science Center

The Powerhouse Science Center (PSC) is an agreement that RWA entered into for a science education center in Northern California. Money was collected over five years and placed in a designation to be paid to PSC over 15 years. New members have joined over time and have yielded an additional \$13,000 collected, which will be reflected as a reduction of member FY20 dues invoice. The reimbursement will be pro-rated based on the amounts paid toward the PSC by each member.

¹ Per a July 26, 2018 letter from CalPERS estimated the unfunded pension liability balance at June 30, 2019 after the \$63,000 payment made in FY19.

Succession Planning

The budget does include approximately \$20,000 for overlapping salary and benefit costs in FY20 for the finance manager position. The FY20 budget reflects salary and benefit costs without any potential increases or decreases for the position changes for the executive director and the finance manager. Any unused succession planning budget will be set aside in a succession planning fund.

Additional Board Discussion

Mr. Yasutake added that when looking at a dues increase he conveys to the city manager and city council what his agency has gained over that time. The City has received several millions of dollars of grant funds which shows at least a four to one return on investment of dues relative to the grant funds received. They have also saved costs by not having to hire staff to do these particular grants or applications. Mr. Harris from the City of Sacramento agreed with this comment.

Mr. Houdesheldt asked why RWA is only asking for 5% in the next fiscal year and an 18% increase the following year. Mr. Schubert replied that looking to out years is more of a forecast. We know what next year is going to look like based upon the needs of what has been established, instead of creating some extra funds that RWA would be collecting ahead of time that RWA may not need. The opinion of the Executive Committee was to collect what was needed going forward and then refine estimates next year and look at it again.

Mr. Houdesheldt asked if it was a fair statement that the 5% was just for the FY20 and RWA is using some cash on hand to backfill the deficit to be able to hold that figure. Ms. Krotoski replied that it is correct that RWA is using designations. If RWA did more than a 5% increase, RWA would be bumping up against the operating designation policy of four to six months and RWA is trying not to exceed that policy. Mr. Swartz agreed that the budget is partly driven by the reserve policy. If RWA had a higher than 5% increase, RWA could potentially move above six months. RWA has also established a designation for membership dues stabilization in the event that an agency drops membership.

M/S/C Mr. Harris moved, with a second by Ms. Carrey, to adopt the Budget for Fiscal Year 2019 – 2020. The motion carried by the unanimous voice vote of all directors present.

7. RESOLUTION REGARDING CalPERS HEALTH BENEFIT VESTING AND PAYMENTS

Mr. Swartz reported 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). At its November meeting, the Board directed staff to move forward with a CalPERS resolution and associated actions. The goal is to maintain commitment to current retirees and current active employees, reduce long term retiree costs for future employees and maintain competitive benefits that allow us to recruit and retain employees.

Resolution 2019-05 will rescind the current benefit vesting that RWA has in place under Resolution 2007-03 and will be replaced with Resolution 2019-06 which adopts an employer contribution at an equal amount for employees and annuitants. The effective date will be July 1, 2019. The minimum PEMHCA contribution in 2019 is \$136 and will change slightly each year.

Mr. Swartz gave an overview of the cafeteria plan for active employees and the health premium reimbursement plan. At the February Executive Committee meeting, after discussion, it was recommended that the resolution be presented to the RWA Board for approval. It is expected that approval from CalPERS will be received May 1, 2019 with an effective date of July 1, 2019.

M/S/C Ms. Tobin moved, with a second by Mr. Houdesheldt, to approve Resolution 2019-05 to Rescind CalPERS Health Benefit Vesting and to Adopt Resolution 2019-06 CalPERS Minimum Payment Resolution. The motion carried by the unanimous voice vote of all directors present.

8. RWA HEALTH BENEFIT PLANS

Mr. Swartz gave a presentation on the RWA Health Benefit Plan options. In order to save on retiree health benefit costs, the Regional Water Authority (“Authority”) adopted Resolution No. 2019-06 Fixing the Employer Contribution at an Equal Amount for Employees and Annuitants under the Public Employees’ Medical and Hospital Care Act (“PEMHCA”) to permit the Authority to develop three separate health benefit tiers, Tier I, Tier II and Tier III, for retiree health insurance purposes. This resolution will reduce the amount that the Authority pays directly to CalPERS for an employee’s or retiree’s enrollment in a CalPERS health insurance plan to the statutory minimum required under Government Code Section 22892(b) (“Statutory Minimum”). The Statutory Minimum for 2019 is \$136 and adjusted on an annual basis by CalPERS.

This change is necessary due to a CalPERS rule that requires that a contracting agency make available equal health benefit contributions to employees and retirees in the same group or class unless the Statutory Minimum approach is adopted. In addition, this change will allow Authority employees to include service with Sacramento Groundwater Authority in order to qualify for a greater retiree health benefit contribution as discussed further below.

The goals of the proposed change is to reduce long term retiree costs for future employees, maintain competitive benefits that allow RWA to recruit and retain

employees, maintain the commitment to the current retirees and maintain the retirement commitment to current active employees. The cafeteria plan for active employees and the health premium reimbursement plans were prepared by Best Best & Krieger (“BB&K”) as directed by the board and prepared for Board approval.

Resolution No. 2019-07 approves the adoption of the Cafeteria Plan and HRA effective as of July 1, 2019. The Finance and Administrative Services Manager or her designee, is appointed as the Plan Administrator and HIPAA privacy official for both plans. The Executive Director is authorized to take such actions and execute such documents as are necessary to implement the Cafeteria Plan and HRA. This arrangement will also allow service for Sacramento Groundwater Authority to count for purposes of determining the level of retiree health benefits available to eligible retirees.

Mr. Riehle exited the meeting.

There was an objection to the option to take cash payment in-lieu of health insurance coverage. Mr. Houdesheldt and Mr. Schubert explained that if someone has a spouse that has medical benefits, a cash payment of \$440 for the employee would be much less than making an estimated \$1,800 payment for their family.

M/S/C Ms. Tobin moved, with a second by Mr. Houdesheldt, to approve Resolution 2019-07 Adopting the Regional water Authority Cafeteria Plan and the Regional Water Authority Retiree Health Premium Reimbursement Plan. The motion carried by the unanimous voice vote of all directors present.

9. REGIONAL WATER RELIABILITY PLAN UPDATE

Mr. Swartz reported that RWA is nearing completion of the Regional Water Reliability Plan (RWRP) project. A draft RWRP is being reviewed by the project committee. The RWRP makes several recommendations with the further development of a regional water bank being chief among them. Staff is currently developing a new subscription-based project agreement to complete the tasks to develop a water bank that would be consistent with United States Bureau of Reclamation’s groundwater banking guidelines and would also be consistent with the desired outcomes of the California Sustainable Groundwater Management Act. Staff provided overviews of the key RWRP recommendations and of the proposed new water bank project to the Board at its March 14, 2019 meeting.

The recommendations have been distributed to the project committee and were presented to the Executive Committee on February 27th. It was suggested that a resolution of support be brought to the board for adoption. Staff will work with legal counsel to determine what, if any, environmental analysis should be completed. Staff may bring back a final document to the board at the May or July meetings.

We have a reliable water supply; however, there are some uncertainties adapting to future climate conditions and long term with future demands. Staff continues planning for the establishment of a regional water bank to leverage the groundwater basin as the most effective reservoir that we manage locally. A three year plan is proposed to arrive at a water bank in 2022. The development of the water bank will be an RWA subscription-based project. There are two phases to the water bank project, first to get modeling tools developed to assess the operation so that an environmental analysis of the program can be completed. Staff has been engaging with state and federal agencies to keep them apprised of the progress. The committee is looking at the interest in groundwater substation transfers and exploring issues of governing ourselves. Activities under phase 2 are being deferring until phase 1 is completed, and then a determination will be made if we want to move forward. We continue to pursue early actions to expand conjunctive use operations and prove concepts of storage and recovery coordinating with Groundwater Sustainability Agencies in the North American and South American Subbasins. The feasibility of expanded ASR wells in the region is being explored with continued coordination with longer-term planning efforts.

A study of whether or not ASR makes sense for our region is being planned as an additional RWA subscription project. Other long term planning efforts include evaluating in-lieu recharge in the south part of the county and how that incorporates into a water bank. We are also working with SAFCA on a proposed flood control project that will be doing direct recharge. We want to look at what kind of opportunities these projects present and how we can coordinate with them.

There was discussion of the market opportunity that groundwater substitutions represent. It is about getting water out and distributing into agencies that can take surface water. It was noted that in the agriculture community, rice growers specifically do not want to use recycled water because some of their buyers will not accept their rice product if recycled water has been used. Mr. Harris stated that the groundwater substitution pilot program worked well for City of Sacramento.

Staff will continue to identify and pursue grant funding opportunities to implement the water reliability plan mitigation actions, support development of new funding opportunities and track progress on proposed mitigation actions.

10. EXECUTIVE DIRECTOR'S REPORT

Legislative and Regulatory Update – The Legislative bill introduction deadline was February 22nd. Staff is tracking approximately 90 bills for existing content that broadly relate to the water tax, water quality, water efficiency, and water rights. RWA has taken a support position on AB 533, SB 19, SB 134 and SB 669. Additional information is available on the RWA advocacy webpage on those bills. There were several hundred “spot” bills introduced at the deadline. Staff is monitoring all of those bills, and it is likely that once they become substantive several dozen additional bills will be tracked. Staff is in communication with the

larger water community and Legislative offices on an ongoing and regular basis to understand the intent behind proposals, and to communicate both our concerns and support.

The State Water Board is in the process of developing a needs assessment for safe drinking water. The process began in January and is expected to pick up again in late April. The needs assessment will likely be referenced in the policy discussions over the water tax. Staff is actively engaged in that process.

RWA Outreach – Staff has been invited to participate on an ACWA Integrated Regional Water Management (IRWM) Subcommittee to discuss updating ACWA’s IRWM Policy Principles. Staff has been invited to participate in a small group Public Policy Institute of California (PPIC) workshop on “Water Trading, Water Banking, and Sustainable Groundwater Management” on April 19 in Sacramento.

Grants Update – Staff is currently managing six grant awards totaling just over \$29.2 million. During the previous quarter, staff completed the grant completion report for the Department of Water Resources’ (DWR) Proposition 1 \$250,000 grant award, which helped fund the 2018 American River Basin IRWM Plan Update. This completes the requirements for the grant, with final retention expected before the end of the current fiscal year.

During the upcoming quarter, staff will be working with USBR to execute a funding agreement for a \$300,000 grant awarded to San Juan Water District, with Sacramento County Water Agency as a sub-recipient. The award is from the WaterSMART drought contingency implementation program and will be used to fund two agency interties. RWA staff will manage the grant under a subscription project agreement. The Reclamation funding agreement has been taking much longer than expected to develop, which has also been experienced by other grant recipients from 2018.

DWR is expected to release the final application and guidelines for the Proposition 1 IRWM Implementation Grant Program. Staff is continuing to communicate with American River Basin IRWM stakeholders to identify projects that are ready to proceed and that wish to be considered to pursue the current opportunity as part of a regional application. RWA is also coordinating with other Regional Water Management Groups in our funding area, which is encouraged by DWR as part of the grant program.

Executive Director Recruitment Update – A recruitment brochure has been finalized and was sent to prospective candidates beginning on February 18, 2019. The deadline for applications is March 18, 2019. The consultants will screen the candidates and present results to the Executive Committee on March 27, with interviews to be scheduled in late April. It may become necessary to schedule a special June meeting to finalize the process.

Financial Reports – Financial reports through January 31, 2019 were attached.

11. DIRECTORS' COMMENTS

Mr. Madison said that as we move closer towards the timeline for Urban Water Management Plans, he would like to encourage working together on a common climate change review. It would be beneficial to do this under the RWA.

Mr. Lundberg thanked Mr. Swartz for sharing the information on the Regional Water Reliability Plan draft.

Ms. Carrey said she looks forward to representing the region on the RWA Executive Committee.

Mr. Harris thanked all of the members for their support of the Powerhouse Science Center. It will be a tremendous regional amenity and will educate several generations of youth about water. He encouraged everyone to check out the auxiliary spillway project.

Mr. Martin thanked the RWA for their assistance to Rancho Murieta Community Services District with modifying their Prop 84 grant.

Mr. Starkovich announced wildfire mitigation plan comment opportunities will be coming out soon.

Mr. Dugan reported that the Cap-2-Cap discussions and arrangements are underway. The utility company PG&E has had conflicts over the past year. A working group has been convened to address PG&E utility issues associated with permits for projects such as water pipeline replacement or water connections. Anyone who wants to be included, please contact Mr. Dugan.

Ms. Roccucci said that she is glad to be able to come back and participate in the RWA for the City of Roseville.

Mr. Houdesheldt said he recognized familiar faces among the RWA members. He said that he works for the Northern California Water Association managing discharge permits.

Mr. Bigley gave an update on the City of Roseville Central Valley Project water service contract. They had an opportunity to schedule flood control water to inject into ASR wells that have not previously been used for injection operation.

Mr. Raffety reminded the board that that as a result of the 1986 storms that almost over topped Folsom dam, Representative Doolittle engaged the Bureau of Reclamation to put the auxiliary spillway project in place.

Ms. Tobin said that she had the opportunity to travel to Washington D.C. with the ACWA Legislative Conference. They had the opportunity to combine messages for Folsom and San Juan Water District to educate legislative staff on water issues, which will be beneficial for future requests. The group had productive meetings with several Senators and Representatives.

Adjournment

With no further business to come before the Board, Chair Schubert adjourned the meeting at 10:46 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer

AGENDA ITEM 4a. EXECUTIVE COMMITTEE REPORT AND RECOMMENDATION

Information: Final minutes of the February 27, 2019 and March 27, 2019 Executive Committee meetings

1. CALL TO ORDER

Chair Schubert called the meeting of the Executive Committee to order at 8:30 a.m. Individuals in attendance are listed below:

Executive Committee Members

Ron Greenwood, Carmichael Water District

Marcus Yasutake, City of Folsom

Debra Sedwick, Del Paso Manor Water District

Paul Schubert, Golden State Water Company

Brent Smith, Placer County Water Agency

Kerry Schmitz, Sacramento County Water Agency

Dan York, Sacramento Suburban Water District

Michelle Carrey (recommended by City of Sacramento as interim replacement to fill post-election Executive Committee vacancy per RWA Policy 200.3), City of Sacramento

Staff Members

John Woodling, Rob Swartz, Ryan Ojakian, Nancy Marrier, Amy Talbot, Cecilia Partridge, Monica Garcia and Ryan Bezerra, legal counsel.

Others in Attendance

Nicole Krotoski, Claire Caffo, Robert Dugan, Jim Graydon and Charles Duncan

2. PUBLIC COMMENT

None.

3. CONSENT CALENDAR

The minutes from the Executive Committee meeting held January 23, 2019 and the Special Executive Committee meeting held January 29, 2019.

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

4. EXECUTIVE DIRECTOR RECRUITMENT UPDATE

John Woodling reported that a recruitment brochure has been finalized (enclosed in the packet) and is being sent to prospective candidates. The deadline for applications is March 18, 2019. The consultant will screen the candidates and

present results to the Executive Committee on March 27, with interviews to be scheduled in April.

5. DEVELOPMENT OF FISCAL YEAR 2019 – 2020 BUDGET

John Woodling gave a presentation to the EC that will serve as the foundation of the presentation to be given to the full Board as part of the budget approval process. The proposed Fiscal Year 2019-2020 budget (“FY20 Budget”) proposes a 5% dues increase to full members, a 3% increase to associate members, and no increase for RWA affiliates.

As provided in the EC packet for the meeting and discussed at the EC meeting, key components affecting the FY20 Budget include:

- 1) As part of the strategic plan implementation, RWA began transitioning to a full-time staffed position for the legislative/regulatory program in FY17. RWA had created a Strategic Plan Fund that began in FY16 and helped to pay for this implementation of the strategic plan in FY17 and FY18. FY18 represented the first full year of execution of the advocacy element of the strategic plan, including a full year of staffing costs. For FY19, the contract lobbyist was funded 50% by subscription dues and 50% from the strategic plan fund. For FY20, the proposed budget will use the remaining strategic fund (estimated at \$49,700) to help pay for these consulting costs with the balance to be paid for by core dues. For FY21 and beyond, core dues will fully support both staff and the contract lobbyist.
- 2) When the Water Efficiency Program (WEP) began, the program manager position was a full time dedicated position for WEP. For the last few years, that position has also assisted with RWA core functions. Some of these activities have included State Water Resources Control Board emergency regulations, water supply data collection, the water-energy study, and the development of an RWA annual report. Because of this program shift from WEP to RWA activities, RWA has been shifting 10% per year of the staffing costs to RWA core dues to reflect the support provided to the core program by this position, so that in FY19, 30% of the costs are supported by RWA core dues. The proposed budget reflects 40% of these costs supported by RWA in FY20. The subsequent year also assumes an increase of 10% capping at 50% in FY21. This offsets costs to the WEP Program, allowing WEP additional funds to support either direct public outreach costs or to reduce fees, subject to decisions by the WEP committee during its annual budgeting process.
- 3) The Powerhouse Science Center (PSC) is an agreement that RWA entered into for a science education center in Northern California. Money was collected over five years and placed in a designation to be paid to PSC over 15 years. New members have joined over time and have yielded an additional \$13,000, which will be credited back to agencies on their FY20 dues invoice.
- 4) Since associate members have no effective voting rights, the EC discussed capping any dues increase for this class of membership to the lesser of the actual RWA annual increase or 3%, whichever is lower.

- 5) The EC discussed succession planning, including some overlapping salary during the transition as well as potential for increased salary costs for the finance manager at Tier 2. A potential succession planning set aside may be created if budgeted costs for this succession planning have not been incurred as expected.
- 6) In keeping with RWA's Policy 500.15 Defined Benefit Pension Plan Funding policy, the FY20 budget will reflect an additional payment above the required annual payment to the pension plan unfunded liability. The EC was provided a lower than anticipated estimated unfunded liability balance of approximately \$58,000¹ due to improvements in the investment market performance. Because RWA is paying off this unfunded liability over four years, the amount to pay can create significant volatility from year to year, both increases and decreases to payments. For FY20, RWA's budgeted payment is \$15,000 versus the \$63,000 expected payment based upon the previous estimated unfunded liability balances. The amount to pay in FY21 will be recalibrated based upon updated balance data and could be higher or lower than \$15,000. These payments reflect RWA's liabilities. SGA pays its own contributions direct to CalPERS since SGA became a CalPERS member in FY17.

Outlook for FY 2021

In looking out to the future, RWA can anticipate a potential 18% increase in dues in FY21 in order to meet increased expenses when designated strategic plan funds are not available to help fund the advocacy program, increased leasing costs, continuing to pay the unfunded pension plan liability, and continuing to shift the WEP manager costs to be funded 50% by core dues. FY21 and beyond does not reflect the salary costs that will be used for the new Executive Director or Finance and Administrative Services Manager until they are hired. Future projections assume RWA and SGA share staffing and administrative costs and subscription-based programs will contribute approximately 10% of revenues to pay for Core staffing and office costs.

Because the increase in fees is less than expected for FY20, it will increase projected fees in out years to compensate for the delay in fee increases.

Finally, no changes to membership are anticipated, including any decline due to agency consolidations or nonparticipation or recruitment of new members. Any membership changes could have a significant impact on rate increases in the future.

The EC discussed the need to add an action prior to approving the FY20 Budget to recognize the use of cash from the FY19 Budget to cover expenses authorized and incurred in FY18 for the IRWM program. In FY18, \$60,000 to cover expected consulting costs was budgeted to be used for the core IRWM program to fully fund the 2018 IRWM Plan Update. The 2018 IRWM Plan Update was partially funded

¹ Per a July 26, 2018 letter from CalPERS estimated the unfunded pension liability balance at June 30, 2019 after the \$63,000 payment made in FY19.

by a Proposition 1 IRWM Planning Grant from the Department of Water Resources. The Prop 1 grant was used to fund common tasks in both the 2018 IRWM Plan Update and the ongoing Regional Water Reliability Plan (RWRP). Some of the Prop 1 grant reimbursement that was previously entered into the IRWM accounting center was intended to cover RWRP subscription program expenses. Once this grant reimbursement is transferred to the RWRP program, the IRWM consulting expenses will exceed revenue by \$60,000. The transfer of these funds will appear as an unplanned expense in FY19. Ms. Krotoski recommended that this unplanned expense be formally recognized, as the proposed FY20 Budget reflects the transfer of \$60,000 in available cash to balance revenues and expenses for the now completed 2018 IRWM Plan Update.

The EC approved treating this action as separate from the approval of the FY20 budget, but, since the EC meeting, Ms. Krotoski and the Interim Executive Director have determined that the matter can be incorporated into consideration of the FY20 Budget for accounting purposes.

M/S/C Ms. Sedwick moved, with a second by Ms. Schmitz, to recommend Board adoption of the Budget for Fiscal Year 2019 – 2020. The motion carried by the unanimous voice vote of all directors present.

6. RESOLUTION REGARDING CalPERS HEALTH BENEFIT VESTING AND PAYMENTS

John Woodling reported 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). At its November meeting, the Board directed staff to move forward with a CalPERS resolution and associated actions. The goal is to maintain commitment to current retirees and current active employees, reduce long term retiree costs for future employees and maintain competitive benefits that allow us to recruit and retain employees.

Resolution 2019-02 will rescind the current benefit vesting that RWA has in place under Resolution 2007-03 and will be replaced with Resolution 2019-03, which adopts an employer contribution at an equal amount for employees and annuitants. The effective date will be July 1, 2019. The minimum PEMHCA contribution in 2019 is \$136 and will change slightly each year.

M/S/C Mr. Yasutake moved, with a second by Mr. York, to recommend Board approval of Resolution 2019-02 to Rescind CalPERS Health Benefit Vesting and to Recommend Board Adoption of Resolution 2019-03 CalPERS Minimum Payment Resolution. The motion carried by the unanimous voice vote of all directors present.

7. RETIREE HEALTH BENEFIT PLANS

Along with resolutions changing the health benefits RWA provides relative to PEMHCA to the minimum payment, the Board has directed staff to develop a

replacement that provides promised benefits to retirees and current employees, while defining retiree benefits for new employees that reduce long term liabilities while still providing the ability to recruit and retain quality employees.

Staff worked with the Executive Committee and special counsel to develop a package of health benefits for both retirees and active employees that satisfies those objectives and is compliant with IRS rules. The details of the benefits are provided in the draft Cafeteria Plan (for active employees) and the draft Health Premium Reimbursement Plan (for retirees).

Changes from current benefits include, in the Cafeteria Plan:

- 1) a limit on the amount reimbursed for health premiums to the median amount of CalPERS plans available to RWA employees, and
- 2) the option to take a cash payment in lieu of health insurance coverage.

Changes to retiree health benefits include:

- 1) a longer vesting period of RWA/SGA service,
- 2) limitation on the number of years of CalPERS service outside of RWA/SGA that can be applied to the formula, and
- 3) allowance based only on Employee + 1 dependent premiums

The targeted implementation date for the new benefits structure will be July 1, 2019.

After discussion it was decided to change page 16, number 5 to say: Tier III Retiree. "Tier III Retiree" means a Retired Employee who: (a) was hired on or after July 1, 2019, (b) has at least five (5) years of CalPERS service credit accrued from service with the Authority and/or Sacramento Groundwater Authority *plus* at least five (5) years of additional CalPERS service credit, which may be accrued from service with other CalPERS employers. On page 18 change the "up to" 5 years to "no more than" 5 years.

M/S/C Ms. Sedwick moved, with a second by Mr. Yasutake, to Recommend Board approval of Cafeteria Plan and Recommend Board Approval of Health Premium Reimbursement Plan with the above noted change. The motion carried by the unanimous voice vote of all directors present.

8. LEGISLATIVE/REGULATORY UPDATE

Ryan Ojakian, Legislative and Regulatory Affairs Manager, gave an update on the bills that have been introduced on the water tax, water conservation, water quality, groundwater, climate change, and forest health in the current legislative session. Staff is in the process of going through all of the bills to identify which bills will have the greatest impacts on RWA members. The Advocacy program met last week, on

February 20th, to discuss bills that had been introduced as of February 13th. Staff is recommending support on 4 bills. A brief summary of those bills were included in the packet:

AB 533 (Holden) excludes from personal taxable income any benefit received from a local water agency to advance a program for water conservation, efficiency, or runoff management.

SB 19 (Dodd) would require the Department of Water Resources (DWR) and the State Water Resources Control Board (SWRCB) to, upon appropriation from the Legislature, develop a plan to modernize, reactivate, and deploy new stream gauges in priority locations across the state.

SB 134 (Hertzberg) would prohibit the Water Board from enforcing a water loss regulation except as part of water conservation regulations.

In the regulatory realm, Governor Newsom removed Felica Marcus from the Water Board. Governor Newsom appointed Joaquin Esquivel as Chair of the Water Board and replaced Ms. Marcus with Laurel Firestone on the Board. Ms. Firestone comes to the Water Board from the Community Water Center, which is an organization that is focused on the human right to water. It has been reported that these changes were driven by an effort to make the board more moderate.

RWA submitted comment letters on the Water Board AB 401 Low Income Water Rate Assistance Report and the Office of Environmental Health Hazard Assessment (OEHHA) Framework and Tool for Evaluating Progress in Achieving the Human Right to Water. Both of those comment letters are available on the RWA Advocacy webpage.

Action: Take positions on bills

AB 533 Support

SB 19 Support

SB 134 Support

SB 669 Support

M/S/C Ms. Schmitz moved, with a second by Mr. Smith, to take a Support Position on bills AB 533, SB 19, SB 134 and SB 669. The motion carried by the unanimous voice vote of all directors present.

9. REGIONAL WATER RELIABILITY PLAN UPDATE

Rob Swartz, Manager of Technical Services, reported that RWA is nearing completion of the Regional Water Reliability Plan (RWRP) project. A draft RWRP is being reviewed by the project committee. Several recommendations made by the RWRP, including further development of a regional water bank, were enclosed in the packet. The recommendations include establishing a regional water bank, continuing to pursue early actions that support development of the water bank, continued coordination with other regional efforts that could contribute to reliability and continuing to identify opportunities to implement RWRP mitigation actions, including those not related to the water bank.

Mr. Greenwood entered the meeting.

Staff is currently developing a new subscription-based project agreement to complete the tasks to develop a water bank that would be consistent with United States Bureau of Reclamation's groundwater banking guidelines and would also be consistent with the desired outcomes of the California Sustainable Groundwater Management Act. Mr. Swartz provided an overview of the proposed new project. He sought input from the Executive Committee on information to update the full Board at its March 14, 2019 meeting.

After discussion, it was recommended that this item remain on future meeting agendas as program progress updates for each phase. It was suggested that a Resolution from RWA showing approval and support of the Regional Water Reliability Plan be presented to the board at a future meeting. The project agreement will be presented to the Executive Committee on March 27th to approve launching the Water Bank Project.

10. RWA MARCH 14, 2019 BOARD MEETING AGENDA

After discussion it was decided to move the agenda item "Update on Executive Director Recruitment" to the Executive Director's Report, move the "Nomination to the ACWA JPIA Executive Committee" under the Consent Calendar and add a second action item under "Fiscal Year 2019 – 2020 Budget" to modify the 2018 – 2019 Budget. Note that subsequent to the Executive Committee meeting, Ms. Krotoski and the Interim Executive Director have determined that the matter can be incorporated into consideration of a single action to adopt the FY20 Budget. Also note that subsequent to the EC meeting, RWA was informed that an additional ACWA JPIA request was received by Jerry Gladbach and that nominations are required to come in the form of a resolution. As a result, the agenda was modified to add these resolutions as an action item under the consent calendar.

The March 27th Executive Committee meeting agenda will reflect that the meeting will begin at 8:00 a.m. After Public Comment there will be a one-hour Closed Session after which the public portion of the meeting will continue.

M/S/C Ms. Sedwick moved, with a second by Ms. Schmitz, to Approve the March 14, 2019 Board Meeting Agenda with the proposed changes. The motion carried by the unanimous voice vote of all directors present.

11. DISPOSAL OF SURPLUS PROPERTY

RWA Policy 300.3 defines procedures by which surplus property can be disposed. The policy gives authority to the Executive Committee and the Executive Director for disposing of surplus property. The policy precludes board members and employees from purchasing or receiving surplus property. The policy does not extend this limitation to former employees.

Mr. Woodling sought approval of the Executive Committee to purchase an RWA owned iPhone 7 (128 gb) for fair market value after his departure on March 1,

2019. Staff researched auction prices for a similar used phone on eBay and recommended a price of \$210 based on the mean and median prices for more than 30 completed transactions. The alternative to this transaction would have been to dispose of the phone as e-waste, since there is no other employee who will use it.

M/S/C Mr. Yasutake moved, with a second by Ms. Schmitz, to approve the Sale of iPhone 7 to the outgoing Executive Director consistent with RWA Policy 300.3. The motion carried by the unanimous voice vote of all directors present.

12. EXECUTIVE DIRECTOR'S REPORT

Mr. Woodling noted that this is his last Executive Director's Report. The RWA has come a long way in the past 10+ years with a lot more work to accomplish in the future. RWA is seen as a leader in many areas with a framework for water management, a successful water efficiency program and a legislative/advocacy program. The Executive Committee is tasked with finding an Executive Director who will facilitate staff, who can understand the interests of all the members and will lead RWA to continue adding value to the members.

13. DIRECTORS' COMMENTS

Ms. Schmitz, Mr. York, Ms. Sedwick, Mr. Greenwood, Mr. Yasutake and Mr. Smith thanked Mr. Woodling for his service, leadership and dedication to RWA and SGA and wished him well in his future endeavors.

Ms. Carrey said that she will continue to attend future RWA Board meetings as a new RWA representative for the City of Sacramento.

Chair Schubert thanked Mr. Woodling for his leadership and for treating the diverse RWA membership equally.

ADJOURNMENT

With no further business to come before the Executive Committee, Chair Schubert adjourned the meeting at 10:37 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer

1. CALL TO ORDER

Chair Schubert called the meeting of the Executive Committee to order at 8:00 a.m. Individuals in attendance are listed below:

Executive Committee Members

Ron Greenwood, Carmichael Water District
Marcus Yasutake, City of Folsom
Michelle Carrey, City of Sacramento
Debra Sedwick, Del Paso Manor Water District
Paul Schubert, Golden State Water Company
Brent Smith, Placer County Water Agency
Kerry Schmitz, Sacramento County Water Agency
Dan York, Sacramento Suburban Water District
Pam Tobin, San Juan Water District

Staff Members

Rob Swartz, Ryan Ojakian, Nancy Marrier, Amy Talbot, Cecilia Partridge and Ryan Bezerra, legal counsel.

Others in Attendance

Norm Roberts and Valerie Roberts, Roberts Consulting Group

1. CALL TO ORDER AND ROLL CALL

2. CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS 54954.5(e) AND 54957(b)(1). PUBLIC EMPLOYEE APPOINTMENT

The public portion of the meeting reconvened at 10:01 a.m.

3. PUBLIC COMMENT

None.

4. CONSENT CALENDAR

The minutes from the Executive Committee meeting held February 27, 2019

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

5. REGIONAL WATER RELIABILITY PLAN UPDATE

Rob Swartz, Interim Executive Director, gave an information update on the Regional Water Reliability Plan (RWRP). The draft plan was released for review by the project committee on February 26th, with comments received on March 11th. Staff and its consultant, Stantec, are in the process of making revisions to the RWRP. At its February 27th meeting, the Executive Committee recommended that RWA adopt the RWRP upon its completion.

Following the March 13th RWRP project committee meeting, one of the participants expressed that RWA should also consider conducting an environmental analysis of the RWRP under the California Environmental Quality Act (CEQA). Staff would like to discuss with the Executive Committee its recommended actions for the RWA Board with respect to the final RWRP document. Enclosed for discussion were copies of an RWA 2018 adoption resolution of the Integrated Regional Water Management Plan and an SGA 2008 adoption resolution of a Groundwater Management Plan and CEQA exemption.

Mr. Bezerra said that the reliability plan under CEQA requires that an analysis be completed based on projects that result in a commitment that may affect the environment. SGA has adopted a notice of exemption stating that this is not a project and is exempt from CEQA through the notice of exemption. Mr. Bezerra will discuss this further with Mr. Madison.

After discussion it was decided that no action would be taken at this time. An action item is expected to be brought back to the Executive Committee at the April meeting.

6. SACRAMENTO REGIONAL WATER BANK PROJECT, PHASE 1

Mr. Swartz gave an update on the Sacramento Regional Water Bank Project, Phase 1. One of the key recommendations of the Regional Water Reliability Plan is to continue planning for the establishment of the Sacramento Regional Water Bank (SWRB). Staff has worked with the RWRP Project Committee to develop a follow-on subscription based project to develop the SWRB, which will be completed in two phases. Phase 1 consists of work that is primarily associated with pre-feasibility activities. The Phase 2 scope of work and budget will be further developed during Phase 1 activities and will be focused on final feasibility determinations, including environmental analysis. Near the completion of Phase 1, the Participants will decide on commencing with Phase 2. The completion of Phase 2 is expected to result in an operational water bank, with a target completion by 2022. Phase 2 would be subject to approval of a separate Project Agreement.

Staff has completed a funding agreement that incorporates comments received by prospective participating agencies with an initial budget of \$500,000 and a not-to-exceed budget of \$600,000. The project will be funded by participants, so there will be no financial impact to RWA. The individual agencies are identified in the funding plan and each individual agency has a not-to-exceed budget.

Mr. Bezerra said that the Project Agreement is a standard agreement that RWA has done for other projects.

M/S/C Mr. Yasutake moved, with a second by Mr. Greenwood, to approve the Sacramento Regional Water Bank Project, Phase 1 Project Agreement. The motion carried by the unanimous voice vote of all directors present.

7. REGIONAL WATER AUTHORITY STRATEGIC PLAN UPDATE

Mr. Swartz reported that with completion of the Regional Water Reliability Plan, a key planning component of the RWA Strategic Plan as amended on July 13, 2017 is now complete. The RWRP included recommendations to continue planning activities to establish the Sacramento Regional Water Bank. The RWRP also included recommendations related to implementation activities for the RWRP. Staff requested discussion with the Executive Committee for recommendations to update the Strategic Plan to reflect the current state of these efforts and the process for amending the Strategic Plan with the full RWA Board. Staff is also requesting input from the Executive Committee on whether there are other portions of the current amended Strategic Plan that need updating as we go through the process.

The Water Reliability Plan is complete and is eliminated from the development portion of the plan. The Integrated Water Management is also complete and is now listed under implementation. The Sacramento Regional Water Bank is the next planning item and should be added to the plan. On the implementation side we continue to work on the Water Reliability Plan identifying funding opportunities and track projects. The suggested changes to the Strategic Plan are minimal.

The process will include bringing back an edited version to the Executive Committee in April. Based on recommendations a first draft would be presented to the RWA Board in May. Input from the full board will be incorporated into the Strategic Plan and presented to the RWA board at the July 11th meeting for adoption.

8. LEGISLATIVE/REGULATORY UPDATE

Ryan Ojakian, Legislative and Regulatory Affairs Manager, gave an update on the legislative process with budget committee hearings underway. RWA staff testified at the Assembly and Senate committees in opposition to the Governor's safe drinking water proposal, which includes a tax on water customers. Staff is closely tracking approximately 100 bills that will be heard over the next several weeks. RWA currently has a position on four bills. More information about those bills can be found on the RWA Advocacy webpage on the RWA website.
<https://rwah2o.org/programs/advocacy-program/>.

The budget committees met and discussed the Water Tax from last year. Last week AB 217 was amended with an expansion on scope and funding mechanisms, a tax and the agriculture fees that have been seen without the regulatory relief they have seen in the past. In addition to current fees paid to the State Water Board

additional fees would be required based on agency connections. ACWA has an opposed unless amended position on this bill. There is a version of a trust in the bill that was meant to replace the tax. Mr. Ojakian said that staff needs to think about all of the scenarios in terms of positioning us for future negotiations.

After discussion it was decided to keep the Oppose Unless Amended position on AB 217, change the position on AB 658 from Support to Support If Amended and change the position on AB 756 from Oppose Unless Amended to a Hard Oppose. Mr. Ojakian will prepare letters indicating our positions on the bills. He gave a brief description of each bill.

AB 60 SUPPORT IF AMENDED
AB 217 OPPOSE UNLESS AMENDED
AB 510 SUPPORT
AB 658 SUPPORT IF AMENDED
AB 756 HARD OPPOSE
AB 1204 SUPPORT
AB 1414 SUPPORT IF AMENDED
AB 1415 OPPOSE UNLESS AMENDED
SB 414 SUPPORT IF AMENDED

M/S/C Ms. Sedwick moved, with a second by Ms. Tobin, to take positions on bills AB 60, AB 217, AB 510, AB 658, AB 756, AB1204, AB 1414, AB 1415 and SB 414 with the changes as indicated above. The motion carried by the unanimous voice vote of all directors present.

Paradise Irrigation District (PID) is requesting a letter of support for their budget request. A sample letter and a copy of their letter making the budget request were included in the packet. The funding is essential to keep PID operating while Paradise recovers and rebuilds from the November 2018 Camp Fire. The budget request of \$21,693, 203, if fulfilled, would provide that assistance.

M/S/C Ms. Schmitz moved, with a second by Mr. Yasutake, to approve a Budget Request Support Letter for Paradise Irrigation District. The motion carried by the unanimous voice vote of all directors present.

9. WATER EFFICIENCY PROGRAM UPDATE

Amy Talbot, Senior Project Manager, gave a power point presentation update on the Water Efficiency Program (WEP). WEP launched the second year of its two-year public outreach campaign, Check and Save, in March. The campaign invites residents to check their yard's soil moisture before watering by using moisture meters and the "screwdriver test" as tools. Ads will be primarily in online and social media advertising. Radio ads and in-person radio interviews will supplement the visual messaging.

WEP is hosting its second Qualified Water Efficient Landscaper (QWEL) 4-week training in March and April. QWEL is a United States Environmental Protection Agency (EPA) WaterSense-labeled certification program designed for landscape professionals. The training focuses on sustainable landscape practices and

irrigation system audits. RWA is an EPA authorized organization to host QWEL trainings. Registration for the current class is full and has a waitlist. Sacramento Suburban Water District provided the training location. There is additional information on the QWEL website at www.qwel.net.

The new Powerhouse Science Center is now under construction in Sacramento. RWA sponsored two exhibits in the Water Gallery: Water Day-to-Day and Our Water Future. The anticipated opening of the Center is spring 2021.

Staff released an irrigation controller project request for proposals (RFP) this week. The project is grant funded for \$100,000 providing residents with an online portal to purchase discounted “smart” weather-based irrigation controllers, with the option of controller installation services. The RFP includes language to allow neighboring northern California regional water agencies to partner with RWA on the project. Sonoma Water and the Bay Area Water Supply & Conservation Agency (BAWSCA) were contacted and have expressed interest in the project.

Staff is considering an Imagery RFP that will be sent out in the next week to receive input. There is a project team comprised of select agencies to determine the anticipated results of the Imagery project for each agency. Project costs will be determined on how many agencies are involved and the level of work for each agency.

10. EXECUTIVE DIRECTOR’S REPORT

Integrated Regional Water Management Update – RWA staff met with the American River Basin (ARB) Integrated Regional Water Management (IRWM) Plan Advisory Committee on March 21st to review draft recommended projects for the upcoming Department of Water Resources Proposition 1 IRWM Implementation Program. Staff is seeking around \$9.4 million for approximately 10 projects. The Advisory Committee concurred with the staff draft recommendations. The next meeting of the ARB IRWM Stakeholders will be held on April 22nd, beginning at 1:00 pm, at RWA. The issue is that there is a funding area wide allocation for the entire Sacramento River Hydrologic Region. There are six IRWM groups that are trying to determine how to share the limited resources. That group has discussed a range of everyone receiving an equal share at \$4.8 million to a prorated amount. Staff is requesting \$9.4 million and negotiations continue. One project in the San Joaquin River Funding Area is included with a million dollars being set aside for that project.

Bureau of Reclamation Water Management Options Pilots Program – RWA staff received a forwarded copy from a few member agencies for a new activity and funding opportunity under the Reclamation Basin Study Program. Staff has reviewed the letter and believes that modeling for the future Phase 2 of the Sacramento Regional Water Bank could be a good candidate activity for the program. When proposed operations are shown, staff also has to prove to both the state and federal agencies that our operations won’t negatively impact them. Reclamation has been briefed and they have concerns about the impacts to the central valley project operations. Staff wants to continue to assure them that we can work out the operation issues to make sure that this is mutually beneficial and

can be seen as a partnership with reclamation. The funding is not in the form of a grant, but in the form of direct assistance, to complete the proposed activity. Staff has confirmed with Reclamation that RWA would be an eligible applicant. Staff is still gathering information to determine if it will proceed with submitting a letter of interest by the April 15 deadline. No Board action is required by Reclamation to submit the letter.

11. DIRECTORS' COMMENTS

Mr. Smith said that Placer County Water Agency invited the City of Roseville staff to their board meeting last week to provide information on the their Aquifer Storage and Recover (ASR) wells. Rich Plecker, Sean Bigley and Trevor Joseph attended the meeting and gave an information presentation. City of Roseville is actively using two wells in West Placer under a pilot program that will produce good information.

Ms. Tobin reported that San Juan Water District has a board meeting this evening.

Ms. Sedwick said that she will not be attending the next Executive Committee meeting.

Mr. York said that Sacramento Suburban Water District is in the process of conducting a water rate study to present to their board in April.

ADJOURNMENT

With no further business to come before the Executive Committee, Chair Schubert adjourned the meeting at 11:32 a.m.

By:

Chairperson

Attest:

Nancy Marrier, Board Secretary / Treasurer

**AGENDA ITEM 5: ADMINISTRATIVE AND MANAGEMENT SERVICES
AGREEMENT WITH SACRAMENTO GROUNDWATER AUTHORITY UPDATE**

BACKGROUND:

The resolution of the CalPERS Audit of RWA led to establishment of a Sacramento Groundwater Authority (SGA) contract with CalPERS. That contract necessitates changes to the Administrative and Management Services Agreement between the two Authorities to reflect that some individuals/positions are employed jointly by RWA and SGA, and that certain employment functions are carried out by RWA under the Agreement. On February 14, 2019, the SGA Board authorized its Chair to execute the agreement upon RWA approval of the amendments. Both mark-up and clean versions of the amended policy are enclosed.

EXECUTIVE COMMITTEE RECOMMENDATION:

Action: Approve amended RWA Policy 100.2

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : General
Policy Title : Administrative and Management Services Agreement (SGA)
Policy Number : 100.2
Date Adopted : May 14, 2002
Date Amended : September 9, 2004
May 2, 2019

AMENDED AND RESTATED AGREEMENT BETWEEN THE REGIONAL WATER AUTHORITY AND THE SACRAMENTO GROUNDWATER AUTHORITY FOR ADMINISTRATIVE AND MANAGEMENT SERVICES

This Agreement was made and entered into on the 23rd day of May, 2002, amended on the 9th day of September, 2004, and amended and restated again on May 2, 2019 by and between the Regional Water Authority (“RWA”), a joint exercise of powers authority formed under California Government Code section 6500, *et seq.* (“the Joint Powers Authority Act”), and the Sacramento Groundwater Authority (“SGA”), also a joint exercise of powers authority formed under the Joint Powers Authority Act.

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RECITALS

A. RWA is a joint powers authority, formed to serve and represent regional water supply and to assist its members in protecting and enhancing the reliability, availability, affordability and quality of water resources.

B. RWA is a successor in interest to all rights and obligations of the Sacramento Metropolitan Water Authority.

C. SGA is a joint powers authority, created by the City of Citrus Heights, the City of Folsom, the City of Sacramento, and the County of Sacramento for the purpose of managing the North Area Groundwater Basin through regulatory activities and conjunctive use programs.

D. SGA is a successor in interest to all rights and obligations of the Sacramento North Area Groundwater Management Authority.

E. RWA and SGA serve many common constituents and perform numerous common functions and activities, with the objective of preserving and protecting the water supplies for present and future uses in the Sacramento region.

F. RWA and SGA are successors in interest to the *Agreement Between the Sacramento Metropolitan Water Authority and the Sacramento North Area Groundwater Management Authority Regarding Administrative Cost Sharing Arrangements*, dated July 27, 2000 (hereinafter, “2000 Cost Share Agreement”), which obligates SGA and RWA each to pay 50% of all common administrative expenses of the RWA and SGA.

G. The purpose of this agreement is to delineate an efficient and effective arrangement for administration and management of services and for ownership of assets and property common to the RWA and SGA.

AGREEMENT

1. Recitals Incorporated. The foregoing recitals are hereby incorporated by reference.

2. Definitions. Except as otherwise provided in this Article, terms used in this Agreement shall be given their common meaning.

- a. **Common Costs.** Common Costs shall include Employee Costs and costs for Goods and Services of benefit to both RWA and SGA. RWA and SGA shall each be responsible for 50% of Common Costs, unless both the RWA and SGA Boards agree in writing to a different allocation for individual Employees or specific Goods and Services. Budgets, budget items, or written agreements duly adopted and approved by the SGA and RWA Boards may be used to authorize or adjust a Common Cost and/or allocation formula.
- b. **Employees.** Employees shall include all full-time and part-time personnel and staff, ~~some of whom shall be employees of both RWA and SGA, depending on their assigned work. The allocation of shared employees between the agencies will be designated in the adopted budgets of RWA and SGA each fiscal year. RWA shall have the responsibility and obligation to recruit and recommend a selection for the position of Executive Director. Both RWA and SGA must agree on the Executive Director selection and each Board must approve the hiring of the Executive Director in a writing approved by the respective Boards.~~
- c. **Employee Costs.** Employee Costs shall include Employee salaries, benefits, allowances, health plans, vacation pay, Public Employees Retirement System participation payments, workers’ compensation insurance, and any other employment-related cost, whether set forth in an employment agreement or otherwise.
- d. **Goods and Services.** Goods and Services shall include supplies, equipment, furniture, rents, leases, clerical services, or any other

Deleted:

Deleted: and retained by RWA to act for the benefit

Deleted: All Employees shall be employees of RWA and agents of SGA. Unless expressly stated otherwise in a separate agreement, all Employees shall act for the benefit of RWA and SGA.

goods or services acquired or retained for the benefit of both RWA and SGA. Auditing services shall be included as Goods and Services, but legal and other consultants' services shall not be included as Goods and Services, unless SGA and RWA agree otherwise in writing as to specified services. Goods and Services shall be administered by RWA through contracts and agreements between RWA and Goods and Services providers, provided that the SGA Board, or a committee thereof, is consulted prior to entering into or materially modifying any such agreement or contract.

- e. **Ownership of Goods and Other Assets.** Unless otherwise specified in a writing approved by the RWA and SGA Boards, ownership of Goods and other assets acquired as a common benefit to the RWA and SGA shall be prorated between RWA and SGA in proportion to the allocation of the Common Costs for the specific Goods or assets.

3. Term. This Agreement shall remain in effect until terminated by one of the parties in writing, with thirty days notice.

4. RWA Obligations. RWA shall be responsible for recruiting and hiring Employees, contracting for Goods and Services, and paying Common Costs. RWA shall submit monthly invoices to SGA for payment of SGA's share of Common Costs.

Deleted: employing

5. SGA Obligations. SGA shall be responsible for paying RWA for SGA's share of Common Costs within 15 days of receiving an invoice from RWA.

6. Separate Financial Accounts. RWA and SGA shall maintain separate bank and financial accounts. Nothing in this Agreement shall be construed to allow either RWA or SGA to draw from or access any account of the other party.

7. Insurance.

- (a) RWA and SGA shall carry separate insurance policies sufficient to cover each entity's potential liabilities and exposures arising from their operations, except that only RWA will procure worker's compensation insurance necessary to cover all Employees as required by Labor Code section 3700 and any authorized volunteers of either party pursuant to Labor Code section 3363.5. RWA's obligation to secure workers' compensation insurance coverage for SGA's employees and authorized volunteers is authorized pursuant to Labor Code section 3602, subdivision (d) and specifically agreed to by the parties herein.
- (b) In accordance with paragraph 2.d., all insurance premiums will be considered Goods and Services, which RWA will purchase as provided in paragraph 4 of this Agreement. All insurance premium payments made by RWA on behalf of both

entities will be aggregated and SGA will pay 50% of the aggregate premiums to RWA in accordance with paragraph 5 of this Agreement.

(c) If either RWA or SGA becomes liable to any third party on a claim, judgment, arbitration award, settlement, administrative order or on any other basis ("Claim"), RWA and SGA shall be responsible for payment of such Claim as follows:

- (i) For any Claim made, brought, incurred, accepted or assessed against RWA or SGA as its sole and separate liability, the responsible entity shall pay the claim 100% from its own funds to the extent of any deductible or self-insurance, and then to the extent of the liable party's insurance coverage.
- (ii) For any Claim made, brought, incurred, accepted or assessed against both RWA and SGA as their joint and several liability in an amount no greater than the amount of each entity's insurance deductible applicable to the Claim, then RWA shall pay the Claim amount and bill SGA for 50% of that amount in accordance with paragraphs 4 and 5 of this Agreement.
- (iii) For any Claim made, brought, incurred, accepted or assessed against both RWA and SGA as their joint and several liability in excess of \$50,000, each entity would first tender such Claim to its insurance provider for coverage. If the Claim is subject to some form of adjudication, RWA and SGA will each be responsible for that portion of liability on the Claim that is apportioned to each, up to the deductible amount of any insurance, and then all liability amounts in excess of the deductible amount will be apportioned between the insurance policies as determined by RWA's and SGA's insurer(s). In no case, however, will RWA and SGA be entitled to obtain indemnification from their insurer(s) in excess of the total Claim amount.
- (iv) In any Claim that is subject to litigation and/or adjudication, RWA and SGA will first tender the Claim to their insurer(s) for a defense. If the Claim is the sole liability of one party, then the liable party shall be solely responsible for all defense costs not paid by or in excess of its insurance coverage. In cases of joint and several liability, RWA and SGA shall each pay 50% of any defense costs not paid by or in excess of their respective insurance coverage.

(d) If RWA's worker's compensation insurance does not fully cover all liability arising from covered employee or volunteer injuries within the scope of the Worker's Compensation and Insurance Act, then any excess amount of such liability shall be allocated either solely to RWA or SGA, or jointly to RWA and

SGA, according to whether the Employee was acting for RWA or SGA or both at the time that the compensable injury occurred.

8. Compliance With Laws. RWA and SGA each shall give all notices required by law and comply with all laws, ordinances, rules and regulations pertaining to the conduct of their respective businesses. RWA shall be responsible for all violations of the law in connection with the acts of RWA, and SGA shall be responsible for all violations of the law in connection with the acts of SGA.

9. Indemnification. To the fullest extent permitted by law, RWA and SGA shall indemnify and hold harmless and defend each other, their directors, officers, employees, agents and/or authorized volunteers from and against all liabilities, claims, demands, losses, damages, and costs, including reasonable attorney's fees and litigation costs of all persons in any way arising out of the decisions of the respective entities' Boards of Directors and from the performance (or actual or alleged non-performance) of RWA or SGA's duties under this Agreement, for damages to persons or property due to RWA or SGA's negligent or willful acts, errors or omissions committed. RWA and SGA shall not tender such claims to the other entity nor to its directors, officers, employees, agents and/or authorized volunteers, for defense or indemnity, except that RWA and SGA each shall defend the other and pay and satisfy any judgment, award or decree that may be rendered against the other, if any, or its directors, officers, employees, agents or authorized volunteers, in any suits, actions, or other legal or administrative proceedings, in accordance with the provisions of paragraph 7 of this Agreement.

10. 2000 Cost Share Agreement Superseded. This Agreement, as from time to time modified and amended, replaces and supersedes the 2000 Cost Share Agreement.

11. Employment Agreements Not Modified. This Agreement shall not be construed to modify or amend any employment agreement between an Employee and RWA or SGA, including the March 5, 2001 *SMWA-SNAGMA Employment Agreement with Executive Director*.

12. Entire Agreement. This writing constitutes the sole, entire, integrated and exclusive agreement between RWA and SGA regarding administration and management services, and any other contracts, agreements, terms, understandings, promises or representations not expressly set forth or referenced in this writing are null and void and of no force and effect.

13. Notices. Any notice to be given pursuant to this Agreement shall be sufficiently served if delivered personally to the Chair of the RWA or the Chair of the SGA Board of Directors, as appropriate, or if deposited in the United States Mail, regular pre-paid mail, addressed to RWA or SGA offices.

14. Successors and Assigns. This Agreement shall bind, and inure to the benefit of, the successors, assigns, heirs and legal representatives of the parties hereto.

15. Amendments. This Agreement may be amended only by a subsequent writing, approved and signed by all parties. The RWA and SGA Boards of Directors must approve any amendment to this Agreement at a public meeting. Individual RWA and SGA Board members do not have authority, express or implied, to amend, modify, waive or in any way alter this Agreement of the terms and conditions hereof.

16. Waiver. The waiver at any time by either party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

17. Construction and Interpretation. The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

REGIONAL WATER AUTHORITY

By: _____
Chair, Board of Directors

Date: _____

SACRAMENTO GROUNDWATER AUTHORITY

By: _____
Chair, Board of Directors

Date: _____

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : General
Policy Title : Administrative and Management Services Agreement (SGA)
Policy Number : 100.2
Date Adopted : May 14, 2002
Date Amended : September 9, 2004
May 2, 2019

AMENDED AND RESTATED AGREEMENT BETWEEN THE REGIONAL WATER AUTHORITY AND THE SACRAMENTO GROUNDWATER AUTHORITY FOR ADMINISTRATIVE AND MANAGEMENT SERVICES

This Agreement was made and entered into on the 23rd day of May, 2002, amended on the 9th day of September, 2004, and amended and restated again on May 2, 2019 by and between the Regional Water Authority (“RWA”), a joint exercise of powers authority formed under California Government Code section 6500, *et seq.* (“the Joint Powers Authority Act”), and the Sacramento Groundwater Authority (“SGA”), also a joint exercise of powers authority formed under the Joint Powers Authority Act.

RECITALS

A. RWA is a joint powers authority, formed to serve and represent regional water supply and to assist its members in protecting and enhancing the reliability, availability, affordability and quality of water resources.

B. RWA is a successor in interest to all rights and obligations of the Sacramento Metropolitan Water Authority.

C. SGA is a joint powers authority, created by the City of Citrus Heights, the City of Folsom, the City of Sacramento, and the County of Sacramento for the purpose of managing the North Area Groundwater Basin through regulatory activities and conjunctive use programs.

D. SGA is a successor in interest to all rights and obligations of the Sacramento North Area Groundwater Management Authority.

E. RWA and SGA serve many common constituents and perform numerous common functions and activities, with the objective of preserving and protecting the water supplies for present and future uses in the Sacramento region.

F. RWA and SGA are successors in interest to the *Agreement Between the Sacramento Metropolitan Water Authority and the Sacramento North Area Groundwater Management Authority Regarding Administrative Cost Sharing Arrangements*, dated July 27, 2000 (hereinafter, “2000 Cost Share Agreement”), which obligates SGA and RWA each to pay 50% of all common administrative expenses of the RWA and SGA.

G. The purpose of this agreement is to delineate an efficient and effective arrangement for administration and management of services and for ownership of assets and property common to the RWA and SGA.

AGREEMENT

1. Recitals Incorporated. The foregoing recitals are hereby incorporated by reference.

2. Definitions. Except as otherwise provided in this Article, terms used in this Agreement shall be given their common meaning.

- a. Common Costs.** Common Costs shall include Employee Costs and costs for Goods and Services of benefit to both RWA and SGA. RWA and SGA shall each be responsible for 50% of Common Costs, unless both the RWA and SGA Boards agree in writing to a different allocation for individual Employees or specific Goods and Services. Budgets, budget items, or written agreements duly adopted and approved by the SGA and RWA Boards may be used to authorize or adjust a Common Cost and/or allocation formula.
- b. Employees.** Employees shall include all full-time and part-time personnel and staff, some of whom shall be employees of both RWA and SGA, depending on their assigned work. The allocation of shared employees between the agencies will be designated in the adopted budgets of RWA and SGA each fiscal year. RWA shall have the responsibility and obligation to recruit and recommend a selection for the position of Executive Director. Both RWA and SGA must agree on the Executive Director selection and each Board must approve the hiring of the Executive Director in a writing approved by the respective Boards.
- c. Employee Costs.** Employee Costs shall include Employee salaries, benefits, allowances, health plans, vacation pay, Public Employees Retirement System participation payments, workers’ compensation insurance, and any other employment-related cost, whether set forth in an employment agreement or otherwise.
- d. Goods and Services.** Goods and Services shall include supplies, equipment, furniture, rents, leases, clerical services, or any other

goods or services acquired or retained for the benefit of both RWA and SGA. Auditing services shall be included as Goods and Services, but legal and other consultants' services shall not be included as Goods and Services, unless SGA and RWA agree otherwise in writing as to specified services. Goods and Services shall be administered by RWA through contracts and agreements between RWA and Goods and Services providers, provided that the SGA Board, or a committee thereof, is consulted prior to entering into or materially modifying any such agreement or contract.

- e. **Ownership of Goods and Other Assets.** Unless otherwise specified in a writing approved by the RWA and SGA Boards, ownership of Goods and other assets acquired as a common benefit to the RWA and SGA shall be prorated between RWA and SGA in proportion to the allocation of the Common Costs for the specific Goods or assets.

3. Term. This Agreement shall remain in effect until terminated by one of the parties in writing, with thirty days notice.

4. RWA Obligations. RWA shall be responsible for recruiting and hiring Employees, contracting for Goods and Services, and paying Common Costs. RWA shall submit monthly invoices to SGA for payment of SGA's share of Common Costs.

5. SGA Obligations. SGA shall be responsible for paying RWA for SGA's share of Common Costs within 15 days of receiving an invoice from RWA.

6. Separate Financial Accounts. RWA and SGA shall maintain separate bank and financial accounts. Nothing in this Agreement shall be construed to allow either RWA or SGA to draw from or access any account of the other party.

7. Insurance.

- (a) RWA and SGA shall carry separate insurance policies sufficient to cover each entity's potential liabilities and exposures arising from their operations, except that only RWA will procure worker's compensation insurance necessary to cover all Employees as required by Labor Code section 3700 and any authorized volunteers of either party pursuant to Labor Code section 3363.5. RWA's obligation to secure workers' compensation insurance coverage for SGA's employees and authorized volunteers is authorized pursuant to Labor Code section 3602, subdivision (d) and specifically agreed to by the parties herein.
- (b) In accordance with paragraph 2.d., all insurance premiums will be considered Goods and Services, which RWA will purchase as provided in paragraph 4 of this Agreement. All insurance premium payments made by RWA on behalf of both

entities will be aggregated and SGA will pay 50% of the aggregate premiums to RWA in accordance with paragraph 5 of this Agreement.

- (c) If either RWA or SGA becomes liable to any third party on a claim, judgment, arbitration award, settlement, administrative order or on any other basis (“Claim”), RWA and SGA shall be responsible for payment of such Claim as follows:
- (i) For any Claim made, brought, incurred, accepted or assessed against RWA or SGA as its sole and separate liability, the responsible entity shall pay the claim 100% from its own funds to the extent of any deductible or self-insurance, and then to the extent of the liable party’s insurance coverage.
 - (ii) For any Claim made, brought, incurred, accepted or assessed against both RWA and SGA as their joint and several liability in an amount no greater than the amount of each entity’s insurance deductible applicable to the Claim, then RWA shall pay the Claim amount and bill SGA for 50% of that amount in accordance with paragraphs 4 and 5 of this Agreement.
 - (iii) For any Claim made, brought, incurred, accepted or assessed against both RWA and SGA as their joint and several liability in excess of \$50,000, each entity would first tender such Claim to its insurance provider for coverage. If the Claim is subject to some form of adjudication, RWA and SGA will each be responsible for that portion of liability on the Claim that is apportioned to each, up to the deductible amount of any insurance, and then all liability amounts in excess of the deductible amount will be apportioned between the insurance policies as determined by RWA’s and SGA’s insurer(s). In no case, however, will RWA and SGA be entitled to obtain indemnification from their insurer(s) in excess of the total Claim amount.
 - (iv) In any Claim that is subject to litigation and/or adjudication, RWA and SGA will first tender the Claim to their insurer(s) for a defense. If the Claim is the sole liability of one party, then the liable party shall be solely responsible for all defense costs not paid by or in excess of its insurance coverage. In cases of joint and several liability, RWA and SGA shall each pay 50% of any defense costs not paid by or in excess of their respective insurance coverage.
- (d) If RWA’s worker’s compensation insurance does not fully cover all liability arising from covered employee or volunteer injuries within the scope of the Worker’s Compensation and Insurance Act, then any excess amount of such liability shall be allocated either solely to RWA or SGA, or jointly to RWA and

SGA, according to whether the Employee was acting for RWA or SGA or both at the time that the compensable injury occurred.

8. Compliance With Laws. RWA and SGA each shall give all notices required by law and comply with all laws, ordinances, rules and regulations pertaining to the conduct of their respective businesses. RWA shall be responsible for all violations of the law in connection with the acts of RWA, and SGA shall be responsible for all violations of the law in connection with the acts of SGA.

9. Indemnification. To the fullest extent permitted by law, RWA and SGA shall indemnify and hold harmless and defend each other, their directors, officers, employees, agents and/or authorized volunteers from and against all liabilities, claims, demands, losses, damages, and costs, including reasonable attorney's fees and litigation costs of all persons in any way arising out of the decisions of the respective entities' Boards of Directors and from the performance (or actual or alleged non-performance) of RWA or SGA's duties under this Agreement, for damages to persons or property due to RWA or SGA's negligent or willful acts, errors or omissions committed. RWA and SGA shall not tender such claims to the other entity nor to its directors, officers, employees, agents and/or authorized volunteers, for defense or indemnity, except that RWA and SGA each shall defend the other and pay and satisfy any judgment, award or decree that may be rendered against the other, if any, or its directors, officers, employees, agents or authorized volunteers, in any suits, actions, or other legal or administrative proceedings, in accordance with the provisions of paragraph 7 of this Agreement.

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13. Notices. Any notice to be given pursuant to this Agreement shall be sufficiently served if delivered personally to the Chair of the RWA or the Chair of the SGA Board of Directors, as appropriate, or if deposited in the United States Mail, regular pre-paid mail, addressed to RWA or SGA offices.

14. Successors and Assigns. This Agreement shall bind, and inure to the benefit of, the successors, assigns, heirs and legal representatives of the parties hereto.

15. Amendments. This Agreement may be amended only by a subsequent writing, approved and signed by all parties. The RWA and SGA Boards of Directors must approve any amendment to this Agreement at a public meeting. Individual RWA and SGA Board members do not have authority, express or implied, to amend, modify, waive or in any way alter this Agreement of the terms and conditions hereof.

16. Waiver. The waiver at any time by either party of its rights with respect to a default or other matter arising in connection with this Agreement shall not be deemed a waiver with respect to any subsequent default or matter.

17. Construction and Interpretation. The parties agree and acknowledge that this Agreement has been arrived at through negotiation, and that each party has had a full and fair opportunity to revise the terms of this Agreement. Consequently, the normal rule of construction that any ambiguities are to be resolved against the drafting party shall not apply in construing or interpreting this Agreement.

REGIONAL WATER AUTHORITY

By: _____
Chair, Board of Directors

Date: _____

SACRAMENTO GROUNDWATER AUTHORITY

By: _____
Chair, Board of Directors

Date: _____

AGENDA ITEM 6: RWA BOARD MEETING SCHEDULE

BACKGROUND:

The Brown Act generally requires that a governing board set the time, place and location of its regular meetings in a resolution, policy or other document. The October 8, 2013 Amended and Restated Joint Exercise of Powers Agreement of RWA (JPA Agreement) states, in relevant part, "The time and place of regular meetings of the Board shall be determined by resolution adopted by the Board." Under current RWA Policy 200.1, Board meetings are held on the second Thursday of odd numbered months and begin at 9:00 a.m. Policy 200.1, Rule 3, currently and specifically states that RWA will hold its Board meetings at this date and time. Both the Brown Act and that Rule 3 authorize the Board of Directors or the Executive Committee to change the location, day, and time for regular meetings from time to time. In practice, RWA has developed a schedule for the upcoming year to avoid major meeting conflicts that is passed by the RWA Board at its first regular meeting of the calendar year. The current schedule of meetings for 2019 was passed by the RWA Board on January 10, 2019.

When the current regular meeting schedule was approved, it was unknown that the RWA Executive Director position would be vacant. The recruitment process for a replacement is currently underway, with a recommended candidate anticipated to be identified soon. One relevant aspect of the Brown Act is that it does not allow the compensation of a "local agency executive," like RWA's Executive Director, to be addressed at a special board meeting. Specifically, the relevant part of the Brown Act states:

[A] legislative body shall not call a special meeting regarding the salaries, salary schedules, or compensation paid in the form of fringe benefits, of a local agency executive, as defined in subdivision (d) of Section 3511.1. However, this subdivision does not apply to a local agency calling a special meeting to discuss the local agency's budget.

The RWA Board, therefore, must consider any contract with an incoming Executive Director at a regular meeting that is set according to the Brown Act. Accordingly, in order to maximize the efficiency of the Executive Director recruitment, staff is proposing to: 1) amend RWA Policy 200.1 to specify that regular meetings will be approved through an adopting resolution of the Board to be consistent with the JPA Agreement and to allow for holding regular meetings of the Board more often than every other month; and 2) update the 2019 schedule for regular meetings of the RWA Board to include June 13, 2019, beginning at 10:30 a.m. These changes will allow the Board to hold, in compliance with the Brown Act, a regular meeting between the May and July meetings at which the Board can consider a contract for an incoming Executive Director and potentially conclude the Executive Director selection process as early as June 13.

The current RWA Board meeting schedule and the proposed revised meeting schedule are shown in the table below.

Current Approved RWA Board Meeting Schedule	Proposed Amended 2019 RWA Board Meeting Schedule
March 14, 2019	March 14, 2019
May 2, 2019	May 2, 2019
	June 13, 2019, 10:30 a.m.
July 11, 2019	July 11, 2019
September 12, 2019	September 12, 2019
November 14, 2019	November 14, 2019

Both mark-up and clean versions of the amended Policy 200.1 are enclosed. Also enclosed is Resolution 2019-08 setting the time and place of regular meetings of the Board for the remainder of 2019.

EXECUTIVE COMMITTEE RECOMMENDATION:

Action: Approve amended RWA Policy 200.1

Action: Approve Resolution 2019-08 setting the time and place of re meetings of the Board of Directors for the remainder of 2019

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : Board of Directors
Policy Title : Rules for Proceedings of the Board of Directors
Policy Number : 200.1
Date Adopted : September 12, 2002
Date Amended : November 4, 2004; September 13, 2012; [May 2, 2019](#)

RULES FOR PROCEEDINGS OF THE BOARD OF DIRECTORS

INTRODUCTION

These are the rules for proceedings of meetings of the Board of Directors of the Regional Water Authority (“Authority”), which are authorized by Section 17 of the Joint Exercise of Powers Agreement forming the Authority, dated July 1, 2001 (“JPA Agreement”). The purposes of these rules are to facilitate public participation during meetings of the Board, protect the rights of all Directors, and to provide a process for conducting Board meetings in an orderly and efficient manner. The provisions of the JPA Agreement, the Community Services District Law (see Section 7.a.12 of the JPA Agreement, and Government Code sections 61000, et seq.), the Brown Act (Government Code section 54950, et seq.) and any other law governing the powers and/or proceedings of the Authority will control over any inconsistent provision contained in these rules.

RULE 1 - SELECTION OF OFFICERS

The Chair and Vice-Chair of the Board will be elected by the members of the Board for a one-year term commencing immediately upon conclusion of the meeting where the election was held. The election will be held prior to January 31 each year. The procedures that the Board will follow for the election of Chair and the Vice-Chair are set forth in the “Procedures for Selection of the Executive Committee of the Board of Directors and the Chair and the Vice-Chair of the Executive Committee and the Board of Directors” (attached as **Exhibit 1**, as amended by the Board from time to time, “Election Procedures”).

The Board will by majority vote appoint, considering the recommendation of the Executive Director of the Authority, a Secretary and a Treasurer, who will serve at the pleasure of the Board. (See JPA Agreement Section 18, and Government Code sections 61002 and 61050(b).)

RULE 2 - DUTIES OF CHAIR OF BOARD

The Chair of the Board of Directors will be its presiding officer. (See JPA Agreement Section 18, and Government Code section 61043(b).) The Chair's duties will include, but not be limited to, the following: acting as the liaison between the Executive Director and the Board and the Executive Committee, calling special meetings of the Board and the Executive Committee, presiding over meetings of the Board and the Executive Committee, establishing and appointing committees of the Board and the Executive Committee (except that, the members of the Executive Committee will be appointed in accordance with the procedures set forth in the Election Procedures), and appointing representatives of the Authority to associations of which the Authority is a member. The Board will appoint representatives of the Authority to joint powers authorities of which the Authority is a member. In the Chair's absence, the Vice-Chair of the Board will perform such duties. (See JPA Agreement Section 18.)

RULE 3 - TIME AND PLACE FOR REGULAR MEETINGS

The regular meeting of the Board of Directors will be held in the boardroom of the Authority's office, 5620 Birdcage Street, Suite 110, Citrus Heights, California, or at such other locations within the Authority as designated by the Board of Directors by resolution from time to time. The dates and times of those regular meetings also will be as designated by the Board of Directors by resolution from time to time, with regular meetings generally occurring at least on the second Thursday of odd-numbered months. If a regular meeting falls on a holiday (as listed in Government Code section 6700), the meeting will be held on the day designated by the Board or the Executive Committee. (See Government Code section 54954(a).)

Deleted: Executive Committee

Deleted: , commencing at 9 a.m., or a later time specified by the Executive Committee

Deleted: The location, day and time for holding regular meetings may be changed by the Board of Directors or the Executive Committee from time to time.

RULE 4 - QUORUM REQUIREMENTS

A majority of all of the members of the Board will constitute a quorum for the transaction of business. (See JPA Agreement Section 13.)

RULE 5 - MAJORITY VOTE

A majority of all of the members of the Board will be required to approve any resolution or motion, unless a different voting requirement to approve a particular action is specified under State law or the JPA Agreement. (See JPA Agreement Section 13.)

RULE 6 - WHAT CONSTITUTES AN AFFIRMATIVE VOTE

Unless a Director is not voting because of a conflict of interest, a Director who is present will be deemed to have voted in the affirmative on a matter unless the Director votes against the measure by casting a "no" vote. An "abstain" vote will constitute an "aye" vote. (See *Dry Creek Valley Association, Inc. v. Board of Supervisors* (1977) 67 Cal.App.3d 839.) When calling for the vote on a motion, the Chair of the Board may (1) ask for the "aye" and "no" votes, or (2) ask if there is any opposition, since the remaining

Directors present will be deemed to have voted in the affirmative unless they are not voting due to a conflict of interest.

RULE 7 - CONFLICTS OF INTEREST

A member of the Board may not make, participate in making or in any way attempt to use his or her official position to influence a decision of the Board of Directors in which he or she knows or has reason to know that he or she has a financial interest. (Government Code section 87100.) Generally, a Director has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a material financial effect (as defined by the Fair Political Practices Commission's [FPPC] regulations) that is distinguishable from the effect on the public generally, involving dollar amount set by FPPC regulations from time to time, on (a) a business entity in which the Director has a direct or indirect investment, in the amount specified in FPPC regulations, (b) real property in which the Director has a direct or indirect investment interest, with a worth in the amount specified in FPPC regulations or, (c) a source of income of the Director, in the amount specified in FPPC regulations, within twelve months before the Board decision, (d) a source of gifts to the Director, in the amount specified in FPPC regulations, within twelve months before the Board decision, or (e) a business entity in which the Director holds a position as a director, trustee, officer, partner, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent owns directly, indirectly or beneficially a ten percent interest or greater. (Government Code section 87103.)

If a member of the Board believes he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to a conflict of interest, the following procedure will be used: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the Executive Director of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the Executive Director before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that a disqualifying conflict of interest exists, the Director (1) will not participate in the discussion, deliberation or vote on the matter for which a conflict of interest exists; and (2) unless the matter has been placed on the consent calendar, leave the Board room until after the discussion, vote or any other disposition of the matter has been concluded, except that the Director may speak on the matter during the time that the general public speaks on the matter. In such a case, the Board minutes will state: "Due to a potential conflict of interest, Director _____ left the boardroom and did not participate in the discussion, deliberation or vote on this matter."

RULE 8 - MOTIONS

The three steps for bringing a motion before the Board are: (a) a Director makes a motion, (b) another Director seconds the motion, and (c) the Chair states the motion. Once the motion has been stated by the Chair, it is open to formal discussion. While only one motion can be considered at a time, and a pending motion must be disposed of before any other question is considered, (a) a pending motion may be amended before it is voted on, either by the consent of the Directors who moved and seconded, or by a new motion (and second) "to amend" the pending motion, which is then approved by the Board, or (b) a pending motion may be tabled before it is voted on by motion (and second) made "to table," which is then approved by the Board, or (c) a pending motion may be rejected without further discussion or action by a motion (and second) "of objection to consideration," which is then approved by the Board, or (d) further discussion of a pending motion can be terminated by a motion (and second) "to call the question," which is then approved by the Board. Any Director, including the Chair, may make or second a motion.

RULE 9 - PROTECTION OF RIGHTS OF DIRECTORS

One of the primary purposes for these rules of procedure is to protect the rights of all Directors. The Chair will allow each Director a reasonable opportunity to discuss a motion, after it has been made and seconded, and before it has been voted on. The Chair can set reasonable time limits for discussion of a motion. A Director can object to a procedural ruling by the Chair by stating: "Mr./Madam Chair, I rise to a point of order." The Chair must then ask the Director to state the point of order. The Chair will then rule on the point of order. The Chair's ruling on a point of order may be appealed by a motion made and seconded to appeal the decision, which is then voted on by the Board.

In order to ensure that the Board's discussions and deliberations during a public meeting can be heard by other Board members and the public, Directors should refrain from engaging in other than oral communications on Authority matters during a Board or committee meeting (e.g., refrain from using written, electronic or telephonic communications that are not made available to other Board members and to the public).

RULE 10 - RECORD OF VOTE

Except where action is taken by the unanimous vote of all Board members present and voting, the ayes and noes taken upon the passage of all resolutions or motions will be entered upon the minutes. (See Government Code section 61045(d).)

RULE 11 - AGENDA AND AGENDA MATERIALS

The Executive Director will be responsible for preparing the agenda for regular Board meetings and meetings of the Executive Committee and other standing committees (see Government Code section 54952 and Rules 21 and 22), and having it

posted at the Authority office in a location freely accessible to the public no later than seventy-two hours before a regular meeting. The Executive Director will also be responsible for preparing the agenda for *ad hoc* advisory committee meetings. The agenda will specify the time and location of the meeting and contain a brief, general description of each item of business to be transacted or discussed at the meeting, including closed session items. (See Government Code section 54954.2.) Any member of the Board may request that the Executive Director place an item for discussion or action on the agenda. In order to allow sufficient time to prepare the agenda and back-up materials, the deadline for adding items to the agenda for a regular meeting will be at noon, five working days before the meeting.

An agenda for a regular or special Board meeting will contain the following statements: (a) "The public shall have the opportunity to directly address the Board on any item of interest either before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker." (See Government Code section 54954.3(a).); (b) "Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above." (See Government Code section 54957.5(b)(2).); and (c) "In compliance with the Americans with Disabilities Act, if you have a disability and you need a disability-related modification or accommodation to participate in this meeting, then please contact the Executive Director of the Authority. Requests must be made as early as possible, and at least one-full business day before the start of the meeting." (See Government Code section 54954.2 (a).)

Additional statements may be added to the agenda from time to time as recommended or deemed advisable by the Board Chair, Executive Director or General Counsel.

RULE 12 - REQUESTS FOR COPIES OF AGENDAS AND AGENDA MATERIALS

Any person may request the Authority to mail or electronically transmit to him or her a copy of the agenda or agenda packet for any meeting of the Board. When the Authority receives such a request, the Executive Director will transmit copies of the requested materials (except for documents that are exempt from disclosure under the Public Records Act) to the requesting party at the time that the agenda is posted or when the agenda packets are distributed to a majority of the Board members, whichever occurs first. Any request for copies of agendas or agenda packets for all Board meetings in a given year will be valid for the calendar year in which the request is submitted, and the request must be renewed after January 1 of each year in which it is to remain in effect. (Government Code section 54954.1.)

Documents that are distributed to all or a majority of the members of the Board by any person in connection with a matter subject to discussion or consideration at a regular or special meeting of the Board will be disclosable public records under the

California Public Records Act (commencing with Government Code section 6250), and will be made available upon request by a member of the public without delay, except as to documents that are exempt from disclosure under the Public Records Act. Documents that are distributed during a regular or special Board meeting that are subject to disclosure under the Public Records Act will be made available for public inspection at the meeting, if prepared by the Authority or a member of the Board, or after the meeting, if prepared by some other person. The Authority may charge a fee for responding to requests for copies of agendas, agenda packets or other documents, which fee will be limited to the Authority's copying and postage costs. (See Government Code section 54957.5(a) and (b).)

Public documents and materials that are related to an open session agenda item that are provided to the Board less than seventy-two hours before a regular meeting will be made available for public inspection and copying at the Authority's office during normal business hours. These documents also may be made available on the Authority's web site. (See Government Code section 54957.5.)

Upon request, the agenda and other documents referred to in this rule will be made available in an appropriate alternative format to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. section 12132) and the federal rules and regulations adopted in implementation thereof. (See Government Code sections 54954.1, 54954.2(a) and 54957.5(b).) The Authority will not charge a special surcharge to provide documents requested in an alternative format by a person with a disability in accordance with the Americans with Disabilities Act and its implementing regulations. (See Government Code section 54957.5(c).)

The Authority may record its meetings for the sole purpose of assisting staff with the preparation of minutes. If RWA records a meeting, it will retain the recording for at least thirty days following the meeting or Board or committee approval of the minutes, whichever occurs later, after which the recording may be erased or destroyed. The public may inspect the recording on a playback device made available by the Authority, without charge. (See Government Code section 54953.5(b).)

RULE 13 - AUTHORITY TO ACT ON MATTERS NOT ON THE AGENDA

The Board will not take action on or discuss any item not appearing on the posted agenda, except under the following conditions, in which cases the item will be publicly identified before discussion begins: (a) upon a determination by a majority of the Board that an emergency situation exists as provided in Rule 26; (b) upon a determination by a two-third vote of the Board members present at the meeting, or, if less than two-thirds of the members of the Board are present, a unanimous vote of those members present, that the need to take immediate action became apparent after the agenda was posted; or (c) the item was posted for a prior meeting of the Board occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken. (See Government Code sections 54954.2 and 54956.5.)

RULE 14 - CONSENT CALENDAR

The Executive Director may list on the agenda a "consent calendar", which will consist of routine matters on which there is generally no opposition or need for discussion. Examples of consent calendar items might include approval of minutes, financial reports and routine resolutions. Any matter may be removed from the consent calendar and placed on the regular calendar at the request of any member of the Board. The entire consent calendar may be approved by a single motion made, seconded and approved by the Board.

RULE 15 - ORAL INFORMATIONAL REPORTS

Any member of the Board may make an oral report at a regular meeting for the purpose of informing the Board of any matter of interest to the Authority. The Board may also call on the Executive Director, Authority staff or Authority legal counsel for oral informational reports on matters not on the agenda. Unless the Board makes the determinations required under Rule 13, there will be no more than limited discussion, and no action, on matters covered in such oral reports. (See Government Code section 54954.2(a).)

RULE 16 - PUBLIC FORUM AND COMMENT

Every agenda for a regular meeting will provide an opportunity for members of the public to directly address the Board on items of interest that are within the subject matter jurisdiction of the Board and that do not appear on the agenda. This agenda item will be described substantially as follows: "Opportunity for public comment on non-agenda items." During the Public Forum, the Board may, at its discretion, not respond, briefly respond to statements made or to questions posed by the public, or ask Authority staff for clarification, refer the matter to Authority staff or ask Authority staff to report back at a future meeting. (See Government Code sections 54954.2 and 54954.3.) The Board will not take action on any matter raised during the Public Forum, unless the Board first makes the determinations set forth in Rule 13. In order to facilitate public participation during the Public Forum session of the meeting, the Board may limit the total amount of time allocated for public comment on a particular issue (10 minutes or less will normally be standard), and may limit the time allocated for public comment of an individual speaker (3 minutes or less will normally be standard). The Chair may declare as out of order irrelevant, repetitious or disruptive comments. (See Government Code section 54954.3.)

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. (See Government Code section 54954.3(a).)

These rules are not intended to prohibit public criticism of policies, procedures, programs or services of the Authority, or of the acts or omissions of the Board. (See Government Code section 54954.3(c).)

In the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible, and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the Board may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, will be allowed to attend any session held pursuant to this section. Nothing in this section will prohibit the Board from readmitting an individual or individuals not responsible for disturbing the orderly conduct of the meeting. (See Government Code section 54957.9.)

It is the general policy of the Board to refer to the Executive Director for resolution of complaints received from members of the public. If the complaint cannot be resolved, the Executive Director will place it on a meeting agenda for consideration by the Board.

RULE 17 - PUBLIC HEARINGS

The procedure for conducting public hearings during a meeting of the Board will be as follows: (a) no earlier than the time set for the public hearing, the Chair of the Board will declare the public hearing open; (b) the Chair will ask the Executive Director whether notice of the public hearing has been given in the manner required by law; (c) the Chair will ask the Executive Director whether written comments on the subject matter of the public hearing have been received; (d) the Chair will ask whether any member of the public wishes to present written or oral comments on the subject of the public hearing; (e) in its discretion, the Board may set time limits on the amount of time an individual speaker is allowed to comment orally during the public hearing; and (f) following the close of presentation of comments, the Chair will declare the public hearing closed. The Board may continue a public hearing from time to time in accordance with the procedures provided in Rule 18. (See Government Code section 54955.1.) If otherwise permitted by law, the Board may take action related to the subject matter of the public hearing after the hearing is closed.

RULE 18 - ADJOURNMENT

A meeting of the Board will be adjourned by (a) loss of a quorum, (b) by motion made, seconded and approved to adjourn the meeting, or (c) by declaration of the Chair that the meeting is adjourned when the agenda has been completed and there is no further business to come before the Board. A regular or special meeting of the Board may also be adjourned for the purpose of continuing it to a specific day and time (a) by motion made, seconded and approved, (b) by approval of less than a quorum if a quorum is not present, or (c) by the Secretary of the Board if all members are absent from any regular or adjourned regular meeting. A copy of the order or notice of adjournment to continue a meeting to another date will be conspicuously posted on or near the door of the Authority boardroom or other location where the meeting was held within twenty-four hours after the time of adjournment. (See Government Code section

54955.)

RULE 19 - SPECIAL MEETINGS

A special meeting may be called at any time by the Chair, by the Executive Committee or by a majority of the members of the Board, by delivering personally or by any other means, including mail, facsimile and electronic mail, written notice to each member and to each newspaper, radio or television station requesting notice in writing. Such notice must be received at least twenty-four hours before the time of such meeting as specified in the notice (except as to emergency meetings, in which case, the notice requirements specified in Rule 26 will be followed). Electronic mail will constitute notice of a special meeting only if the recipient confirms receipt, and it will be deemed to be received at the time of such confirmation. The call and notice must specify the time and place of the special meeting and the business to be transacted, and will include the statements specified in Rule 11. No other business will be considered at such meeting. The written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the Authority Secretary a written waiver of notice. Waiver may be given in person or by mail, facsimile, or electronic mail. Such written notice may also be dispensed with as to any member who was actually present at the meeting at the time it convenes. The call and notice must also be posted at least twenty-four hours before the meeting in a location freely accessible to the public. (See Government Code sections 54954.3(a) and 54956.)

RULE 20 - BOARD WORKSHOP MEETINGS

From time to time, the Board may set a regular or special meeting to be conducted as a "workshop meeting," during which the Board will have the opportunity to receive presentations on and discuss matters identified on the agenda, but the Board would not normally take action on those items. Nothing in this rule is intended to prevent the Board from taking action on a matter during a workshop session if it is identified as an "action item" on the agenda for that meeting.

RULE 21 - BOARD COMMITTEES

Board committees will be composed of less than a majority of Directors, and may be either standing committees or *ad hoc* advisory committees. The Board has the following standing committee (i.e., committees with continuing subject matter jurisdiction; see Government Code section 54952): the Executive Committee. In accordance with Rule 11, standing committee meetings will be open to the public (except for authorized closed sessions), and the agenda for those meetings will be posted in the same manner as the agenda for regular Board meetings. In addition, the Chair may from time to time establish, and appoint the members of, *ad hoc* advisory committees to serve a limited or single purpose, which committees are to be dissolved once their specific task is completed. The meetings of an *ad hoc* advisory committee are not required to be open to the public, and notice of such meetings is not required to be posted. (See Government Code sections 54951 and 54952.)

Directors who are not members of a standing committee may attend a standing committee meeting only as observers, and they may not participate in the committee meeting, ask questions or sit with the committee members at the Board table. (See Government Code section 54952.2(c)(6).) Directors who are not members of an *ad hoc* committee may not attend an *ad hoc* committee meeting, unless such a meeting has been publicly noticed, in which case the same rules governing attendance at standing committee meetings described above shall apply.

RULE 22 - EXECUTIVE COMMITTEE

The Executive Committee of the Board will have the duties and authority specified in Section 10.a of the JPA Agreement, and as set forth in the "Authority Delegated to the Executive Committee" (Authority Policy 200.2, attached as **Exhibit 2**, as amended by the Board from time to time). The Executive Committee will operate according to these Rules to the extent applicable.

RULE 23 - EXECUTIVE DIRECTOR

The Executive Director of the Authority will have the duties and authority specified in Section 19 of the JPA Agreement, and as set forth in the "Authority Delegated to the Executive Director" (Authority Policy 300.1, attached as **Exhibit 3**, as amended by the Board from time to time).

RULE 24 - CLOSED SESSIONS

A closed session may be held on any subject authorized under the Brown Act. The agenda for a regular or special meeting will contain a brief, general description of the purpose of a closed session, in substantially the following form:

a. Conference with legal counsel--existing litigation; Government Code sections 54954.5(c) and 54956.9(a); _____ v. _____ [insert name of case, e.g., *Jones v. Authority*].

b. Conference with legal counsel--existing litigation; Government Code sections 54954.5(c) and 54956.9(a); case name unspecified because _____ [insert either "disclosure would jeopardize service of process" or "disclosure would jeopardize existing settlement negotiations"].

c. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(b); significant exposure to litigation involving _____ [describe].

d. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(c); consideration of initiation of litigation involving _____ [describe].

e. Public employee appointment involving _____ [insert

position(s) to be filled]; Government Code sections 54954.5(e) and 54957.

f. Public employee performance evaluation involving _____ [insert position(s) being reviewed]; Government Code sections 54954.5(e) and 54957.

g. Public employee discipline/dismissal/release; Government Code sections 54954.5(e) and 54957. [No additional information required.]

h. Conference with labor negotiator involving _____ [insert name of Authority negotiator] and _____ [insert name of employee organization involved in negotiation]; Government Code sections 54954.5(f) and 54957.6.

i. Conference with labor negotiator involving _____ [insert name of Authority negotiator] and unrepresented employee(s) in position(s) of _____ [insert position(s) of unrepresented employee(s) involved in negotiation]; Government Code sections 54954.5(f) and 54957.6.

j. Conference with real property negotiator involving _____ [insert street address or other description of property], and _____ [insert name(s) of Authority negotiator(s); Authority negotiators will negotiate with _____ [insert name of other party(ies)]. Instructions to the negotiator(s) may include price, terms of payment, or both. (See Government Code sections 54954.5(b) and 54956.8.)

k. Closed session consultation with _____ [insert the name of a law enforcement agency, and the title of the officer, or the name of an applicable agency representative and title] concerning a threat to public services or facilities, or for the assessment of the security vulnerability of public facilities. (See Government Code section 54957.)

The Board will not keep minutes of its closed sessions. (See Government Code section 54957.2.) In the closed session, the Board will consider only those matters covered in its statement of reasons for holding the closed session. (See Government Code section 54957.7.)

Before holding a closed session to consider complaints or charges against a particular employee (as distinguished from mere evaluation of performance unrelated to any specific complaint or charge), the Authority will provide twenty-four hours' advance written notice to the employee of his or her right to have the matter heard in open session. (See Government Code section 54957.)

A closed session may be held to meet with the Authority's negotiator regarding the salary and benefits of Authority officers and employees, but not including elected officials, but the Authority's available funds, funding priorities or budget will not be discussed during the closed session. (See Government Code section 54957.6.)

Following every closed session, the Board will reconvene to open session and

publicly report any action and vote during the closed session in accordance with the following guidelines:

a. For action concerning final approval of a real property purchase/sale agreement or lease, report in open session at the same meeting the action taken (including the substance of the agreement) and vote, except that, if final approval rests with another party, the report may be deferred until the other party's approval. (See Government Code section 54957.1(a)(1).)

b. Approval given to legal counsel to defend or initiate a lawsuit, or seek appellate review will be reported in open session at the public meeting during which the closed session was held. (See Government Code section 54957.1(a)(2).)

c. Approval given to legal counsel to settle pending litigation or action taken to dispose of a claim will be reported in open session as soon as the settlement or claim disposition becomes final. (See Government Code section 54957.1(a)(3) and (4).)

d. For action to appoint, employ or dismiss, accept the resignation of, or otherwise affect the employment status of an employee, the Board will report in open session at the same meeting the action taken (including identity of employee or position and any change in compensation) and vote, except that, for any dismissal or non-renewal of a contract, the report back may be deferred until the first meeting after the exhaustion of administrative remedies. (See Government Code section 54957.1(a)(5).)

e. For action concerning a labor MOU, after the MOU has been approved by both parties, the Board will report in open session the action taken and vote. (See Government Code section 54957.1(a)(6).)

The Authority will make available after a closed session to anyone who has requested them in advance, agreements or other documents approved in closed session, unless the document needs to be revised, in which case it will be provided as soon as possible. After the closed session, changes to the agreement will be orally summarized if anyone present so requests. (See Government Code section 54957.1(b).)

A Director is not authorized, without approval of the Board of Directors, to disclose information that is deemed confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required or authorized to be disclosed under the California Public Records Act. A Director is not prohibited from taking the following actions in regard to a closed session of the Board: (a) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the Board, (b) expressing an opinion concerning the propriety or legality of actions taken by the Board in closed session, including disclosure of the nature and extent of the allegedly illegal

action, or (c) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (a) or (b), above, however, a Board member will first bring the matter to the attention of either the Chair of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation. A Director who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098. (See Government Code section 54963; 76 Ops.Cal.Atty.Gen. 289 (1993) and 80 Ops.Cal.Atty.Gen. 231 (1997).)

It is within the Board's discretion to allow a Director who serves as a member of the legislative body of a member agency to disclose information obtained in a closed session that has direct financial or liability implications for that member agency to the following individuals: (1) legal counsel of that member local agency for purposes of obtaining advice on whether the matter has direct financial or liability implications for that member local agency; or (2) other members of the legislative body of the member agency present in a closed session of that member agency. (See Government Code section 54956.96)

RULE 25 - MEETINGS BY TELECONFERENCE

The Board or the Executive Committee may hold meetings by teleconference. (See Government Code section 54953(b).) For purposes of this rule, "meetings by teleconference" include meetings at which one or more Board member attends and participates in the meeting by telephone, video conferencing or any other electronic means using live audio or video, or both. For any meeting by teleconference conducted by the Board, the following requirements will apply:

- a. During a meeting by teleconference, at least a quorum of the members of the Board will participate from locations within the territory of the Authority.
- b. Each teleconference location (i.e., the location from which one or more Board members attends and participates in a meeting by teleconference) will be accessible to the public.
- c. When meetings by teleconference are held by telephone, speaker phones will be used at the main meeting location and at any teleconference location where there are members of the public in attendance.
- d. All votes taken at a meeting by teleconference will be by roll call.
- e. The Board will conduct the meeting by teleconference in a manner that protects the statutory and constitutional rights of parties and the public to attend and participate in the meeting.
- f. Each teleconference location will be identified in the regular meeting agenda or special meeting notice, and the agenda or notice will state that members of

the public will have the opportunity to address the Board from any teleconference location.

g. Notice of any meeting by teleconference will be included in the meeting agenda or special meeting notice in substantially the following form:

"All or portions of this meeting will be conducted by teleconference in accordance with Government Code section 54953(b). The teleconference location(s) for the meeting are as follows: _____ . Each teleconference location is accessible to the public, and members of the public may address the Board of Directors from any teleconference location."

h. In addition to the usual notice and agenda requirements, the regular meeting agenda or special meeting notice will be posted at all teleconference locations at least seventy-two hours before regular meetings or twenty-four hours before special meetings.

RULE 26 – EMERGENCY MEETINGS

Under Government Code section 54956.5, the Authority may hold a meeting to address an emergency if a majority of the Board determines that a situation exists that involves matters upon which prompt action is necessary. An emergency situation is defined as: (1) a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both; or (2) a dire emergency, which shall be defined as a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that requiring the Board to provide one-hour notice before holding an emergency meeting may endanger the public health, safety, or both.

As a condition of holding an emergency meeting, the Board Chair or his/her designee shall provide notice of the meeting by telephone to each local newspaper of general circulation, radio station and television station that has requested notice of special meetings. For a meeting for a "non-dire emergency" (Definition 1, above), the telephone notice must be provided at least one hour prior to the emergency meeting. In the case of a meeting for a "dire emergency" (Definition 2, above), the telephone notice must be provided to the media at or near the same time as notice is given to the members of the Board. In the event that telephone services are not functioning, the notice requirements of this section shall be deemed waived, and the legislative body, or designee of the legislative body, shall notify those newspapers, radio stations, or television stations of the fact of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible.

The Board may meet in closed session upon approval by a two-thirds vote of the Board (or the unanimous vote of the Board if less than two-thirds are present) to discuss matters related to the emergency situation. (See Government Code sections 54956.5(c) and 54957.)

With the exception of the 24-hour notice and posting requirements and any other exceptions provided in herein, all special meeting requirements described in Rule 19 shall be applicable to an emergency meeting called pursuant to this Rule.

The draft minutes of an emergency meeting called under this Rule must be posted in a public place for a minimum of 10 days as soon after the meeting as possible, and include a list of persons who the Board Chair or his/her designee notified or attempted to notify of the meeting, if applicable, any actions taken at the meeting, and a recording of any votes taken by roll call. (See Government Code section 54956.5(e).)

RULE 27 - COMPENSATION OF DIRECTORS

The Authority does not compensate or reimburse the expenses of members of the Board of Directors. Generally, the agency that a member of the Board represents provides for compensation and reimbursement of expenses associated with representing that agency on the Board of the Authority, in accordance with the rules of that agency.

RULE 28 - AMENDMENT OF RULES

By motion made, seconded and approved, the Board in its discretion may at any meeting (a) temporarily suspend these rules in whole or in part, (b) amend these rules in whole or in part, or (c) both.

REGIONAL WATER AUTHORITY POLICIES AND PROCEDURES MANUAL

Policy Type : Board of Directors
Policy Title : Rules for Proceedings of the Board of Directors
Policy Number : 200.1
Date Adopted : September 12, 2002
Date Amended : November 4, 2004; September 13, 2012; May 2, 2019

RULES FOR PROCEEDINGS OF THE BOARD OF DIRECTORS

INTRODUCTION

These are the rules for proceedings of meetings of the Board of Directors of the Regional Water Authority (“Authority”), which are authorized by Section 17 of the Joint Exercise of Powers Agreement forming the Authority, dated July 1, 2001 (“JPA Agreement”). The purposes of these rules are to facilitate public participation during meetings of the Board, protect the rights of all Directors, and to provide a process for conducting Board meetings in an orderly and efficient manner. The provisions of the JPA Agreement, the Community Services District Law (see Section 7.a.12 of the JPA Agreement, and Government Code sections 61000, et seq.), the Brown Act (Government Code section 54950, et seq.) and any other law governing the powers and/or proceedings of the Authority will control over any inconsistent provision contained in these rules.

RULE 1 - SELECTION OF OFFICERS

The Chair and Vice-Chair of the Board will be elected by the members of the Board for a one-year term commencing immediately upon conclusion of the meeting where the election was held. The election will be held prior to January 31 each year. The procedures that the Board will follow for the election of Chair and the Vice-Chair are set forth in the “Procedures for Selection of the Executive Committee of the Board of Directors and the Chair and the Vice-Chair of the Executive Committee and the Board of Directors” (attached as **Exhibit 1**, as amended by the Board from time to time, “Election Procedures”).

The Board will by majority vote appoint, considering the recommendation of the Executive Director of the Authority, a Secretary and a Treasurer, who will serve at the pleasure of the Board. (See JPA Agreement Section 18, and Government Code sections 61002 and 61050(b).)

RULE 2 - DUTIES OF CHAIR OF BOARD

The Chair of the Board of Directors will be its presiding officer. (See JPA Agreement Section 18, and Government Code section 61043(b).) The Chair's duties will include, but not be limited to, the following: acting as the liaison between the Executive Director and the Board and the Executive Committee, calling special meetings of the Board and the Executive Committee, presiding over meetings of the Board and the Executive Committee, establishing and appointing committees of the Board and the Executive Committee (except that, the members of the Executive Committee will be appointed in accordance with the procedures set forth in the Election Procedures), and appointing representatives of the Authority to associations of which the Authority is a member. The Board will appoint representatives of the Authority to joint powers authorities of which the Authority is a member. In the Chair's absence, the Vice-Chair of the Board will perform such duties. (See JPA Agreement Section 18.)

RULE 3 - TIME AND PLACE FOR REGULAR MEETINGS

The regular meeting of the Board of Directors will be held in the boardroom of the Authority's office, 5620 Birdcage Street, Suite 110, Citrus Heights, California, or at such other locations within the Authority as designated by the Board of Directors by resolution from time to time. The dates and times of those regular meetings also will be as designated by the Board of Directors by resolution from time to time, with regular meetings generally occurring at least on the second Thursday of odd-numbered months. If a regular meeting falls on a holiday (as listed in Government Code section 6700), the meeting will be held on the day designated by the Board or the Executive Committee. (See Government Code section 54954(a).)

RULE 4 - QUORUM REQUIREMENTS

A majority of all of the members of the Board will constitute a quorum for the transaction of business. (See JPA Agreement Section 13.)

RULE 5 - MAJORITY VOTE

A majority of all of the members of the Board will be required to approve any resolution or motion, unless a different voting requirement to approve a particular action is specified under State law or the JPA Agreement. (See JPA Agreement Section 13.)

RULE 6 - WHAT CONSTITUTES AN AFFIRMATIVE VOTE

Unless a Director is not voting because of a conflict of interest, a Director who is present will be deemed to have voted in the affirmative on a matter unless the Director votes against the measure by casting a "no" vote. An "abstain" vote will constitute an "aye" vote. (See *Dry Creek Valley Association, Inc. v. Board of Supervisors* (1977) 67 Cal.App.3d 839.) When calling for the vote on a motion, the Chair of the Board may (1) ask for the "aye" and "no" votes, or (2) ask if there is any opposition, since the remaining

Directors present will be deemed to have voted in the affirmative unless they are not voting due to a conflict of interest.

RULE 7 - CONFLICTS OF INTEREST

A member of the Board may not make, participate in making or in any way attempt to use his or her official position to influence a decision of the Board of Directors in which he or she knows or has reason to know that he or she has a financial interest. (Government Code section 87100.) Generally, a Director has a financial interest in a matter if it is reasonably foreseeable that the Board decision would have a material financial effect (as defined by the Fair Political Practices Commission's [FPPC] regulations) that is distinguishable from the effect on the public generally, involving dollar amount set by FPPC regulations from time to time, on (a) a business entity in which the Director has a direct or indirect investment, in the amount specified in FPPC regulations, (b) real property in which the Director has a direct or indirect investment interest, with a worth in the amount specified in FPPC regulations or, (c) a source of income of the Director, in the amount specified in FPPC regulations, within twelve months before the Board decision, (d) a source of gifts to the Director, in the amount specified in FPPC regulations, within twelve months before the Board decision, or (e) a business entity in which the Director holds a position as a director, trustee, officer, partner, manager or employee. An "indirect interest" means any investment or interest owned by the spouse or dependent child of the Director, by an agent on behalf of the Director, or by a business entity or trust in which the Director, or the Director's spouse, dependent child or agent owns directly, indirectly or beneficially a ten percent interest or greater. (Government Code section 87103.)

If a member of the Board believes he or she may be disqualified from participation in the discussion, deliberations or vote on a particular matter due to a conflict of interest, the following procedure will be used: (a) if the Director becomes aware of the potential conflict of interest before the Board meeting at which the matter will be discussed or acted on, the Director will notify the Executive Director of the potential conflict of interest, so that a determination can be made whether it is a disqualifying conflict of interest; (b) if it is not possible for the Director to discuss the potential conflict with the Executive Director before the meeting, or if the Director does not become aware of the potential conflict until during the meeting, the Director will immediately disclose the potential conflict during the Board meeting, so that there can be a determination whether it is a disqualifying conflict of interest; and (c) upon a determination that a disqualifying conflict of interest exists, the Director (1) will not participate in the discussion, deliberation or vote on the matter for which a conflict of interest exists; and (2) unless the matter has been placed on the consent calendar, leave the Board room until after the discussion, vote or any other disposition of the matter has been concluded, except that the Director may speak on the matter during the time that the general public speaks on the matter. In such a case, the Board minutes will state: "Due to a potential conflict of interest, Director _____ left the boardroom and did not participate in the discussion, deliberation or vote on this matter."

RULE 8 - MOTIONS

The three steps for bringing a motion before the Board are: (a) a Director makes a motion, (b) another Director seconds the motion, and (c) the Chair states the motion. Once the motion has been stated by the Chair, it is open to formal discussion. While only one motion can be considered at a time, and a pending motion must be disposed of before any other question is considered, (a) a pending motion may be amended before it is voted on, either by the consent of the Directors who moved and seconded, or by a new motion (and second) “to amend” the pending motion, which is then approved by the Board, or (b) a pending motion may be tabled before it is voted on by motion (and second) made “to table,” which is then approved by the Board, or (c) a pending motion may be rejected without further discussion or action by a motion (and second) “of objection to consideration,” which is then approved by the Board, or (d) further discussion of a pending motion can be terminated by a motion (and second) “to call the question,” which is then approved by the Board. Any Director, including the Chair, may make or second a motion.

RULE 9 - PROTECTION OF RIGHTS OF DIRECTORS

One of the primary purposes for these rules of procedure is to protect the rights of all Directors. The Chair will allow each Director a reasonable opportunity to discuss a motion, after it has been made and seconded, and before it has been voted on. The Chair can set reasonable time limits for discussion of a motion. A Director can object to a procedural ruling by the Chair by stating: “Mr./Madam Chair, I rise to a point of order.” The Chair must then ask the Director to state the point of order. The Chair will then rule on the point of order. The Chair’s ruling on a point of order may be appealed by a motion made and seconded to appeal the decision, which is then voted on by the Board.

In order to ensure that the Board’s discussions and deliberations during a public meeting can be heard by other Board members and the public, Directors should refrain from engaging in other than oral communications on Authority matters during a Board or committee meeting (e.g., refrain from using written, electronic or telephonic communications that are not made available to other Board members and to the public).

RULE 10 - RECORD OF VOTE

Except where action is taken by the unanimous vote of all Board members present and voting, the ayes and noes taken upon the passage of all resolutions or motions will be entered upon the minutes. (See Government Code section 61045(d).)

RULE 11 - AGENDA AND AGENDA MATERIALS

The Executive Director will be responsible for preparing the agenda for regular Board meetings and meetings of the Executive Committee and other standing committees (see Government Code section 54952 and Rules 21 and 22), and having it

posted at the Authority office in a location freely accessible to the public no later than seventy-two hours before a regular meeting. The Executive Director will also be responsible for preparing the agenda for *ad hoc* advisory committee meetings. The agenda will specify the time and location of the meeting and contain a brief, general description of each item of business to be transacted or discussed at the meeting, including closed session items. (See Government Code section 54954.2.) Any member of the Board may request that the Executive Director place an item for discussion or action on the agenda. In order to allow sufficient time to prepare the agenda and back-up materials, the deadline for adding items to the agenda for a regular meeting will be at noon, five working days before the meeting.

An agenda for a regular or special Board meeting will contain the following statements: (a) "The public shall have the opportunity to directly address the Board on any item of interest either before or during the Board's consideration of that item. Public comment on items within the jurisdiction of the Board is welcomed, subject to reasonable time limitations for each speaker." (See Government Code section 54954.3(a).); (b) "Public documents relating to any open session item listed on this agenda that are distributed to all or a majority of the members of the Board of Directors less than 72 hours before the meeting are available for public inspection in the customer service area of the Authority's Administrative Office at the address listed above." (See Government Code section 54957.5(b)(2).); and (c) "In compliance with the Americans with Disabilities Act, if you have a disability and you need a disability-related modification or accommodation to participate in this meeting, then please contact the Executive Director of the Authority. Requests must be made as early as possible, and at least one-full business day before the start of the meeting." (See Government Code section 54954.2 (a).)

Additional statements may be added to the agenda from time to time as recommended or deemed advisable by the Board Chair, Executive Director or General Counsel.

RULE 12 - REQUESTS FOR COPIES OF AGENDAS AND AGENDA MATERIALS

Any person may request the Authority to mail or electronically transmit to him or her a copy of the agenda or agenda packet for any meeting of the Board. When the Authority receives such a request, the Executive Director will transmit copies of the requested materials (except for documents that are exempt from disclosure under the Public Records Act) to the requesting party at the time that the agenda is posted or when the agenda packets are distributed to a majority of the Board members, whichever occurs first. Any request for copies of agendas or agenda packets for all Board meetings in a given year will be valid for the calendar year in which the request is submitted, and the request must be renewed after January 1 of each year in which it is to remain in effect. (Government Code section 54954.1.)

Documents that are distributed to all or a majority of the members of the Board by any person in connection with a matter subject to discussion or consideration at a regular or special meeting of the Board will be disclosable public records under the

California Public Records Act (commencing with Government Code section 6250), and will be made available upon request by a member of the public without delay, except as to documents that are exempt from disclosure under the Public Records Act. Documents that are distributed during a regular or special Board meeting that are subject to disclosure under the Public Records Act will be made available for public inspection at the meeting, if prepared by the Authority or a member of the Board, or after the meeting, if prepared by some other person. The Authority may charge a fee for responding to requests for copies of agendas, agenda packets or other documents, which fee will be limited to the Authority's copying and postage costs. (See Government Code section 54957.5(a) and (b).)

Public documents and materials that are related to an open session agenda item that are provided to the Board less than seventy-two hours before a regular meeting will be made available for public inspection and copying at the Authority's office during normal business hours. These documents also may be made available on the Authority's web site. (See Government Code section 54957.5.)

Upon request, the agenda and other documents referred to in this rule will be made available in an appropriate alternative format to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. section 12132) and the federal rules and regulations adopted in implementation thereof. (See Government Code sections 54954.1, 54954.2(a) and 54957.5(b).) The Authority will not charge a special surcharge to provide documents requested in an alternative format by a person with a disability in accordance with the Americans with Disabilities Act and its implementing regulations. (See Government Code section 54957.5(c).)

The Authority may record its meetings for the sole purpose of assisting staff with the preparation of minutes. If RWA records a meeting, it will retain the recording for at least thirty days following the meeting or Board or committee approval of the minutes, whichever occurs later, after which the recording may be erased or destroyed. The public may inspect the recording on a playback device made available by the Authority, without charge. (See Government Code section 54953.5(b).)

RULE 13 - AUTHORITY TO ACT ON MATTERS NOT ON THE AGENDA

The Board will not take action on or discuss any item not appearing on the posted agenda, except under the following conditions, in which cases the item will be publicly identified before discussion begins: (a) upon a determination by a majority of the Board that an emergency situation exists as provided in Rule 26; (b) upon a determination by a two-third vote of the Board members present at the meeting, or, if less than two-thirds of the members of the Board are present, a unanimous vote of those members present, that the need to take immediate action became apparent after the agenda was posted; or (c) the item was posted for a prior meeting of the Board occurring not more than five calendar days prior to the date action is taken on the item, and at the prior meeting the item was continued to the meeting at which action is being taken. (See Government Code sections 54954.2 and 54956.5.)

RULE 14 - CONSENT CALENDAR

The Executive Director may list on the agenda a "consent calendar", which will consist of routine matters on which there is generally no opposition or need for discussion. Examples of consent calendar items might include approval of minutes, financial reports and routine resolutions. Any matter may be removed from the consent calendar and placed on the regular calendar at the request of any member of the Board. The entire consent calendar may be approved by a single motion made, seconded and approved by the Board.

RULE 15 - ORAL INFORMATIONAL REPORTS

Any member of the Board may make an oral report at a regular meeting for the purpose of informing the Board of any matter of interest to the Authority. The Board may also call on the Executive Director, Authority staff or Authority legal counsel for oral informational reports on matters not on the agenda. Unless the Board makes the determinations required under Rule 13, there will be no more than limited discussion, and no action, on matters covered in such oral reports. (See Government Code section 54954.2(a).)

RULE 16 - PUBLIC FORUM AND COMMENT

Every agenda for a regular meeting will provide an opportunity for members of the public to directly address the Board on items of interest that are within the subject matter jurisdiction of the Board and that do not appear on the agenda. This agenda item will be described substantially as follows: "Opportunity for public comment on non-agenda items." During the Public Forum, the Board may, at its discretion, not respond, briefly respond to statements made or to questions posed by the public, or ask Authority staff for clarification, refer the matter to Authority staff or ask Authority staff to report back at a future meeting. (See Government Code sections 54954.2 and 54954.3.) The Board will not take action on any matter raised during the Public Forum, unless the Board first makes the determinations set forth in Rule 13. In order to facilitate public participation during the Public Forum session of the meeting, the Board may limit the total amount of time allocated for public comment on a particular issue (10 minutes or less will normally be standard), and may limit the time allocated for public comment of an individual speaker (3 minutes or less will normally be standard). The Chair may declare as out of order irrelevant, repetitious or disruptive comments. (See Government Code section 54954.3.)

The public may address the Board concerning an agenda item either before or during the Board's consideration of that agenda item. (See Government Code section 54954.3(a).)

These rules are not intended to prohibit public criticism of policies, procedures, programs or services of the Authority, or of the acts or omissions of the Board. (See Government Code section 54954.3(c).)

In the event that any meeting is willfully interrupted by a group or groups of persons so as to render the orderly conduct of such meeting unfeasible, and order cannot be restored by the removal of individuals who are willfully interrupting the meeting, the Board may order the meeting room cleared and continue in session. Only matters appearing on the agenda may be considered in such a session. Representatives of the press or other news media, except those participating in the disturbance, will be allowed to attend any session held pursuant to this section. Nothing in this section will prohibit the Board from readmitting an individual or individuals not responsible for disturbing the orderly conduct of the meeting. (See Government Code section 54957.9.)

It is the general policy of the Board to refer to the Executive Director for resolution of complaints received from members of the public. If the complaint cannot be resolved, the Executive Director will place it on a meeting agenda for consideration by the Board.

RULE 17 - PUBLIC HEARINGS

The procedure for conducting public hearings during a meeting of the Board will be as follows: (a) no earlier than the time set for the public hearing, the Chair of the Board will declare the public hearing open; (b) the Chair will ask the Executive Director whether notice of the public hearing has been given in the manner required by law; (c) the Chair will ask the Executive Director whether written comments on the subject matter of the public hearing have been received; (d) the Chair will ask whether any member of the public wishes to present written or oral comments on the subject of the public hearing; (e) in its discretion, the Board may set time limits on the amount of time an individual speaker is allowed to comment orally during the public hearing; and (f) following the close of presentation of comments, the Chair will declare the public hearing closed. The Board may continue a public hearing from time to time in accordance with the procedures provided in Rule 18. (See Government Code section 54955.1.) If otherwise permitted by law, the Board may take action related to the subject matter of the public hearing after the hearing is closed.

RULE 18 - ADJOURNMENT

A meeting of the Board will be adjourned by (a) loss of a quorum, (b) by motion made, seconded and approved to adjourn the meeting, or (c) by declaration of the Chair that the meeting is adjourned when the agenda has been completed and there is no further business to come before the Board. A regular or special meeting of the Board may also be adjourned for the purpose of continuing it to a specific day and time (a) by motion made, seconded and approved, (b) by approval of less than a quorum if a quorum is not present, or (c) by the Secretary of the Board if all members are absent from any regular or adjourned regular meeting. A copy of the order or notice of adjournment to continue a meeting to another date will be conspicuously posted on or near the door of the Authority boardroom or other location where the meeting was held within twenty-four hours after the time of adjournment. (See Government Code section

54955.)

RULE 19 - SPECIAL MEETINGS

A special meeting may be called at any time by the Chair, by the Executive Committee or by a majority of the members of the Board, by delivering personally or by any other means, including mail, facsimile and electronic mail, written notice to each member and to each newspaper, radio or television station requesting notice in writing. Such notice must be received at least twenty-four hours before the time of such meeting as specified in the notice (except as to emergency meetings, in which case, the notice requirements specified in Rule 26 will be followed). Electronic mail will constitute notice of a special meeting only if the recipient confirms receipt, and it will be deemed to be received at the time of such confirmation. The call and notice must specify the time and place of the special meeting and the business to be transacted, and will include the statements specified in Rule 11. No other business will be considered at such meeting. The written notice may be dispensed with as to any member who at or prior to the time the meeting convenes files with the Authority Secretary a written waiver of notice. Waiver may be given in person or by mail, facsimile, or electronic mail. Such written notice may also be dispensed with as to any member who was actually present at the meeting at the time it convenes. The call and notice must also be posted at least twenty-four hours before the meeting in a location freely accessible to the public. (See Government Code sections 54954.3(a) and 54956.)

RULE 20 - BOARD WORKSHOP MEETINGS

From time to time, the Board may set a regular or special meeting to be conducted as a “workshop meeting,” during which the Board will have the opportunity to receive presentations on and discuss matters identified on the agenda, but the Board would not normally take action on those items. Nothing in this rule is intended to prevent the Board from taking action on a matter during a workshop session if it is identified as an “action item” on the agenda for that meeting.

RULE 21 - BOARD COMMITTEES

Board committees will be composed of less than a majority of Directors, and may be either standing committees or *ad hoc* advisory committees. The Board has the following standing committee (i.e., committees with continuing subject matter jurisdiction; see Government Code section 54952): the Executive Committee. In accordance with Rule 11, standing committee meetings will be open to the public (except for authorized closed sessions), and the agenda for those meetings will be posted in the same manner as the agenda for regular Board meetings. In addition, the Chair may from time to time establish, and appoint the members of, *ad hoc* advisory committees to serve a limited or single purpose, which committees are to be dissolved once their specific task is completed. The meetings of an *ad hoc* advisory committee are not required to be open to the public, and notice of such meetings is not required to be posted. (See Government Code sections 54951 and 54952.)

Directors who are not members of a standing committee may attend a standing committee meeting only as observers, and they may not participate in the committee meeting, ask questions or sit with the committee members at the Board table. (See Government Code section 54952.2(c)(6).) Directors who are not members of an *ad hoc* committee may not attend an *ad hoc* committee meeting, unless such a meeting has been publicly noticed, in which case the same rules governing attendance at standing committee meetings described above shall apply.

RULE 22 - EXECUTIVE COMMITTEE

The Executive Committee of the Board will have the duties and authority specified in Section 10.a of the JPA Agreement, and as set forth in the "Authority Delegated to the Executive Committee" (Authority Policy 200.2, attached as **Exhibit 2**, as amended by the Board from time to time). The Executive Committee will operate according to these Rules to the extent applicable.

RULE 23 - EXECUTIVE DIRECTOR

The Executive Director of the Authority will have the duties and authority specified in Section 19 of the JPA Agreement, and as set forth in the "Authority Delegated to the Executive Director" (Authority Policy 300.1, attached as **Exhibit 3**, as amended by the Board from time to time).

RULE 24 - CLOSED SESSIONS

A closed session may be held on any subject authorized under the Brown Act. The agenda for a regular or special meeting will contain a brief, general description of the purpose of a closed session, in substantially the following form:

a. Conference with legal counsel--existing litigation; Government Code sections 54954.5(c) and 54956.9(a); _____ v. _____ [insert name of case, e.g., *Jones v. Authority*].

b. Conference with legal counsel--existing litigation; Government Code sections 54954.5(c) and 54956.9(a); case name unspecified because _____ [insert either "disclosure would jeopardize service of process" or "disclosure would jeopardize existing settlement negotiations"].

c. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(b); significant exposure to litigation involving _____ [describe].

d. Conference with legal counsel--anticipated litigation; Government Code sections 54954.5(c) and 54956.9(c); consideration of initiation of litigation involving _____ [describe].

e. Public employee appointment involving _____ [insert

position(s) to be filled]; Government Code sections 54954.5(e) and 54957.

f. Public employee performance evaluation involving _____ [insert position(s) being reviewed]; Government Code sections 54954.5(e) and 54957.

g. Public employee discipline/dismissal/release; Government Code sections 54954.5(e) and 54957. [No additional information required.]

h. Conference with labor negotiator involving _____ [insert name of Authority negotiator] and _____ [insert name of employee organization involved in negotiation]; Government Code sections 54954.5(f) and 54957.6.

i. Conference with labor negotiator involving _____ [insert name of Authority negotiator] and unrepresented employee(s) in position(s) of _____ [insert position(s) of unrepresented employee(s) involved in negotiation]; Government Code sections 54954.5(f) and 54957.6.

j. Conference with real property negotiator involving _____ [insert street address or other description of property], and _____ [insert name(s) of Authority negotiator(s); Authority negotiators will negotiate with _____ [insert name of other party(ies)]. Instructions to the negotiator(s) may include price, terms of payment, or both. (See Government Code sections 54954.5(b) and 54956.8.)

k. Closed session consultation with _____ [insert the name of a law enforcement agency, and the title of the officer, or the name of an applicable agency representative and title] concerning a threat to public services or facilities, or for the assessment of the security vulnerability of public facilities. (See Government Code section 54957.)

The Board will not keep minutes of its closed sessions. (See Government Code section 54957.2.) In the closed session, the Board will consider only those matters covered in its statement of reasons for holding the closed session. (See Government Code section 54957.7.)

Before holding a closed session to consider complaints or charges against a particular employee (as distinguished from mere evaluation of performance unrelated to any specific complaint or charge), the Authority will provide twenty-four hours' advance written notice to the employee of his or her right to have the matter heard in open session. (See Government Code section 54957.)

A closed session may be held to meet with the Authority's negotiator regarding the salary and benefits of Authority officers and employees, but not including elected officials, but the Authority's available funds, funding priorities or budget will not be discussed during the closed session. (See Government Code section 54957.6.)

Following every closed session, the Board will reconvene to open session and

publicly report any action and vote during the closed session in accordance with the following guidelines:

a. For action concerning final approval of a real property purchase/sale agreement or lease, report in open session at the same meeting the action taken (including the substance of the agreement) and vote, except that, if final approval rests with another party, the report may be deferred until the other party's approval. (See Government Code section 54957.1(a)(1).)

b. Approval given to legal counsel to defend or initiate a lawsuit, or seek appellate review will be reported in open session at the public meeting during which the closed session was held. (See Government Code section 54957.1(a)(2).)

c. Approval given to legal counsel to settle pending litigation or action taken to dispose of a claim will be reported in open session as soon as the settlement or claim disposition becomes final. (See Government Code section 54957.1(a)(3) and (4).)

d. For action to appoint, employ or dismiss, accept the resignation of, or otherwise affect the employment status of an employee, the Board will report in open session at the same meeting the action taken (including identity of employee or position and any change in compensation) and vote, except that, for any dismissal or non-renewal of a contract, the report back may be deferred until the first meeting after the exhaustion of administrative remedies. (See Government Code section 54957.1(a)(5).)

e. For action concerning a labor MOU, after the MOU has been approved by both parties, the Board will report in open session the action taken and vote. (See Government Code section 54957.1(a)(6).)

The Authority will make available after a closed session to anyone who has requested them in advance, agreements or other documents approved in closed session, unless the document needs to be revised, in which case it will be provided as soon as possible. After the closed session, changes to the agreement will be orally summarized if anyone present so requests. (See Government Code section 54957.1(b).)

A Director is not authorized, without approval of the Board of Directors, to disclose information that is deemed confidential information under applicable provisions of law to a person not authorized to receive it, that (1) has been received for, or during, a closed session meeting of the Board, (2) is protected from disclosure under the attorney/client or other evidentiary privilege, or (3) is not required or authorized to be disclosed under the California Public Records Act. A Director is not prohibited from taking the following actions in regard to a closed session of the Board: (a) making a confidential inquiry or complaint to a district attorney or grand jury concerning a perceived violation of law, including disclosing facts to a district attorney or grand jury that are necessary to establish the alleged illegality of an action taken by the Board, (b) expressing an opinion concerning the propriety or legality of actions taken by the Board in closed session, including disclosure of the nature and extent of the allegedly illegal

action, or (c) disclosing information acquired by being present in a closed session that is not confidential information. Prior to disclosing confidential information pursuant to (a) or (b), above, however, a Board member will first bring the matter to the attention of either the Chair of the Board or the full Board, to provide the Board an opportunity to cure an alleged violation. A Director who willfully and knowingly discloses for pecuniary gain confidential information received by him or her in the course of his or her official duties may be guilty of a misdemeanor under Government Code section 1098. (See Government Code section 54963; 76 Ops.Cal.Atty.Gen. 289 (1993) and 80 Ops.Cal.Atty.Gen. 231 (1997).)

It is within the Board's discretion to allow a Director who serves as a member of the legislative body of a member agency to disclose information obtained in a closed session that has direct financial or liability implications for that member agency to the following individuals: (1) legal counsel of that member local agency for purposes of obtaining advice on whether the matter has direct financial or liability implications for that member local agency; or (2) other members of the legislative body of the member agency present in a closed session of that member agency. (See Government Code section 54956.96)

RULE 25 - MEETINGS BY TELECONFERENCE

The Board or the Executive Committee may hold meetings by teleconference. (See Government Code section 54953(b).) For purposes of this rule, "meetings by teleconference" include meetings at which one or more Board member attends and participates in the meeting by telephone, video conferencing or any other electronic means using live audio or video, or both. For any meeting by teleconference conducted by the Board, the following requirements will apply:

a. During a meeting by teleconference, at least a quorum of the members of the Board will participate from locations within the territory of the Authority.

b. Each teleconference location (i.e., the location from which one or more Board members attends and participates in a meeting by teleconference) will be accessible to the public.

c. When meetings by teleconference are held by telephone, speaker phones will be used at the main meeting location and at any teleconference location where there are members of the public in attendance.

d. All votes taken at a meeting by teleconference will be by roll call.

e. The Board will conduct the meeting by teleconference in a manner that protects the statutory and constitutional rights of parties and the public to attend and participate in the meeting.

f. Each teleconference location will be identified in the regular meeting agenda or special meeting notice, and the agenda or notice will state that members of

the public will have the opportunity to address the Board from any teleconference location.

g. Notice of any meeting by teleconference will be included in the meeting agenda or special meeting notice in substantially the following form:

"All or portions of this meeting will be conducted by teleconference in accordance with Government Code section 54953(b). The teleconference location(s) for the meeting are as follows: _____ . Each teleconference location is accessible to the public, and members of the public may address the Board of Directors from any teleconference location."

h. In addition to the usual notice and agenda requirements, the regular meeting agenda or special meeting notice will be posted at all teleconference locations at least seventy-two hours before regular meetings or twenty-four hours before special meetings.

RULE 26 – EMERGENCY MEETINGS

Under Government Code section 54956.5, the Authority may hold a meeting to address an emergency if a majority of the Board determines that a situation exists that involves matters upon which prompt action is necessary. An emergency situation is defined as: (1) a work stoppage, crippling activity, or other activity that severely impairs public health, safety, or both; or (2) a dire emergency, which shall be defined as a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity that poses peril so immediate and significant that requiring the Board to provide one-hour notice before holding an emergency meeting may endanger the public health, safety, or both.

As a condition of holding an emergency meeting, the Board Chair or his/her designee shall provide notice of the meeting by telephone to each local newspaper of general circulation, radio station and television station that has requested notice of special meetings. For a meeting for a "non-dire emergency" (Definition 1, above), the telephone notice must be provided at least one hour prior to the emergency meeting. In the case of a meeting for a "dire emergency" (Definition 2, above), the telephone notice must be provided to the media at or near the same time as notice is given to the members of the Board. In the event that telephone services are not functioning, the notice requirements of this section shall be deemed waived, and the legislative body, or designee of the legislative body, shall notify those newspapers, radio stations, or television stations of the fact of the holding of the emergency meeting, the purpose of the meeting, and any action taken at the meeting as soon after the meeting as possible.

The Board may meet in closed session upon approval by a two-thirds vote of the Board (or the unanimous vote of the Board if less than two-thirds are present) to discuss matters related to the emergency situation. (See Government Code sections 54956.5(c) and 54957.)

With the exception of the 24-hour notice and posting requirements and any other exceptions provided in herein, all special meeting requirements described in Rule 19 shall be applicable to an emergency meeting called pursuant to this Rule.

The draft minutes of an emergency meeting called under this Rule must be posted in a public place for a minimum of 10 days as soon after the meeting as possible, and include a list of persons who the Board Chair or his/her designee notified or attempted to notify of the meeting, if applicable, any actions taken at the meeting, and a recording of any votes taken by roll call. (See Government Code section 54956.5(e).)

RULE 27 - COMPENSATION OF DIRECTORS

The Authority does not compensate or reimburse the expenses of members of the Board of Directors. Generally, the agency that a member of the Board represents provides for compensation and reimbursement of expenses associated with representing that agency on the Board of the Authority, in accordance with the rules of that agency.

RULE 28 - AMENDMENT OF RULES

By motion made, seconded and approved, the Board in its discretion may at any meeting (a) temporarily suspend these rules in whole or in part, (b) amend these rules in whole or in part, or (c) both.

RESOLUTION NO. 2019-08

**A RESOLUTION OF THE REGIONAL WATER AUTHORITY
SETTING THE TIME AND PLACE OF
REGULAR MEETINGS OF THE BOARD OF DIRECTORS
FOR THE REMAINDER OF 2019**

WHEREAS, the Regional Water Authority (RWA) is a local public agency subject to the Ralph M. Brown Act (Brown Act), which governs the meetings of local public agencies' governing boards; and

WHEREAS, the Brown Act requires that a local public agency's governing board establish the time and place of its regular meetings "by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body" (Government Code § 54954); and

WHEREAS, section 12 of the October 8, 2013 Amended and Restated Joint Exercise of Powers Agreement of RWA (JPA Agreement) states, in relevant part, "The time and place of regular meetings of the Board shall be determined by resolution adopted by the Board. A copy of such resolution shall be furnished to each Member and Contracting Entity;" and

WHEREAS, the Board of Directors desires to establish the schedule of its regular meetings for the remainder of 2019.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby establishes that its regular meetings for the remainder of 2019 will be held at RWA's office located at 5620 Birdcage Street, Citrus Heights, California 95610 at the following dates and times:

June 13, 2019, 10:30 a.m.

July 11, 2019, 9 a.m.

September 12, 2019, 9 a.m.

November 14, 2019, 9 a.m.

BE IT FURTHER RESOLVED, that, pursuant to the JPA Agreement's section 12, the Board of Directors directs the Interim Executive Director to furnish a copy of this resolution to each Member and Contracting Entity of RWA.

PASSED AND ADOPTED at a meeting of the Board of Directors of the Regional Water Authority held on May 2, 2019.

By: _____
Chair, Regional Water Authority

Attest: _____
Board Secretary, Regional Water Authority

AGENDA ITEM 7: UPDATE ON PROPOSED VOLUNTARY AGREEMENT TO THE BAY-DELTA WATER QUALITY CONTROL PLAN

BACKGROUND:

The State of California, through the State Water Resources Control Board, is engaged in a process to update the Bay-Delta Water Quality Control Plan to protect beneficial uses of water in the Sacramento San Joaquin Delta. The process to review and revise water quality parameters has taken several years, culminating in part, with a SWRCB decision on the San Joaquin river tributaries in December. A decision on the Sacramento River tributaries is planned for December 2019.

In an effort to avoid the uncertainty and likely serious water supply reliability consequences of a regulatory decision by the SWRCB, American River water agencies have been engaged in a negotiation process with state and federal officials and other water users to craft a voluntary agreement intended to replace the SWRCB process.

A report on both processes will be provided.

Information Presentation: Andy Fecko, Director of Strategic Affairs, Placer County Water Agency

AGENDA ITEM 8: RWA STRATEGIC PLAN UPDATE

BACKGROUND:

With the pending completion of the RWA Regional Water Reliability Plan (RWRP), Chair Schubert requested that we revisit the July 13, 2017 Amendments to the RWA Strategic Plan. In particular, Chair Schubert wanted the RWRP moved from a planning activity to an implementation. As the Strategic Plan amendments were adopted nearly two years ago, this is an appropriate time to more comprehensively consider an updated set of proposed amendments.

At the April 24 Executive Committee meeting, staff provided a set of proposed amendments (see enclosed adopted July 13, 2017 amended with draft suggested edits). At the meeting, the Executive Committee provided additional feedback and recommended bringing the proposed amendments to the RWA Board on May 2, 2019 for additional discussion and input. Staff will then bring the proposed amendments back to the Executive Committee as needed for additional discussion in May and June. Staff will then bring the proposed amendments to the full RWA Board for consideration of adoption on July 11, 2019. The intent of the limited update to the Strategic Plan is to reflect completion of the RWRP planning effort and commencement of the RWRP implementation effort, while allowing time for the transition to a new RWA Executive Director before embarking on a more comprehensive Strategic Plan update for the organization.

Information and Discussion: Rob Swartz, Interim Executive Director

AMENDMENTS TO REGIONAL WATER AUTHORITY STRATEGIC PLAN 2018+

PLANNING GOAL – Continuously improve Regional Water Management Planning that is comprehensive in scope and guides effective water resources management in the region.

Adopted by RWA Board July 11, 2019

Objective A. Continue planning to develop the Sacramento Regional Water Bank to improve water supply reliability.

1. Establish a subscription-based project to complete necessary work to establish the Water Bank.
2. Engage with state, federal, and local stakeholders to gain Water Bank acceptance and approval.
3. Engage with potential Water Bank partners.
4. Develop updated model application to assess Water Bank operations.
5. Complete an environmental analysis to support Water Bank operations.

Objective B. Evaluate and respond to external impacts on the region’s water suppliers and operations.

1. Evaluate climate as a regional vulnerability and consider climate adaptation strategies.
2. Promote Delta solutions that protect the region’s water supplies.
3. Promote forecast informed reservoir operations that enhance water supplies while maintaining flood protection.
4. Update a regional hydrologic model, in coordination with groundwater sustainability agencies, to support regional planning and groundwater management.

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Deleted: Reliability Plan to identify the most promising regional opportunities

Deleted: Identify most promising opportunities for intra- and interregional transfers and exchanges to meet demands or environmental needs

Deleted: Evaluate regional opportunities to reduce water use

Deleted: Support interregional groundwater management and conjunctive use planning

Deleted: Support recycled water planning

Deleted: Identify most promising opportunities for shared infrastructure and resources

Deleted: Objective C. Complete a comprehensive update to the American River Basin Integrated Regional Water Management Plan.

1. Coordinate completion of a Regional Stormwater Plan for incorporation into the IRWM Plan.
2. Ensure compliance with state standards for eligibility and competitiveness for future funding.
3. Develop MOUs with adjacent IRWM groups for coordination in areas served by RWA members.

Section Break (Continuous)

AMENDMENTS TO REGIONAL WATER AUTHORITY STRATEGIC PLAN 2018+

IMPLEMENTATION GOAL– Assist members with implementing successful water resources management strategies and related programs. This includes identifying, acquiring and administering external sources of funding.

Adopted by RWA Board July 11, 2019

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Objective A. Promote implementation of the Regional Water Reliability Plan (RWRP) Plan.

1. Seek funding for projects included in the RWRP and support efforts of individual entities to leverage the RWRP for funding.
2. Assist with acquiring and managing grant funding for regional projects that improve water reliability.
3. Maintain the RWRP database and make appropriate updates to the RWRP on an annual basis.

Objective B. Promote implementation of the American River Basin Integrated Regional Water Management (IRWM) Plan.

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1. Seek funding for projects included in the IRWM Plan and support efforts of individual entities to leverage the IRWM Plan for funding.
2. Assist with acquiring and managing grant funding for regional projects including infrastructure, water conservation, and water reliability.
3. Maintain the IRWM database and make appropriate updates to the IRWM Plan on a quarterly basis.

Objective C. Promote improvements in water use efficiency in the region to meet future water needs and ensure compliance with applicable requirements.

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1. Continue to cost effectively implement a clearly defined water efficiency program that allows members to satisfy public outreach and school education requirements for a number of purposes, including the Central Valley Improvement Act and Urban Water Management Plans.
2. Continue to track and report progress in attaining compliance with metering requirements.
3. Track individual member agency water use and assist in developing a strategy for regional compliance with state standards.
4. Lead the Water Forum water caucus in development of modifications to the Water Conservation element.

DRAFT

Objective **D**, Support a lower American River Flow Management Standard that is consistent with the Water Forum co-equal goals.

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Objective **E**, Support water transfers among agencies (intra- and interregional) that are beneficial to the region.

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Objective **F**, Support programs to benefit from economies of scale in purchasing and resource sharing as opportunities present themselves.

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AMENDMENTS TO REGIONAL WATER AUTHORITY STRATEGIC PLAN 2018+

INFORMATION/EDUCATION GOAL – Inform and educate members and interested parties by providing a forum for discussion of issues and outreach to stakeholders.

Objective A. Educate and inform members and other interested parties on water management issues affecting the region.

1. Educate members through periodic RWA Water Workshops and updates on relevant topics.
2. Maintain a subcommittee to solicit and prioritize topics and assist in planning workshops.

Objective B. Raise RWA's profile and credibility to external audiences through outreach efforts.

1. Inform the media on water management successes in the region.
2. Inform federal, state and local elected officials on water issues and water management successes.
3. Inform the public about water supply conditions by developing talking points and compiling water shortage information throughout the year.

Objective C. Develop and maintain strong partnerships to advance RWA member interests.

1. Represent the Water Caucus in the Water Forum Successor Effort.
2. Develop and maintain partnerships with other northern California water interests and water agencies outside the RWA region.
3. Maintain partnerships with business organizations including Metro Chamber and local chambers.
4. Expand involvement in statewide organizations to convey the region's views.

Objective D. Maintain communication among members to create and implement a consistent message for RWA and the region that supports other strategic plan elements (planning, implementation and advocacy).

AMENDMENTS TO REGIONAL WATER AUTHORITY STRATEGIC PLAN 2018+

ADVOCACY GOAL - REPRESENT REGIONAL NEEDS AND CONCERNS TO POSITIVELY INFLUENCE LEGISLATIVE AND REGULATORY POLICIES AND ACTIONS. THIS INCLUDES WORKING TO PRESERVE THE WATER RIGHTS AND ENTITLEMENTS OF MEMBERS, MAINTAIN AREA OF ORIGIN PROTECTIONS, AND PROTECT AND ENSURE WATER SUPPLY RELIABILITY

Adopted by the RWA Board September 14, 2017

Objective A. Engage state and federal legislators representing the region and legislators on relevant committees to discuss an agenda for legislative action that represents a collective RWA member vision on items of regional importance

1. Annually, develop a state legislative agenda and outreach plan for the region to guide advocacy efforts.
2. Maintain a tracking system of significant water related state legislation and make the information and a summary readily available electronically to members.
3. Using priorities identified through regional planning efforts, develop and advocate for positions on federal and state funding programs.
4. Monitor and actively engage on actions of the ACWA State Legislative Committee and coordinate with other external organizations.
5. Support RWA member agency activities on federal legislation and coordinate with external organizations including ACWA, NWRA, California Water Association, and the Metro Chamber.

Objective B. Evaluate, comment and advocate on statewide water regulatory issues that may impact the region and its water supply reliability

1. Track, evaluate and respond to water quality, water conservation, water affordability and other regulatory issues that may affect members.
2. Track, evaluate and respond to the ongoing regulatory implementation of the Sustainable Groundwater Management Act.
3. Participate and coordinate with efforts of partner organizations with similar interests.

AGENDA ITEM 9: SACRAMENTO REGIONAL WATER BANK, PHASE 1 – MODEL DEVELOPMENT

BACKGROUND:

On March 27, 2019, the Executive Committee approved the agreement for the Sacramento Regional Water Bank, Phase 1 (Phase1) project. The major task of Phase 1 is to prepare the model tool for the environmental and operational analyses of the water bank. The not-to-exceed budget estimate is \$367,000, so the work requires full Board approval. The scope of the \$367,000 is to develop the model for the South American Subbasin (the North American is already being developed through SGA and the other GSAs to the north) and then run the water bank analyses for both subbasins.

On April 24, 2019, the Executive Committee approved the recommendation of the Interim Executive Director to use “RWA Policy 300.2, Section III - Alternate Selection Process” for securing contractor support. The reasons for the use of this alternate process included:

- Woodard & Curran has successfully performed previous modeling work for the region, including a 2007 comprehensive model update for the north area and a 2011 comprehensive update for the south area
- Woodard & Curran has acquired extensive background and working knowledge of the work to be performed by virtue of supporting the existing regional model over the entire history of RWA
- Woodard & Curran is a highly recognized authority in the field of modeling especially with respect to the proposed Integrated Water Flow Model code, including being a support contractor to the Department of Water Resources for the model code itself
- Woodward & Curran was selected by RWA’s sister agency, SGA via a competitive Request for Qualifications process last year for the same sort of work in the North American Subbasin, and SGA has overseen and been happy with their work
- There is cost efficiency by developing both the North American Subbasin and South American Subbasin at the same time
- Based on my experience, \$367,000 is an appropriate not-to-exceed amount for this work
- Work must commence in the near future to complete the model by mid-2020, so work should proceed immediately upon commencement of the Sacramento Regional Water Bank, Phase 1 project
- Given that RWA members are located in both the North and South American subbasins and some RWA members’ service areas actually extend into both basins, it is crucial for the water bank’s development that the model for the two basins works seamlessly, so it makes sense to have the same modeling consultant for both

Action: Authorize the Interim Executive Director to execute Task Orders with Woodard & Curran to begin work on model development to support analysis of the proposed Sacramento Regional Water Bank

AGENDA ITEM 10: EXECUTIVE DIRECTOR'S REPORT

MAY 2, 2019

TO: REGIONAL WATER AUTHORITY BOARD

FROM: ROB SWARTZ, INTERIM EXECUTIVE DIRECTOR

RE: EXECUTIVE DIRECTOR'S REPORT

- a. **Regional Water Reliability Plan** – RWA staff is currently working with Stantec to finalize the Regional Water Reliability Plan (RWRP), with an expected completion in May 2019. The final document will be circulated to RWA member agencies to provide time for members to consider the document prior to taking RWA Board action on the RWRP on July 11, 2019.
- b. **Bureau of Reclamation Water Management Options Pilots Program** – RWA responded to a funding opportunity under the Reclamation Basin Study Program (see enclosed letter). Staff believes that modeling for the future Phase 2 of the Sacramento Regional Water Bank could be a good candidate activity for the program. The funding is not in the form of a grant, but in the form of direct assistance to complete the proposed activity. No Board action was required by Reclamation to submit the letter. After initial review, the most promising letters of interest will be invited back to submit a full 20-page proposal that will be rated by a Reclamation-wide review team.
- c. **Grants Update** – DWR has recently released its final Guidelines and Proposal Solicitation Package for the Proposition 1 Integrated Regional Water Management (IRWM) Implementation Grant Program. There is no set deadline for the application, so DWR is working with each funding area (corresponding to State Hydrologic Regions) to determine the application schedule. The American River Basin IRWM is partially in the Sacramento River funding area and the San Joaquin River funding area, so RWA is coordinating with the other Regional Water Management Groups (RWMG) in each area. Based on initial discussions with the other RWMGs, RWA anticipates pursuing approximately \$8.7 million in funding from this opportunity. Staff expects to provide more information on the recommended projects to advance in an application at the July 11, 2019 RWA Board meeting.
- d. **RWA Outreach** –
 - a. Staff attended the April 15 Board meeting of the Rio Linda/Elverta Community Water District. Staff gave an overview of the Water Forum Agreement, and its relationship to the Regional Water Authority and the Sacramento Groundwater Authority. Staff appreciates the open and positive communication with the district and its Board.
 - b. An April RWA newsletter has been posted on-line at rwah2o.org.
 - c. Staff participated in an ACWA Integrated Regional Water Management (IRWM) Subcommittee to discuss updating ACWA's IRWM Policy Principles.

- d. Staff participated in a small group Public Policy Institute of California (PPIC) workshop on “Water Trading, Water Banking, and Sustainable Groundwater Management” on April 19 in Sacramento.
- e. An article on conjunctive use written by Rob Swartz and John Woodling, with substantial assistance from Christine Kohn, was published in the Spring 2019 Source magazine by the California-Nevada Section of the American Water Works Association (see enclosed article).



April 15, 2019

Mr. David van Rijn
Regional Planning Director
2800 Cottage Way MP-700
Sacramento, CA 95825

Paul Schubert, Chair
Kerry Schmitz, Vice
Chair

SUBJECT: Letter of Interest for WaterSMART Water Management Options Pilots

Members

- California American Water
- Carmichael Water District
- Citrus Heights Water District
- Del Paso Manor Water District
- El Dorado Irrigation District
- Elk Grove Water District
- Fair Oaks Water District
- Folsom, City of
- Golden State Water Company
- Lincoln, City of
- Orange Vale Water Company
- Placer County Water Agency
- Rancho Murieta Community Services District
- Roseville, City of
- Rio Linda / Elverta Community Water District
- Sacramento, City of
- Sacramento County Water Agency
- Sacramento Suburban Water District
- San Juan Water District
- West Sacramento, City of
- Yuba City, City of

Dear Mr. van Rijn:

Thank you for the opportunity to provide this letter of interest for Reclamation's WaterSMART Water Management Options Pilots initiative. The Regional Water Authority (RWA) has an interest in cost sharing with Reclamation to conduct a pilot study associated with recommended actions from the Sacramento-San Joaquin Basin Study (SSJBS). RWA was formed through a joint exercise of powers agreement (JPA) in 2001 and represents 21 water suppliers in Sacramento, Placer, El Dorado, Sutter, and Yolo counties. RWA was initially formed to support local water suppliers in implementing the landmark Sacramento Water Forum Agreement of April 2000, with its co-equal objectives to provide a reliable water supply and to preserve the fishery, wildlife, recreational, and aesthetic values of the lower American River. Through its JPA, the water suppliers explicitly authorized RWA to undertake and participate in water studies and planning on behalf of its members.

Planning Background. Beginning in 2015, RWA helped support the development of a Regional Drought Contingency Plan (RDCP) for five agencies in the North American Basin with Reclamation contracts. The RDCP was supported by a Drought Contingency Plan grant awarded by Reclamation to Placer County Water Agency. The RDCP identified the vulnerabilities associated with drought conditions and potential mitigation actions of the participants. Since 2016, RWA has led an effort to develop a Regional Water Reliability Plan (RWRP) for all of its member agencies. The RWRP expanded on the RDCP by extending the area evaluated and by considering vulnerabilities beyond those associated with hydrology (e.g., water quality problems). The RDCP was completed in 2017, and the RWRP is nearing completion in early 2019. Both planning efforts identified expanding conjunctive use operations and the establishment of a groundwater bank (Water Bank) as key mitigation measures to ensure long-term water supply reliability.

Associates

- County of Placer
- El Dorado County Water Agency
- Sacramento Area Flood Control Agency
- Sacramento Municipal Utility District
- Sacramento Regional County Sanitation District

The RWRP identifies substantial opportunities for expanding conjunctive use to increase water supply reliability under current and future climate conditions. Based on reoperating the existing potable water distribution systems in the greater Sacramento metropolitan area, the RWRP estimates that up to an additional 60,000 acre-feet of water could be recharged in wet years to the underlying groundwater basins primarily through in-lieu methods. In dry years, up to an additional 60,000 acre-feet of water could be recovered through existing groundwater wells. Furthermore, the RWRP identified facility improvements over the next decade that could increase the region's storage and recovery capacities by more than 50 percent. Despite this opportunity to increase conjunctive use, the cost associated with these different sources of supply is a major barrier to implementing a program.

During development of the RWRP, participants expressed a strong interest in developing a regional Water Bank that would allow for groundwater substitution transfers, after local needs are met, in dry years to generate revenue to overcome the financial barrier to expanded conjunctive use. Given the proximity between the groundwater basins and Folsom Reservoir, there is an interest achieving Federal recognition from Reclamation of the proposed Water Bank; this would allow for storage of CVP supplies consistent with Reclamation's Groundwater Banking Guidelines. RWA and its member agencies are currently commencing planning and analysis studies to make the Water Bank a reality by 2022.

Relation to Basin Study Management Actions. The operations associated with the proposed Water Bank would directly support three water management actions included in the SSJBS:

- *Conjunctive Groundwater Management.* Based on the RWPR analysis, regional dry year potable water supply could increase from a current groundwater supply of 36% up to 58%. Conversely, in wet years, groundwater could be reduced from a current 31% down to 14%. These significant shifts will help the region adapt to prolonged dry periods. When the region is meeting more of its demands with groundwater in dry years, more surface water is subsequently available in the American River watershed.
- *Enhanced Groundwater Recharge.* In addition to the enhanced in-lieu recharge that would result from expanded conjunctive use under a Water Bank, the region is also exploring aquifer storage and recovery (ASR) wells and areas in the region that could be favorable for recharge basins to expand direct recharge. Again, these methods are costly, so a Water Bank is critical to incentivizing action.
- *Improve Tributary Environmental Flows.* The participants in the development of the proposed Water Bank are committed to the region's Water Forum Agreement. The agreement commits to alternatives to using surface water during dry periods to improve habitat conditions on the lower American River. The Water Bank will support further decrease in surface water diversions by the region during dry conditions, which will result in improved tributary environmental flows.

Need for Pilot Study. RWA briefed managers and staff from Reclamation's Central Valley Operations, Central California Area Office, and Regional Planning on March 7, 2019 about the proposed Water Bank. Understandably, Reclamation had concern over the potential for impacts to Central Valley Project (CVP) operations when the region is storing water in wet years. However, it is critical to the successful implementation of the SSJBS's recommended actions that storage, both in this region and elsewhere, does occur in wet years. Therefore, it is imperative that the region work closely with Reclamation to identify and evaluate operations that result in mutual benefits and avoid negative impacts.

Pilot Study Approach. The proposed pilot study would begin by identifying and then implementing a process for including Reclamation in the development of Water Bank storage and recovery operations intended to provide benefits to local, state, and Federal systems. As described further in the work scope below, the pilot study would also use one of Reclamation's recent modeling tools to identify the effects of proposed Water Bank operations on a system-wide basis. The process would be iterative to refine operations to add benefits or mitigate potential impacts. This approach can serve as a model for future local and Federal cooperation and coordination in developing programs that address Basin Study water management actions that are needed to ensure successful adaptation to our climate future.

Pilot Study Scope. RWA proposes to develop a coordinating group of local, state DWR, and Reclamation to develop operational strategies that result in the intended benefits of a Water Bank. RWA also proposes to refine the CalSIM 3 model and develop a model application to support development of a federally-recognized Water Bank in the American River Basin. CalSIM 3 is being developed by Reclamation and California Department of Water Resources (DWR) as a land-use based, demand-driven CVP-State Water Project (SWP) operational model. CalSIM 3 incorporates a groundwater dynamic link library (DLL) that greatly improves the characterization of surface water and groundwater uses and stream-aquifer interaction. It improves the efficiency in Water Bank planning and evaluation without constantly incurring complex groundwater model simulations. The groundwater DLL is a surrogate for the Central Valley Integrated Water Flow Model (IWFM) developed by DWR. IWFM is the primary model used for the implementation of the Sustainable Groundwater Management Act (SGMA).

As part of the ongoing efforts in the American River Basin Study (ARBS), CalSIM 3 model was identified to be the preferred tool for the integrated planning between Reclamation and local water agencies in the American River Basin because of the emphasis on basin-scale, regional conjunctive strategies, including an adaptation portfolio for a federally-recognized Water Bank. Concurrently, RWA is developing a refined American River Basin IWFM for SGMA compliance needs and for providing additional resolution for the groundwater DLL in CalSIM 3 for the Water Bank development needs. For the ARBS, the CalSIM 3 model has been significantly improved by incorporating detailed representation and operation of water facilities in the upper watershed of the American River Basin, and by incorporating hydrology from the latest climate studies for 2050, 2070, and 2085 planning horizons.

The proposed CalSIM 3 refinement and application will build on the success of the ARBS to improve the spatial resolutions of the groundwater DLL within the American River Basin to be consistent with the refined IWFM currently under development by RWA. Working with Reclamation, RWA will also use the refined CalSIM 3 model to develop various planning scenarios to conduct a reconnaissance level assessment of the federally-recognized Water Bank. The assessment will quantify the potential benefits of a Water Bank for regional water supply reliability and for Reclamation's operation of Folsom Reservoir to meet all authorized purposes of the CVP.

Budget. The estimated total budget to facilitate the local, state, and Federal coordinating group, develop and run the IWFM model application, and develop and run planning scenarios of Water Bank operations using CalSIM 3 is \$1,280,000. RWA has committed \$780,000 to fully cover the costs of the IWFM modeling. We are seeking \$500,000 in Reclamation support to facilitate the coordinating group and complete CalSIM 3 modeling.

Thank you for your consideration. We look forward to working with Reclamation on the proposed Water Bank, which we believe will result in significant local and system-wide benefits.

Sincerely,



Robert J. Swartz
Interim Executive Director

SOURCE

CALIFORNIA-NEVADA SECTION AWWA

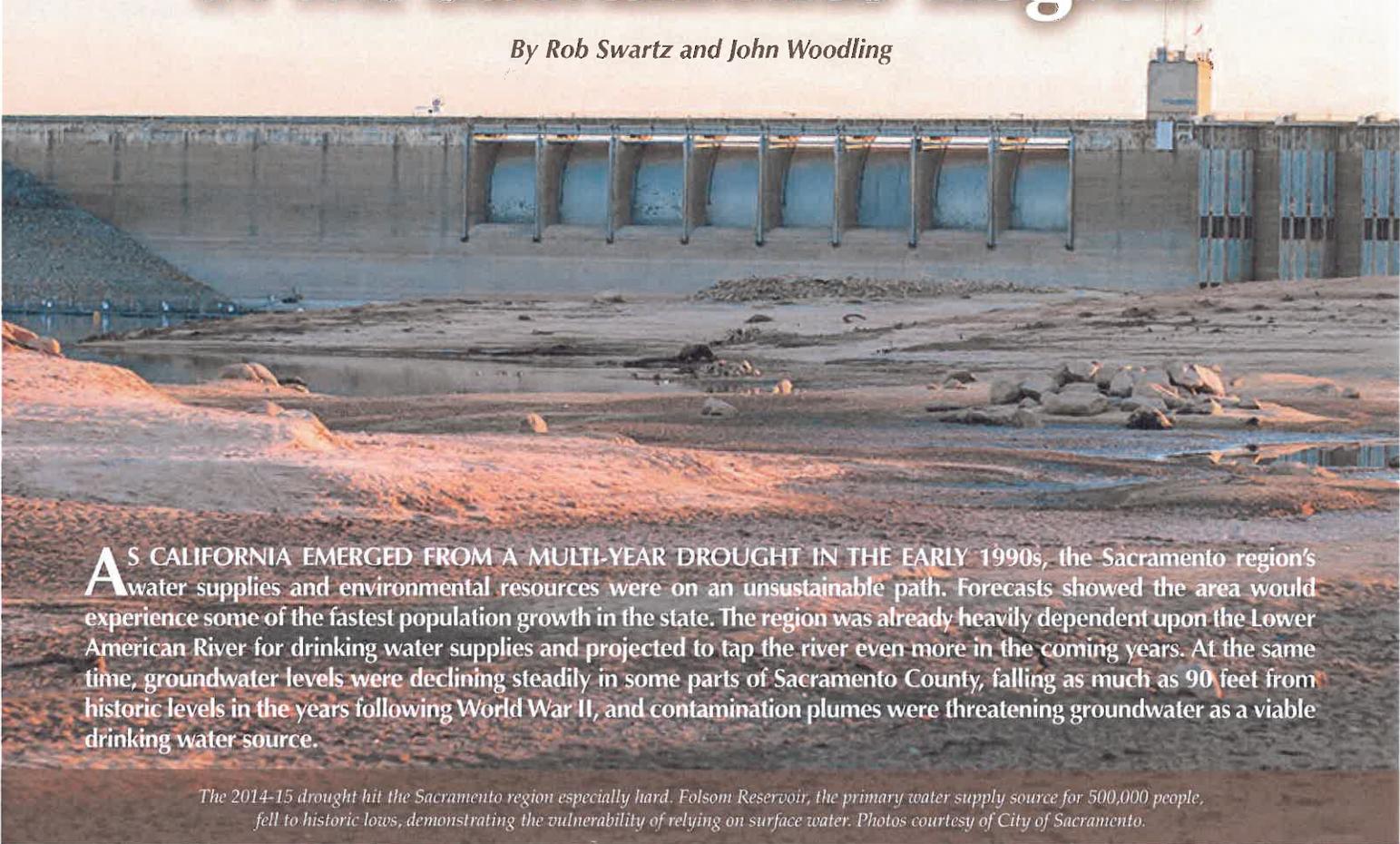
V33 • N2 • Spring 2019

Groundwater Issue

Markets, Banking,
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Conjunctive Use Builds Sustainability AND Reliability IN THE Sacramento Region

By Rob Swartz and John Woodling



AS CALIFORNIA EMERGED FROM A MULTI-YEAR DROUGHT IN THE EARLY 1990s, the Sacramento region's water supplies and environmental resources were on an unsustainable path. Forecasts showed the area would experience some of the fastest population growth in the state. The region was already heavily dependent upon the Lower American River for drinking water supplies and projected to tap the river even more in the coming years. At the same time, groundwater levels were declining steadily in some parts of Sacramento County, falling as much as 90 feet from historic levels in the years following World War II, and contamination plumes were threatening groundwater as a viable drinking water source.

The 2014-15 drought hit the Sacramento region especially hard. Folsom Reservoir, the primary water supply source for 500,000 people, fell to historic lows, demonstrating the vulnerability of relying on surface water. Photos courtesy of City of Sacramento.

From these times and conditions emerged the Water Forum, an agreement among water managers, environmentalists and other diverse stakeholders to balance the co-equal objectives of providing a reliable and safe water supply for the Sacramento region's long-term growth and economic health, and preserving the fishery, wildlife, recreational and aesthetic values of the Lower American River.

Water Forum stakeholders identified the development of a regional conjunctive use program as critical to achieving the co-equal objectives. With conjunctive use, water providers use more surface water during wet years, allowing the groundwater basin to recharge, and more groundwater during dry years, allowing more surface water to flow down the American River for fishery and wildlife.

Decades later, the Sacramento region's conjunctive use program has yielded dividends even beyond those imagined at its

formation. As local water managers embark on a new era in water reliability planning, their vision for expanding conjunctive use with groundwater banking is emerging as key to meeting the area's future water supply and environmental needs while providing benefits that extend to others statewide.

Creating the Foundation for Conjunctive Use

The Sacramento region's conjunctive use program was made possible through the formation of two joint powers agencies: the Sacramento Groundwater Authority (SGA) in 1998 to equitably and sustainably manage groundwater in the northern portion of Sacramento County and the Regional Water Authority (RWA) in 2001 to support 21 independent water suppliers serving two million people in working collaboratively to integrate their water systems.

CONJUNCTIVE USE

Extreme drought turned Folsom Reservoir's

SGA was one of the first groundwater management agencies of its kind in California, emerging 16 years before the Sustainable Groundwater Management Act (SGMA) during an era when groundwater basins were largely unregulated. Established as a joint powers authority, SGA's governance was unique at the time because it provided all groundwater users with a voice in managing the basin, including regulated water utilities and agricultural users. SGMA co-author Roger Dickinson would later cite SGA as a model for SGMA, and SGA's framework has made it possible for the Sacramento region to seamlessly and smoothly comply with California's landmark groundwater law.

RWA was established with the idea that water providers could accomplish more together than separately. The organization's mission is to help members protect and enhance the reliability, availability, affordability and quality of water resources. One of RWA's core responsibilities is bringing together diverse stakeholders through col-

The Sacramento region's water supplies come from three primary sources: surface water diverted from the American and Sacramento rivers and Folsom Reservoir, groundwater from aquifers that underlie the region and recycled water used for landscape irrigation and industrial uses. Equally important are investments in water efficiency, which help to ensure supplies continue to meet future needs.

laborative planning to identify, evaluate and prioritize water supply and water quality projects. This work has paid substantial dividends over the years, including more than \$80 million in state and federal funding for water supply planning and infrastructure.

In the years following SGA's and RWA's formations, water providers focused on making their vision for a successful conjunctive use program a reality. SGA devel-

oped a framework for how conjunctive use could function and worked with regulatory agencies and responsible parties to address threats from contamination that could undermine its success, while RWA provided an avenue for collaborative planning and funding. The region's water suppliers began to build and expand the infrastructure necessary for conjunctive use. With the support of RWA, they invested in water treatment plants, pipelines and wells to enhance the region's capacity to divert and treat surface water, increase access to groundwater and interconnect the two sources so that available water supplies could move to where they're needed.

These investments, combined with modified operations, effectively turned the groundwater basin into a large storage reservoir, allowing water providers to store an estimated 300,000 acre-feet of water in the underlying groundwater basin since the late 1990s. As a result, not only did the basin's groundwater levels stop declining, they started to gradually recover. The region's

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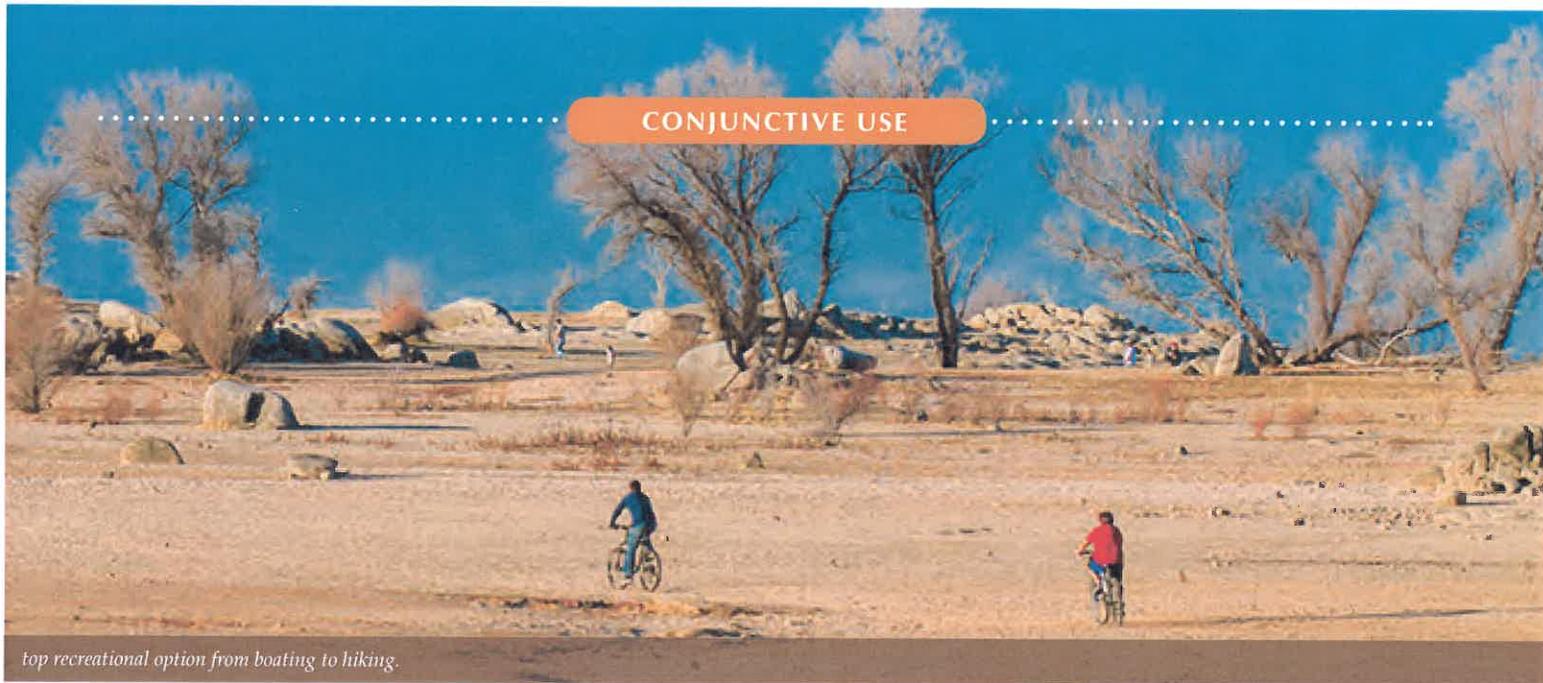
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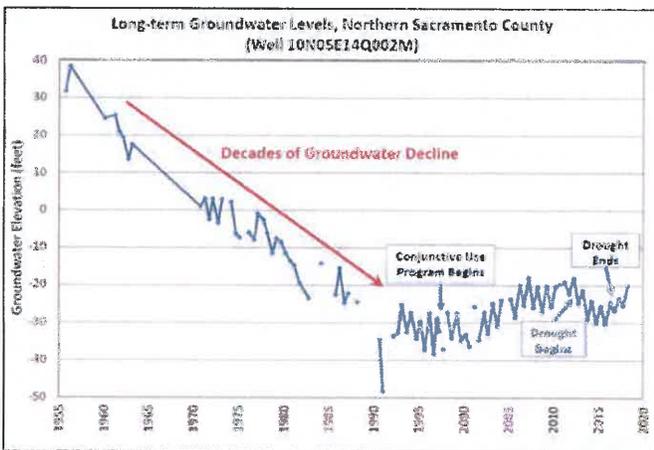
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once over-drafted groundwater basin has recovered to levels that are stable and sustainable.

Figure 1. Long-term hydrograph showing past overdraft, then recovery following implementation of conjunctive use operations.



After chronic overdraft for over 40 years, implementation of conjunctive use actions has resulted in reversal of the downward water level trend. Water levels declined during California's 2014-16 drought, but recovered under wetter hydrologic conditions in 2017-18.

Tested During Drought

California's recent historic drought served to expand and deepen the region's commitment to conjunctive use and prompt a renewed focus on long-term water reliability planning.

The 2014-15 drought hit the Sacramento region especially hard. Folsom Reservoir, the primary water supply source for 500,000 people, fell to historic lows. Conditions were so dire that the U.S. Bureau of Reclamation, which operates the reservoir, installed portable pumps on barges as a standby option to continue providing water for public supply. A winter storm lifted the region out of an immediate emergency, and conjunctive use helped keep water flowing to customers and down the American River for fish and wildlife. During the drought, water providers successfully shifted to using more groundwater, using 61 percent for supplies in 2014

compared to 45 percent in 2011 (a wet year).

The region also expanded conjunctive use infrastructure during the drought with \$10 million in emergency grant funding from the California Department of Water Resources. Through RWA, water providers had identified priority projects for funding that would augment water supply and increase the region's ability to move water to areas most impacted by drought. Projects included constructing or rehabilitating groundwater wells that increased production capacity by about 15 million gallons per day (MGD), a series of interconnections to enhance the region's ability to transport water between water districts by more than 50 MGD, booster pumps

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CONJUNCTIVE USE

to move water to areas otherwise dependent on gravity flow from Folsom Reservoir and improvements at the region's largest surface water intakes to allow continued diversions when river flows were extremely low.

Ultimately, the drought demonstrated that the Sacramento region had developed a solid foundation for reliability and conjunctive use through SGA and RWA. But the drought also exposed new vulnerabilities and prompted a renewed look at long-term planning in a future with climate change. In the future, surface water supplies are projected to become more variable, storms will be warmer and runoff will be earlier in the season, making it more difficult to store snowmelt runoff in Folsom Reservoir for use during the long dry summers.

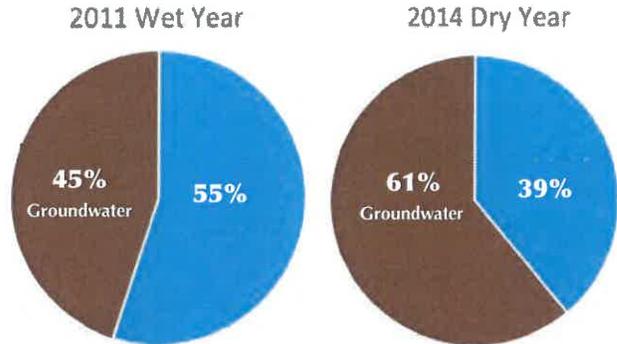
Expanding Conjunctive Use With Groundwater Banking

This year, water managers completed a Regional Water Reliability Plan to evaluate supply vulnerabilities and identify the most promising opportunities to improve long-term reliability at the water provider, community and regional levels. Chief among the plan's concepts now being explored is expanding conjunctive use by establishing a water bank in the underlying groundwater basin.

With water banking, water providers store — or bank — more water in the groundwater basin during wet years so that it is available when needed, making better use of the storage space for water already available in the aquifer. Initial estimates indicate that the basin has the potential storage capacity of nearly two million acre-feet — about twice Folsom Reservoir's storage. The best short-term opportunities exist with in-lieu recharge, expanding the

use of surface water to offset groundwater pumping that would otherwise occur.

Figure 2.



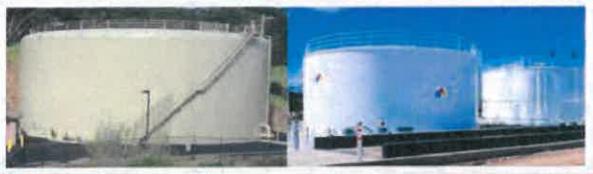
Infrastructure investments and operational changes have improved the ability to shift between surface water and groundwater depending on the year's hydrologic conditions.

The Sacramento region's water bank would be the first in California located north of the Delta, making it ideally positioned to provide substantial local and statewide benefits. The bank would provide the region with additional water for people during dry periods so that more water could flow down our rivers for fish and wildlife, as well as into the Sacramento-San Joaquin Delta and beyond to serve statewide needs. The bank also has the potential to manage water supplies in coordination with planned flood infrastructure projects and initiatives, so that flood waters can be captured during the rainy



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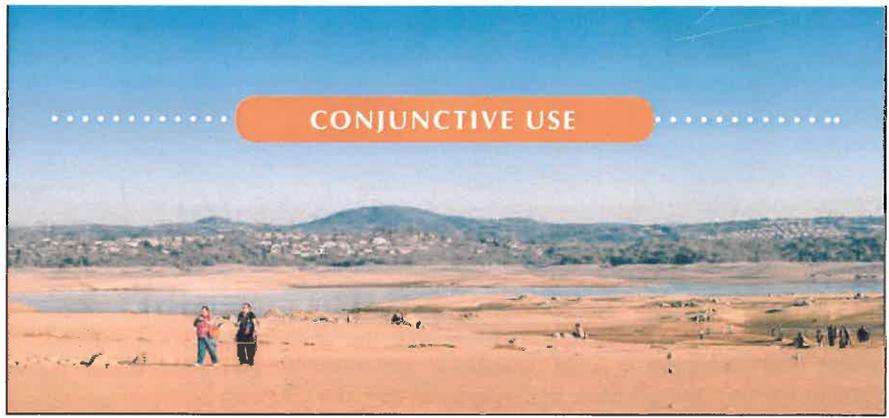
season rather than flowing to the ocean. The in-basin benefits provided by the bank will allow the region to continue to maintain sustainable groundwater basins, as required by SGMA.

The Sacramento region recently pilot tested the bank's potential through a regional groundwater substitution transfer. In 2018, RWA facilitated the transfer of 10,000 acre-feet of water from local suppliers to agricultural water users in the Central Valley. Rather than use surface water, participating water providers pumped groundwater instead, allowing their unused surface water entitlements to flow through the system to farmlands that might otherwise go unused. The revenues from such water transfers can be reinvested to further expand the region's conjunctive use facilities.

SGA developed a framework for the pilot project, creating draft operating and monitoring guidelines to ensure local water needs would be met first and that the groundwater basin would be protected. RWA facilitated the transfer with buyers and state and federal agencies. The pilot demonstrated that by adjusting operations, the region could sustainably recover banked water previously stored in the basin for use outside the region.

Just as they came together 20 years ago to develop a new framework for reliability through conjunctive use, water managers are now working to create a new framework for reliability through the water bank. This includes further defining guidelines for the bank's operations and monitoring, as well as exploring the bank's potential benefits to local and statewide reliability and the environment. Once again, the region is embarking on an ambitious project that will require years of analysis, planning and consultation with stakeholders, including those in the environmental community, other independent groundwater users and the public. Fully developing the water bank's potential also will require new investments to expand existing facilities such as new surface water diversions, water system interties between agencies, booster pumps, pipelines and additional groundwater wells to recover stored groundwater. While the future is never certain and bound to take unexpected turns, the groundwater management framework and partnership created through SGA and RWA is certain to provide a solid path. 💧

CONJUNCTIVE USE



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AGENDA ITEM 11: DIRECTORS' COMMENTS

**AGENDA ITEM 12: CLOSED SESSION UNDER GOVERNMENT CODE SECTIONS
54954.5(e) AND 54957(b)(1). PUBLIC EMPLOYEE APPOINTMENT**

Title: Executive Director